

# TRI ANNUAL REPORT 2013-2015



LIAISON OFFICE TO THE EU

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## 1. SOCIAL HOUSING AND STATE AID

A key goal of IUT's action in Brussels is the creation of a favorable legal framework for the development of social housing within EU Member States. Although under EU law social housing providers are exempted from state aid notification, the conditions to benefit from such exemption are rather strict. In particular, the companies entrusted with a mission of general interest can provide with social housing assistance only «**disadvantaged citizens**» who are not solvable under market conditions. Such a restrictive definition of the target group has created an unstable legal environment for the development of the social housing sector and a major obstacle to the achievement of social cohesion, a major objective of the Europe 2020 strategy. Against this background, the IUT has conducted several advocacy initiatives over the last four years.

### EESC and CoR for a broader definition

End 2012, the European Economic and Social Committee, adopted an opinion on “**Issues with defining social housing as a service of general economic interest**”. Mr. Raymond Hencks, rapporteur of the opinion, involved the IUT in the consultation phase and experts hearing. A crucial passage of the adopted opinion: «if budgetary constraints or an excessively restrictive interpretation of the definition of people who are disadvantaged or of socially less advantaged groups means that a Member State's social housing supply is no longer able to meet the needs of its citizens, as stipulated by its international commitments on the right to housing, universal access to decent and affordable housing will only be achievable through major public authority intervention in the private market». The text calls for a legal framework «favorable to the development of social housing in the EU», and which reflects «the specific needs of the sector»<sup>1</sup>.

Following the publication the Committee of Regions (CoR) launched a **petition “for a European social housing action framework”** on 6 May 2013,<sup>2</sup> which gathered 250 signatures from public authorities and housing stakeholders. The petition followed the publication “**A European agenda for social housing**”<sup>3</sup> and called the EU to let local authorities free to determine «how social housing is organized and which households are eligible» and to consider social housing as a productive investment to be «taken away from the 3% budget deficit target». When it comes to public authorities, they «should guarantee fair rents by law. Minimum quota for social housing should be set in areas with dense population and high migration rates».



<sup>1</sup> Full text downloadable at <https://toad.eesc.europa.eu/AgendaDocuments.aspx?pmi=ha5jDW%2BOWSEyzLDjgNgEKn%2Bqpx8zqr4bNT7NozpgeUg%3D>

<sup>2</sup> Full text at [https://secure.avaaz.org/en/petition/For\\_a\\_European\\_social\\_housing\\_action\\_framework/?eNXnGeb](https://secure.avaaz.org/en/petition/For_a_European_social_housing_action_framework/?eNXnGeb)

<sup>3</sup> <http://bookshop.europa.eu/en/a-european-agenda-for-social-housing-pbQG3012443/>

## European Parliament for minimum quota in big cities

The petition was closely linked to the **European Parliament's initiative report on social housing in the EU**, approved on 11 June 2013. The IUT contributed to the preliminary hearing of the EMPL committee and the discussions preceding the adoption of the text<sup>4</sup>. The European Parliament sent a clear message to the member states: investing in social housing is more than ever a need, as it contributes to social inclusion, economic growth and environmental objectives. Drafted by Karima Delli (Greens-EFA), the report asks the European Commission to set up an action framework for social housing in the EU in order to ensure consistency between the existing measures. IUT's claims to introduce minimum quota of social housing in dense cities as well as to allow social mix through fair allocation criteria, have been taken up. The text also warns member states about the increasing sale of social housing units and asks the European Investment Bank to put focus on financing affordable housing. In line with IUT policy, the report highlights the importance of protocol 26 of the Treaty under which public authorities should be let free to determine the scope of social housing according to local needs.

After many exchanges between the IUT Brussels office and local authorities' representatives in Brussels, the mayors of 30 European big cities adopted a **“resolution for social housing in Europe”** in January 2014<sup>5</sup>. The text highlights the need for social housing to target «broad levels of the population» and acknowledge the sector as a «strong engine for economic growth». The mayors demand to «cancel the restriction to disadvantages citizens or socially less advantaged groups» from the Almunia package on services of general economic interest. «Here, we comply with important stake

holders such as CECODHAS Housing Europe, the federation of public, cooperative and social housing, and IUT, the international union of tenants».



*Karima Delli MEP, rapporteur of “Social housing in the European Union”*

## SGEI decision to be revised

To ensure follow up to the Delli report on social housing, MEP Jutta Steinruck tabled a **written question to the European Commission** concerning the limitation of social housing to «disadvantaged groups»<sup>6</sup>. According to the German member of the S&D Group in the European Parliament, the current EU definition of the target group «is not compatible with Protocol No 26 to the TFEU». MEP Steinruck warned the Commission about the consequences of limiting social housing to a restricted group e.g. stigmatisation of tenants and

<sup>4</sup> Video of the hearing held on 18 December 2012, available at <http://www.europarl.europa.eu/ep-live/fr/committees/video?event=20121218-1500-COMMITTEE-EMPL>

<sup>5</sup> <http://www.eesc.europa.eu/resources/docs/resolution-for-social-housing-in-europe.pdf>

<sup>6</sup> <http://www.europarl.europa.eu/sides/getDoc.do?type=WQ&reference=P-2015-002640&language=EN>



marginalisation of the sector), and asked DG competition a revision of the “SGEI decision” and the deletion of its restrictive definition of social housing.

In her answer to the written question<sup>7</sup>, Ms. **Margrethe Vestager**, Commissioner on Competition, stated that «it is for Member states to determine the nature and scope of services of general interest like social housing» and that they «retain the right to define the social mix they consider most appropriate to reach their objective». She added that national decisions are «only subject to review by the Commission for manifest errors». The Commissioner could not give a clear answer as the European Court of Justice’s decision on the Dutch case was still pending at that time.

On 12 May 2015, the **General Court of the European Union** dismissed the objections of social landlords against the Commission’s Decision in the «Dutch case». Such decision - linking social housing to a « clearly defined target group of disadvantaged citizens or socially less advantaged groups » - resulted in a reduction of the income ceiling for social housing in the Netherlands. In the case at stake, the General Court declared its non-competence to judge the measures proposed by the Commission as part of the 2009 decision, advancing that «the acceptance of (those) useful measures by Dutch authorities makes them legally binding». This means that the court is not in the position to question an agreement between Dutch government officials and the EU commission<sup>8</sup>. The IUT reacted by asking the EC a revision of the SGEI decision.

The European Commission has not yet given an answer to the complaint launched by the French association of real estate (**UNPI**) claiming a revision of the target group of social housing in France.

sion of the target group of social housing in France.

In its general resolution, the 65th **Austrian Council of Cities and Towns** addressed the Austrian government to make sure that they will still be in charge for defining the criteria to access social housing<sup>9</sup>. This was a strong political action, followed by other initiatives at national and European level.

The IUT made its points at the **EUROCITIES** housing working group in November 2015, whose main outcome was the agreement on a position paper which asks the EC to delete the restrictive definition of social housing from SGEI decision’s recital 11<sup>10</sup>.

<sup>7</sup> <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=P-2015-002640&language=EN>

<sup>8</sup> <http://curia.europa.eu/juris/document/document.jsf?text=&docid=164463&pageIndex=0&doclang=NL&mode=lst&dir=&occ=first&part=1&cid=10310>

<sup>9</sup> <http://www.staedtebund.gv.at/presse/presseaussendungen/presseaussendungen-details/artikel/vollversion-der-resolution-an-den-65-oes-terreichischen-staedtetag-2015.html>

<sup>10</sup> <http://www.eurocities.eu/eurocities/documents/EUROCITIES-statement-on-state-aid-and-local-public-services-WSPO-A6TS4N>

High-level experts from European housing sector met November 13, 2015, at the **Vienna House** Brussels to discuss the **future challenges of social housing in Europe** and exchange ideas<sup>11</sup>. The event was co-organised by the Brussels offices of the IUT and the City of Vienna. The legislative and financial proposals elaborated to solve bottlenecks at European level will be used as blueprint for the work of the new EU urban partnership on housing, in which the IUT will be a key actor<sup>12</sup>.



*The participants in the Vienna House workshop, November 2013*

<sup>11</sup> <https://www.wien.gv.at/english/business/eu-strategy/social-housing-wokshop.html>

<sup>12</sup> <http://urbanagenda.nl/>

## 2. EUROPEAN SEMESTER AND COUNTRY SPECIFIC RECOMMENDATIONS

The European Union has set up a yearly cycle of economic policy coordination, called **European Semester**. As part of this process, each year the Commission analyses EU member states' reform programs and provides them with “**country-specific recommendations**” (CSRs). These recommendations also contribute to the objectives of the EU long term strategy for jobs and growth, so called “Europe 2020 strategy”.

IUT Brussels has been very critical towards the European Semester and the missing implementation of Europe 2020 social objectives. The Semester, and in particular the CSRs are merely concentrated on economic considerations, whereas the “social pillar” of the EU foundations is missing. The IUT has repeatedly criticized EU recommendations asking **Sweden** to deregulate its rental market and **Netherlands** to downsize its social housing sector.

In 2014 the IUT met with **DG ECFIN**, responsible for the drafting the country-specific recommendations. The Brussels delegation said very clearly that important achievement like rent negotiation and affordable housing provision should not be undermined by EU economic governance. Furthermore, IUT Brussels advocated for recommendations that take into account new societal challenges e.g. demographic change, job insecurity, migration, increasing labor mobility, and the increasing need for affordable rental housing. The main claim is that social investment in housing should not be accounted in the calculation of national deficits (the 3% deficit criteria). The **City of Vienna** and **Mietervereinigung Österreichs** (Austrian tenants union) expressed their criticism towards a working paper of DG ECFIN calling for

deregulation as a way to stimulate rental markets<sup>13</sup>.

Together with Housing Europe, the IUT met with the former **EU Commissioner for consumer protection**, Neven Mimica. The two associations presented him the worrying trends in housing e.g. the lack of affordable rental options and rising housing costs, and asked the Commission to set up a more coherent agenda on housing and urban issues<sup>14</sup>.

Other meetings were organized with the European Parliament in 2015, as part of the Housing Reference working group. Together with its allies in Brussels, the IUT is currently promoting a more “social Semester” and will contribute to the definition of a European “**social pillar**”.



*IUT and Housing Europe delegations in front of Berlaymont building*

<sup>13</sup> <http://derstandard.at/2000001438373/EU-Strategiepapier-macht-Mieterschuetzer-nervoes>

<sup>14</sup> [http://www.iut.nu/EU/2014/CECODHAS\\_IUT\\_Rental\\_The-Context2014.pdf](http://www.iut.nu/EU/2014/CECODHAS_IUT_Rental_The-Context2014.pdf)

### 3. RESPONSIBLE HOUSING INITIATIVE



#### Tenant's empowerment

The IUT has always claimed that social housing is not only about providing people with “a roof over their head”, but it should encompass a set of responsible practices in order to effectively achieve the social inclusion of residents. This means several things to tenants: involvement in decisions, proximity to services and jobs, provision of relevant information and training opportunities, etc. Following this vision, the IUT joined a European partnership working on Corporate Social Responsibility (CSR) consisting of Housing Europe and DELPHIS, a French network of social housing providers. In April 2013 the three partners kick-started the “**European Responsible Housing Initiative**” – **ERHIN** – a project co-financed by European Commission's DG Enterprise. ERHIN aimed at promoting social responsibility in the housing sector through the creation of a voluntary framework at European level. The main idea behind “responsible housing” is to improve tenants' conditions through fair relations and structured dialogue between landlords and their stakeholders, including tenants associations. The first step in the project was the creation of a European stakeholder forum which consisted of representatives of national tenants associations, housing providers, chartered surveyors, family associations, investment banks, civil society and public employer organizations, and local authorities. Barbara Steenbergen, Head of IUT liaison office to the EU, chaired the stakeholder forum<sup>15</sup>.

The first ERHIN “**stakeholder forum**” was convened at the EU Representation of the City of Vienna, 7 November 2013. Tenants' view was voiced by several IUT members i.e. CNL, DMB, and Woonbond, which promoted several ideas: “co-determination” in the rental sector i.e. tenants having a role in the management of housing companies (Zuhse, DMB); the need of social housing estates “close to services and jobs” (Eddie Jacquemart, la CNL); and last but not least, the proposal of “minimum energy standards in the rental sector” (Ronald Paping, Woonbond). The first meeting led to the definition of “responsible housing”, and for the definition of assessment criteria for the first **European CSR Awards in the sector**.



*ERHIN Stakeholder Forum, 1st meeting at Vienna House Brussels*

<sup>15</sup> <http://www.responsiblehousing.eu/en/Responsible-Housing/The-Responsible-Housing-Stakeholder-Forum/The-European-Responsible-Housing-Stakeholders-Forum/>



## European Declaration and CSR Code of Conduct

Barbara Steenbergen firstly presented the project to an international audience at **UNECE conference “The future of social housing in Europe”**, held in Geneva on 4 February 2014. That same year, the ERHIN stakeholder forum met on 12 February at Hanse-Office to draft the **Responsible Housing Declaration and CSR Code of Conduct**. The Danish tenants’ association pointed out the need for a level playing field between tenants and social landlords following Denmark, where tenants sit in the board of social housing companies (Helene Toxvaerd, LLO). Housing Europe, the European umbrella association of social landlords, agreed upon two texts which set clear principles for sustainable investment in affordable housing, its maintenance and renovation, as well as on fair relationships with stakeholders. This was a crucial moment for the promotion of tenants’ participation at EU level. While the Declaration is a political commitment to CSR, signed by different housing stakeholders, the Code is a set of business practices that individual housing companies shall enforce to qualify as “responsible housing providers”. Main IUT claims have been included in the text e.g. affordability, proximity to services, security of tenure, energy efficiency (when affordable) and green areas, promotion of social mix and tenant’s participation... That’s why it is important that the IUT network promotes the Code at national and local level.

The meeting of 7th may held at the German speaking community representation was dedicated to the selection of **best CSR practices in 5 different areas**: social, economic, environmental, governance and human resources. More than 70 applications were received, from 12 different European countries.



*ERHIN meeting in Brussels, 7 May 2014*

## International Tenants’ Day and European Responsible Housing Awards 2014



**EUROPEAN RESPONSIBLE  
HOUSING AWARDS 2014**

<sup>16</sup> <http://www.unece.org/index.php?id=33997#/>

<sup>17</sup> Representation of Hamburg and Schleswig-Holstein to the EU

<sup>18</sup> <http://www.responsiblehousing.eu/en/Responsible-Housing/European-Declaration-on-Responsible-Housing/>

<sup>19</sup> <http://www.responsiblehousing.eu/en/Responsible-Housing-CSR-Code-of-Conduct/Code-of-Conduct/>



The European Responsible Housing Declaration and the Code of Conduct were officially presented at the **International Tenants Day 2014**, October 6th in Brussels. Tenants' participation was the leit-motiv of the panel debates held in the morning session, which focussed on the different dimensions of responsible housing.



*Mellouki Cadat (MOVISIE), Shazia Ishaq (Foundation MOI) and Ronald Paping (Nederlandse Woonbond)*

**Scottish housing Minister Margaret Burgess**, and **Vienna Housing Councillor Michael Ludwig** supported the Declaration and gave a passionate speech on the importance of institutionalised tenants' participation, responsible housing policies and sustainable investment in affordable housing. The event was attended by more than **200 participants**, including representatives from the housing sector, civil society, European and national institutions. **Tenant's empowerment** was debated in the morning by four panels of high level speakers and tenants' representatives.



*Margaret Burgess, Scottish housing minister at International Tenants Day*



*Signatories of the European Declaration on Responsible Housing*

Best CSR practices were rewarded in the afternoon session. The winning housing associations in the different categories were: RCT Homes (Wales) in "economic responsibility and sustainability", for its extensive vocational training programs targeting young tenants; Eigen Haard (Netherlands) in "local social sustainability", for enhancing neighbourhoods through partnerships with local associations; Société Dauphinoise de l'Habitat (France) in "environmental sustainability" for renovating buildings at zero cost for the

tenants; Dansk Almennyttigt Boligselskab (Denmark) in “good governance and fair relations with stakeholders”, for effective residential democracy and tenants’ empowerment; Habitat 62/59 Picardie (France) in “responsible human resources management”, for ensuring safety at work in an inclusive and innovative way. Marco Curavić (European Commission, DG Enterprise) welcome the initiative as **«a lighthouse project in the sector, which will contribute to the spread of CSR practices in the European Union»**.

## The follow-up

The IUT continued the promotion of EHRIN after the formal project end (EC financing ended in November 2014). A first important result achieved in 2015 was **North Rhine Westphalia’s signature of the European Declaration** by its housing Minister Michael Groschek<sup>20</sup>. NRW is a German Land counting 18 million inhabitants.

North Rhine Westphalia was followed by **EU-RHONET**, a European network gathering housing providers from 6 different countries (France, Germany, Italy, Netherlands, Sweden and UK), a further step towards responsible and affordable housing in Europe.

The project partners agreed to go on with a **second edition of the Responsible Housing Awards in 2016**<sup>21</sup>.



*Barbara Steenbergen (IUT Brussels) with Michael Groschek (NRW Housing Minister) and Felix von*

<sup>20</sup> Press release in German available at [http://www.mbwsv.nrw.de/presse/pressemitteilungen/Archiv\\_2015/2015\\_02\\_24\\_Verantwortungsvolle\\_Wohnungswirtschaft/index.php](http://www.mbwsv.nrw.de/presse/pressemitteilungen/Archiv_2015/2015_02_24_Verantwortungsvolle_Wohnungswirtschaft/index.php)

<sup>21</sup> <http://www.responsiblehousing.eu/en/European-Responsible-Housing-Awards/Overview/>

## 4. LOBBYING FOR ENERGY AFFORDABILITY

### Conferences and meetings

As key stakeholder of the EC working group on vulnerable consumers, in 2013 the IUT has highlighted that tenure status – together with low income and inadequate housing – is amongst the drivers of vulnerability. As a result, being a tenant has been acknowledged as a situation that exacerbates energy poverty. Furthermore, the IUT stressed that energy efficiency is the best long term solution to fight energy poverty. On 26 September Nederlandse Woonbond gave a presentation on the Dutch “**Covenant on energy savings in the rental sector**”, a balanced solution to the problem of “split incentives” between landlords and tenants when it comes to energy efficient renovation.



*Davide Lanzillotti, IUT policy officer*

In 2014 the IUT participated in several events on energy issues. The European Commission organised an interesting workshop on “**Overcoming the split incentive barrier in the building sector**” which was held in Namur, March 13th. The workshop was about the implementation of energy efficiency directive’s article 19 concerning the division of costs and benefits of energy renovation in the rented sector<sup>22</sup>. The IUT raised

awareness about the problems that tenants face in many European cities, where rents undergo substantial increases following energy improvements, and called for “cost-neutral” renovations. This was also stressed at the fourth annual convention of the European Platform against Poverty and social exclusion (EPAP convention), which was held on 20 November in Brussels<sup>23</sup>.

The **Vulnerable Consumers Working Group** was reconvened in 2015. Davide Lanzillotti gave a presentation on the « split incentives » problem in the rental market. EU and national policies do not provide the necessary financial incentives to overcome this problem. In addition to this, the IUT highlighted that some forms of rent regulation like the Dutch “points system” may play an important role in solving the issue, stimulating landlord’s investment while keeping rents at an affordable level.

Together with ASLOCA and CNL, the IUT participated in the **Swiss conference** “Energy transition in a tenant’s perspective”, held in Bern on 3 July. The conference was jointly organised by the Swiss Tenants Union and the Swiss Energy Foundation. More than 100 people attended the event. Barbara Steenbergen provided the audience with examples of sustainable models for energy renovation in the rented sector.

<sup>22</sup> <http://iet.jrc.ec.europa.eu/energyefficiency/workshop/overcoming-split-incentive-barrier-building-sector-workshop>

<sup>23</sup> <http://ec.europa.eu/social/main.jsp?langId=en&catId=88&eventsId=1008&furtherEvents=yes>





*Board of Swiss Tenants Union, Bern/Geneva, together with Anne Lucet-Dallongeville from CNL France*

During a **meeting with Commissioner Sefcovic Cabinet**, August 28th, the IUT criticised the EU fragmented approach to energy poverty and the lack of communication between the different Commission's DGs. IUT also highlighted that the costs for energy efficient improvements are directly passed on to tenants in the majority of EU countries. The Commission will develop a « Smart Finance for Smart buildings » initiative to facilitate access to existing funds.

On the occasion of Woonbond 25th anniversary, 10 October 2015, the IUT Brussels held an **“energy workshop” in Utrecht**. Members of the Dutch union attended the session and discussed energy-efficient solutions for the rented sector.

In 2016, IUT Brussels engaged in cooperation with Woonbond in the area of energy poverty and energy performance of rental dwellings.

## Revision of EU legislation: IUT contribution

Buildings are central to EU energy efficiency policy as nearly 40% of final energy consumption is in houses, offices and shops. The IUT has advocated for better housing standards and sustainable energy renovations, whose burden should be fairly shared between all parties at stake. As part of the negotiations on the European Investment and Structural Funds, the IUT lobbied for an increased earmarking of funds for energy renovation, with the result that up to 20% of the **European Regional Development Fund (ERDF)** can be used for the energy-efficient refurbishment of buildings.

In 2014, the IUT contributed to the Committee of the Regions' report on **“Affordable energy for all”**<sup>24</sup> which emphasizes the need for tackling energy poverty at both EU and national level and recommends measures to prevent customers' disconnection to be combined with subsidies for increased energy efficiency.

In February 2015, the European Commission adopted the **Energy Union package** which announced the revision of important pieces of legislation (EED and EPBD)<sup>25</sup> and the introduction of new financing schemes to achieve energy savings. Most interesting item for IUT was the communication on a new deal for energy consumers which is based on a three pillar strategy: better information to help consumers saving money; better choices on the energy market; and a high level of consumer protection.

<sup>24</sup> [http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C\\_.2014.174.01.0015.01.ENG](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.174.01.0015.01.ENG)

<sup>25</sup> EED = Energy efficiency directive. EPBD = Energy performance of buildings directive.

Some IUT members participated in the European Commission's **survey on the implementation of the Energy Performance Certificates**. The results are controversial, in the sense that different stakeholders gave different answers. Generally speaking, it seems that there is room for improving the quality of the certificates, their advertisement and effective delivery to consumers.

During the EC stakeholders **consultation on “heating and cooling”**, held on 9 September, the IUT pointed out that the deployment of renewables and energy efficiency should be made attractive and affordable for consumers, especially in the rented sector.

As part of the evaluation and review of the **Energy Performance of Buildings Directive**, the Commission published a **public consultation** to be answered by relevant stakeholders. In October 2015, the IUT delivered a common answer to the consultation in October 2015, with the following key messages:

- strengthening the link between energy performance and rent prices
- harmonising calculation methods for energy performance at country level
- delivering energy performance certificates to potential tenants and new tenants
- displaying EPCs in common parts of residential buildings
- ensuring transparency on energy costs
- enforcing the obligation to advertise EPC indicators in commercial media
- providing larger public incentives to meet the goals of the directive.

In 2016, the Commission organised a series of stakeholder meetings as part of the

follow up to the communication “Delivering a new deal for energy consumers”<sup>26</sup>.

The IUT attended a workshop on “metering and clear billing”. Mariell Juhlin, Chief Economist of the Swedish Union of Tenants defended the Swedish model of gross rent, which might be undermined by stricter EU obligations on metering in residential buildings.



*On the left, Mariell Juhlin (SUT Chief Economist)*

<sup>26</sup> <https://ec.europa.eu/energy/en/news/new-electricity-market-consumers>



## 5. PUBLICATIONS AND PARTNERSHIPS

### IUT Congress in Krakow: launch of “EU Guide” and “Tenants milestones”

23-27 October 2013, the Brussels delegation contributed to the IUT Congress in Krakow through two main initiatives: the launch of the “EU guide for tenants unions”, and the political coordination of the “Tenants milestones for the elections of the European Parliament”.



*IUT members in Krakow city center*

The “**EU guide for tenants’ unions**”, written by Davide Lanzillotti, is a practical handbook which aims at facilitating dialogue within the IUT through a better understanding of EU institutions, processes and policies, especially those having an impact on tenant’s life. The guide is also a compendium of the advocacy actions taken by the IUT liaison office to the EU. It includes valuable information for IUT member and partner associations.



*“EU Guide” front cover*

The “**tenants’ milestones**” gathers IUT members’ claims towards the **European Parliament** notably: 1) the enforceability of the right to housing; 2) EU state aid rules which favour investment in social and affordable housing; 3) EU public funding to be channelled to investment in energy efficiency of buildings for low and medium income groups; 4) tenure neutral policies at EU and Member State level. The aim of these recommendations is to influence the work of the new elected Members of the European Parliament for the period 2014-2019<sup>27</sup>.

<sup>27</sup> <http://www.iut.nu/EU/TenantsMilestones.pdf>



## Tenants' Milestones for the new European Parliament 2014-2019

The Social Dimension of the European Urban Policy - Tenants make cities!

- 1) Everybody should have the right to affordable and decent housing- the right to housing is a fundamental right
- 2) EU state aid rules must favour investment in affordable rental housing - the allocation of social and affordable rental housing has to be decided at Member States' level
- 3) Fight energy poverty: ensure that enough EU-public funding is committed to make energy-efficient housing affordable for low and middle-income groups
- 4) Tenure neutral policies – redirect funding towards affordable rental housing

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*IUT manifesto for EU parliamentary elections  
2014*

## Joint initiative with DMB and PAH

IUT Brussels organized a press conference with **Deutscher Mieterbund (DMB)** and **Plataforma de Afectados por la Hipoteca (PAH)** on 5 December 2013. Main theme was the critical situation in Spain, where 415000 foreclosure proceedings were initiated between 2008 and 2012. Main message was the need for more consumer protection and the introduction of measures to prevent evictions. The IUT published a joint press release

with **Housing Europe** on the theme of evictions a few days after the conference with PAH<sup>28</sup>.



*Joint press conference with PAH and DMB, 8 December 2013, Brussels*

## TENLAW and NEF

The IUT participated in the final conference of the TENLAW project in Budapest, on 10-11 September 2015. TENLAW is a **comparative study on tenancy law and housing policy in Europe**<sup>29</sup>, co-financed by the EU and carried out by a team of academic researchers from different European countries. Davide Lanzillotti presented EU policy developments which are affecting national housing policies the most. He promoted and explained the “IUT milestones” i.e. tenure neutrality, “social rent law” and the need for affordable rental housing. The speakers and audience agreed with the need for more tenure-neutral policies in Europe as a way to meet different needs and prevent households’ indebtedness.

<sup>28</sup> [http://www.iut.nu/EU/Pressreleases/CECODHAS\\_IUT\\_Evictions2.pdf](http://www.iut.nu/EU/Pressreleases/CECODHAS_IUT_Evictions2.pdf)

<sup>29</sup> <http://www.tenlaw.uni-bremen.de/>

Next step of the project team is to come up with recommendations on a “European role in tenancy law and housing policy”. As these are national competences, setting up an open **method of coordination** may be the only possible EU role in those matters. IUT Brussels will closely follow the debate.

The **New Economics Foundation**, an independent think tank based in London, held a two days conference in Copenhagen on September 10th, 2015. The economic theories of Thomas Piketty were discussed in the light of relevant policy fields. Ander Wijkman, co-chair of the Club of Rome, concentrated on the banking sector, whereas Barbara Steenbergen gave a speech on the market failures related to housing. NEF is a strategic partner as it is building support for affordable housing policies in UK.

## Strengthening ties with members

In the last three years, IUT Brussels has strengthened ties with its member unions, in particular with **CNL** (France) and **Woonbond** (Netherlands) by working on issues like energy poverty, energy performance of buildings and state aid to social housing associations.

The Brussels delegation joined the **CNL congresses** held in Grenoble (2013) and Paris (2016). IUT Board member Eddie Jacquemart became president of the French association in 2013. Under his presidency he committed to strengthen CNL work on international and European activities, by setting up a working group named “**Pôle Europe et international**”.



*IUT members and staff at CNL Congress 2013, Grenoble*

In 2014 and 2015, Davide Lanzillotti gave seminars to CNL members on EU issues and participated in the international events organised by the French union. On 4 July 2015, he gave a speech at **CNL conference on housing cooperatives**. He presented the results of his research and argued that public authorities should provide more support to this form of housing tenure. Cooperative housing may be a solution to the two-fold crisis – financial and political – as it prevents speculation and increases residents’ participation.



*The panelists at CNL conference on housing cooperative at Mairie de Paris XVIII, 4 July 2015*



Developments in French housing policies are very important to IUT, so that the Brussels delegation attended the general assemblies of **USH** (French social landlords) federation in 2013 and 2015. At 2013 congress in Lille, Barbara Steenbergen joined the CNL demonstration for more affordable housing construction. President Hollande attended USH assembly in Montpellier, 24 September 2015, where Barbara joined a public debate on social housing and energy efficiency.



*Barbara Steenbergen and François Hollande at CNL congress in Montpellier*

At Deutscher Mietertag 2015 in Hamburg, Sven Bergensträhle delivered a passionate speech to 600 delegates. The 125th anniversary of Mieterverein Hamburg was celebrated on the occasion.



*IUT delegation at Deutscher Mietertag 2015, Hamburg*

Ronald Paping (Nederlandse Woonbond) and Barbara Steenbergen met with **Dutch Labour Party (PvdA)** in The Hague, 14 November 2013. They launched a motion for a review of the income ceiling for social housing allocation. In the Netherlands many people are excluded from the housing market because they are considered “well-off” although they can’t afford housing at market prices. A few days after, the Tweede Kamer voted in favour of an increased income limit of EUR 38000.

On the occasion of **Woonbond 25th anniversary**, 10 October 2015, the IUT Brussels held an “energy workshop” in Utrecht. Members of the Dutch union attended the session and discussed energy-efficient solutions for the rented sector. **Queen Maxima of the Netherlands** attended Woonbond’s congress and discussed housing-related issues with Barbara Steenbergen and Sven Bergensträhle.



*Queen Maxima of the Netherlands and IUT team at Woonbond 25th anniversary*

Four IUT board members were actively involved in the **European Responsible Housing Initiative**. CNL, Deutscher Mieterbund, LLO and Woonbond came to Brussels to negotiate the European Declaration on Responsible Housing and the CSR Code of Conduct. Also, they participated in the **Jury** meetings for the selection of best CSR practices in the housing sector<sup>30</sup>.

In 2015, a key result of the cooperation with members was the IUT answer to the **Commission's consultation on the Energy Performance of Buildings Directive**, to be followed up by legislative initiatives in 2016 and 2017.

In 2016, the social policy debate at EU level will be dominated by the **“Pillar of social rights”**. The IUT will contribute to this debate.

<sup>30</sup> See chapter on European responsible housing initiative.



## 6. SETTING THE SCENE FOR AFFORDABLE HOUSING

### EU Housing ministers meeting and follow up

IUT's contribution to European Parliament's report on social housing in the EU was the first brick of the "affordable housing" campaign.

On 10 December 2013, IUT President Sven Bergenstråhle gave a passionate speech at the **informal meeting of the EU housing ministers in Brussels**. The need for more tenure neutrality in national housing policies and for a larger rental housing sector were the main messages conveyed to the audience. The ministers were impressed by the positive correlation between GDP and availability of rental dwellings. They ministers produced a communique in which they agreed on the need to develop a **strategy to fight housing exclusion** and to support **new financing methods for affordable housing**. In this respect, they emphasized the importance of the European Investment Bank to meet the need for affordable housing in the EU<sup>31</sup>.



*IUT President Sven Bergenstråhle at EU housing ministers meeting, 10 December 2013, Brussels*

After the call of the EU housing ministers, the European Parliament adopted the resolution on an "EU homelessness strategy" in January 2014.

The MEPs recognized that there is an increasing demand for affordable housing and therefore Member States are asked to develop social and affordable housing in order to prevent social exclusion and homelessness. Furthermore, «in cooperation with tenants' organisations», they «should implement effective prevention policies to reduce the rate of evictions»<sup>32</sup>. In March 2014, the EP has adopted another report: "**Employment and social aspects of the role and operations of the Troika**". Its article 78 calls Member States and local authorities to introduce neutral housing policies that favour social and affordable housing, tackle the issue of housing vacancy and implement effective prevention policies to reduce the number of evictions<sup>33</sup>.



*Family picture of EU housing ministers*

<sup>31</sup> <http://www.doulkeridis.be/blog/2013/12/11/le-logement-axe-essentiel-pour-sortir-de-la-crise/>

<sup>32</sup> <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2014-0043+0+DOC+XML+V0//EN&language=EN>

<sup>33</sup> <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2014-0240+0+DOC+XML+V0//EN&language=EN>

## Housing and IUT role in the EU urban agenda

On 17 February 2014, the IUT participated in the “**Cities of tomorrow**” summit which gathered the Mayors of European capitals in Brussels. The question of the opportunity and possible content of an EU urban agenda was raised and discussed by participants, and a public consultation was open until September 2014. A group of mayors led by Michael Häupl (Vienna) launched the “**Resolution for social housing in Europe**”<sup>34</sup>, an initiative strongly promoted by the IUT and signed by 30 cities. In addition to Vienna, the mayors of capital cities like Amsterdam, Berlin, Copenhagen, Dublin, Lisbon, Paris, Prague, Rome and Zagreb called for the preservation of social housing in Europe. The Commission was invited to «leave the definition of social housing’s target group up to regional and local authorities»<sup>35</sup>. The IUT is clearly mentioned as a major stakeholder supporting a wider target group for social housing.



*Dr. Michael Häupl (Mayor of Vienna)*



*Michaela Kauer, Director of Vienna liaison office to the EU, at press conference on the Resolution*

In 2015, the IUT joined forces with Housing Europe and EUROCITIES to create a “**housing reference group**” within the European Parliament. The goal is to gather MEPs and decision makers to inform them on housing-related issues. Four main areas/issues where EU institutions could help to reach more affordable, quality and energy efficient homes were identified:

1. The EU Cohesion Policy
2. The European Fund for Strategic Investments (EFSI), the so called « Juncker Plan »
3. The SGEI/ State aid legislative framework
4. The European Semester

### High level stakeholder group: the new EU partnership on housing

In October and December 2015, IUT Brussels participated in the EESC hearings on the role of civil society in the “EU urban agenda” where the

<sup>34</sup> <http://www.iut.nu/EU/2014/Update%20Resolution%20Social%20Housing%20Jan%202014.pdf>

<sup>35</sup> <http://www.eesc.europa.eu/resources/docs/resolution-for-social-housing-in-europe.pdf>

importance of affordable housing and social mix in European cities were stressed<sup>36</sup>. These objectives are undermined by current SGEI rules. The IUT also pointed the need to review the EU deficit criteria of the European semester. The main goal of the EU urban agenda is to involve cities in the design of policies at EU and national level, and to mobilise them in the implementation phase<sup>37</sup>. The agenda will focus on 12 key priority themes; two important cross cutting issues will be urban planning and the availability and quality of public services of general interest e.g. social housing. Each of the 12 priority issues will be covered by a partnership which will work on an action plan in the next 3 years. In light of the work done in Brussels, the IUT **has been nominated member of the partnership on housing**. As one of the four pilots of the EU urban agenda, this partnership will explore ways how to guarantee affordable housing for European citizens. The partnership consists of Netherlands, Slovakia, Luxembourg, Latvia and Slovenia as EU Member States; Riga, the Scottish Cities Alliance and Vienna as local authorities; Eurocities; the International Union of Tenants from the consumer side, AEDES and Housing Europe from the provider side; several Directorates General of the European Commission and the European Investment Bank.



*Director General Mrs. Elena Szolgayova from Slovakia and Dutch Urban Envoy Mr. Nicolaas Beets in Prague (Source: urbanagenda.nl)*

## EU finance for housing

After many years of lobbying by IUT and Housing Europe, housing has been acknowledged as a key element of regional and urban development and it is therefore eligible for EU funding. Indeed, an amendment to the **European Regional Development Fund** in 2009 earmarked its 4% for **investment in energy efficiency** and renewable energies in the residential sector. ERDF support generated more than a billion euro investment in social housing in the period 2009-2013 in France, which resulted in a significant reduction of heating bills for 50000 households according to USH estimates<sup>38</sup>. In view of the new funding period, the IUT argued for a continuation of the support provided by the ERDF for housing-related projects. IUT Brussels presented its proposals for the new programming period in a speech held at the European Parliament in Strasbourg highlighting in particular the need for direct management of relevant funds by local authorities. As part of the new regulation, this is now possible as part of the so-called **Urban Innovative Actions**<sup>39</sup>.

In the period 2014-2020, 20% of ERDF shall be spent on energy efficiency and renewable energy in more developed and transition regions, and 6% in convergence regions. This will result in a minimum allocation of some EUR 17 billion; no limit is set for energy-related investment in the housing sector. Moreover, under Horizon 2020 EUR 6.5 billion is to be allocated to research and innovation in “Secure, clean and efficient energy”. A relevant share of this budget is allocated to the **“market uptake of energy innovation”** for projects facilitating the energy policy implementation, supporting capacity building and acting on public acceptance.

<sup>36</sup> EESC opinion available at <http://www.eesc.europa.eu/?i=portal.en.eco-opinions.36769>

<sup>37</sup> <http://urbanagenda.nl/>

<sup>38</sup> Europolitics, No 4238, p. 14.

<sup>39</sup> <http://www.uia-initiative.eu/>



The IUT is currently involved in a partnership on deep renovations.

In November 2014, the European Commission together with the European Investment Bank presented a EUR 315 billion Investment Plan, raising high expectations on what will be the EU role in stimulating growth. Core of the package is the new **European Fund for Strategic Investment (EFSI)** through which the Commission wants to «break the vicious circle of lack of confidence and low investment». EFSI is based on a **EUR 16 billion EU guarantee**, which will offer a specific cover to the investments financed by the EIB Group in case there are any losses. In addition, the EIB is contributing a **EUR 5 billion capital allocation**. The total EUR 21 billion endowment will allow the EIB group to back financing worth in total approximately EUR 61 billion over the investment period, on top of its ordinary base activity. Other sources of public and private sector finance are to be mobilised to support investment worth much more than the EFSI financing provided. The investment plan cover different priorities, including renewable energy and resource efficiency, **urban and social projects**<sup>40</sup>. Through a **joint press release with Housing Europe**, the IUT welcomed the opening of the Investment Plan to affordable rental housing construction and refurbishment<sup>41</sup>. In **France**, the construction of 13000 social housing units has already been financed as well as the refurbishment of 40000 dwellings<sup>42</sup>.

Along with EFSI, the **European Investment Bank** finances housing projects through its “classical” lending. Examples include a lending programme which will finance **urban renewal and social housing projects** in the UK<sup>43</sup>, and an agreement signed with Dutch social housing coopera-

tive Portaal which represents the first of its kind<sup>44</sup>.

In addition to that, EIB is actively contributing to addressing the current refugee crisis, notably by **financing up to 100% of housing projects for refugees** in the form of loans to local authorities. The first loan ever was granted to the German Land of Brandenburg (EUR 120 million).



*Gerry Muscat (EIB), Jan Olbrycht (MEP) and Hella Dunger-Löper (state secretary Berlin) at EIB conference on the refugee crisis.*

<sup>40</sup> [http://www.eib.org/attachments/press/investment\\_plan\\_for\\_europe\\_qa\\_en.pdf](http://www.eib.org/attachments/press/investment_plan_for_europe_qa_en.pdf)

<sup>41</sup> [http://www.iut.nu/EU/Pressreleases/HousingEurope\\_IUT\\_26112014\\_2.pdf](http://www.iut.nu/EU/Pressreleases/HousingEurope_IUT_26112014_2.pdf)

<sup>42</sup> <http://www.eib.org/efsi/efsi-projects/index.htm>

<sup>43</sup> <http://www.eib.org/infocentre/press/releases/all/2014/2014-233-eib-banking-unlocks-gbp-1-billion-social-and-urban-investment-across-london.htm?lang=en>

<sup>44</sup> <http://www.eib.org/infocentre/press/releases/all/2016/2016-016-portaal-in-zee-met-europese-investeringsbank.htm?lang=en>