



January 2019

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EU-Partnership for affordable housing presents final Action Plan in Vienna

Three years of intensive work have come to a successful end- in the spirit of a true multi level cooperation!

The Action Plan¹ has been not only published and sent to the Austrian EU presidency, it also received immense attention at the final conference in Vienna and the international press.² Thanks to the hard work of the IUT working group and the IUT board a lot of hands-on **recommendations for security of tenure and rent control** have been incorporated- this makes us even more proud and happy!

¹ The final **Action Plan**:

<https://ec.europa.eu/futurium/en/housing>

Press text of the final Meeting of the Housing Partnership Vienna - Action Plan 1 -

<https://ec.europa.eu/futurium/en/housing/presentation-action-plan-and-discussion-follow-final-meeting-housing-partnership-vienna>

Press release on Action Plan 2 of the Housing Partnership -

<https://ec.europa.eu/futurium/en/housing/empowering-cities-invest-affordable-housing>

Press release on Action Plan 3 of the Housing Partnership -

<https://ec.europa.eu/futurium/en/housing/better-knowledge-base-and-exchange-good-policy-and-practice-housing>

² <https://housing-for-all.eu/press-review/>

Quoting the coordinators **Michaela Kauer** and **Elena Szolgayová**: “Our results, the Action Plan, lay the foundation to build a comprehensive, evidence-based and sustainable agenda for affordable housing on EU level and they will help cities in securing the right to housing for their populations. The next steps will be to contribute to a sound implementation process, at all levels of governments and in our organisations, and together, in the team spirit we upheld the past three years.”



Members of the partnership in the city hall of Vienna, in the center the coordinators **Michaela Kauer** and **Elena Szolgayová** together with **Peter Hanke**, Executive City Councillor for Finances and European Affairs

©Photo: Wolfgang Safar/City of Vienna.

Housing For All- IUT presents at International Housing Conference

More than 300 representatives of the EU institutions, politicians from European Member States, cities, housing providers, **tenants' representatives from Austria, Czech Republic, Germany, the Netherlands and Sweden**, trade unions and scientists from 36 countries have discussed Europe's housing challenges at the Vienna conference „Housing for all- affordable housing in growing cities in Europe” on the 4 -5 December.³ The findings of the EU Urban Agenda Housing Partnership were presented to the public audience. All speaker's contributions - including IUT's -can be watched here: <https://housing-for-all.eu/videos/>

“Housing is a human right – not a commodity”emphasises **Leilani Farha**, since 2014 the **UN Special Rapporteur on adequate housing**. At the conference, the Canadian lawyer and activist presented her initiative “Make the Shift”, which is to support municipalities and city administrations in responding rapidly to this negative development. “The speed and extent to which financial enterprises and funds take over housing space and real estate, causing a lack of affordability as well as crowding-out effects and homelessness in the cities, are staggering. Housing is a key issue of the 21st century”⁴.

Michael Ludwig, Mayor of the City of Vienna, affirms: “After all, the free market will never supply broad parts of the population with affordable housing. Specific policies are therefore needed to attain this goal. The ‘Partnership on Housing’ within the scope of

the EU Urban Agenda has developed concrete legislative proposals for the EU Commission which should be implemented without delay. Now it is the turn of the EU legislators – and of the European Commission, all EU Member States and the European Parliament. Europe must act now and take measures to combat undesirable developments in Europe's housing markets”.



Presenting the first issue of the final **Action Plan** with all signatories at the Vienna international housing conference

62% of Vienna's inhabitants live in subsidised dwellings, in 220,000 municipal flats and more than 200,000 in subsidised flats located all over Vienna. **Vienna's City Councillor for housing Kathrin Gaál** commented. “In the areas of subsidised housing construction and municipal flats, there are no real-estate agent's commissions, no location premiums and no re-rental effects causing skyrocketing rents. There are only unlimited tenancy contracts and capped rents – this is a situation that exists nowhere else to this extent. Since income thresholds for these flats were deliberately set relatively high, middle-income households have access to these flats, with net rents of 4 to 5 Euros per square meter.”

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<https://www.flickr.com/photos/154411916@N08/s/72157674210737687/with/31246164427/>

⁴ <https://www.youtube.com/watch?v=k9Q4So4femM>

European Responsible Housing Awards- call for projects open now!

We are happy to announce that the 3rd edition of the **European Responsible Housing Awards** has been launched. Housing providers all over Europe (not restricted to EU member states) are invited to submit their responsible projects for affordable housing and tenants empowerment.⁵ **The jury of the ERHIN Awards counts 6 IUT members**, the first meeting is scheduled March 21 in Brussels. The awards ceremony will take place in Lyon within the International Social Housing Festival June 6th in Lyon, France. Be part of this unique celebration of affordable housing! Watch the launch video of the ERHIN-Awards and share it widely:

<https://www.youtube.com/watch?v=U90yIJF4tI>



⁵ Apply here:

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

ECJ final ruling on the “Dutch case” of social housing

November 15 the European Court of Justice published the judgement in the „**Dutch Case**“ of social housing. The judges dismissed the case completely⁶:

After 9 years of legal proceedings, this is a bitter loss for the Dutch housing corporations. The ECJ- in line with the EC- insists on the „socially disadvantaged“ as target group for social housing, but acknowledged that they are open for other definitions than income limits.⁷

This is the end of legal means- the only way left is a political solution. The EU partnership for affordable housing decided that the definition of the target group in the EC SGEI decision has to be deleted completely.

IUT starts EU elections campaigning in Prague, Biel and Berlin

Mission accomplished: the IUT general housing policy working group, chaired by **Dan Nicander** (SUT) finalized the **IUT priorities for the European Parliament 2019-2024**. In their meeting in Prague the last finetuning was debated, especially the compatibility with housing policy in Central and Eastern Europe. The Czech Union of Tenants (SON) hosted the meeting and the IUT representatives **Milan Taraba** (SON-President) and **Lenka Tarabová** contributed with reports on the latest developments for a Czech law on social housing and organized a visit of the Czech

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<http://curia.europa.eu/juris/document/document.jsf?text=&docid=207808&pageIndex=0&dclang=NL&mode=req&dir=&occ=first&part=1&cid=1442484>

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Senate. The IUT priorities for the EU Parliament are an advocacy document for affordable housing and the protection of tenants which can be used as a manifesto for the EU elections.

The IUT Executive Committee met December 16-17 in Biel the board of the **Swiss Union of Tenants**.

In **Swiss general assembly** in Biel/Bienne, main theme was the rejection of the National Parliament of a 10% quota of not-for-profit housing and better rent control mechanisms.⁸

Only 5% of all housing in Switzerland are not for profit cooperatives- and for the remaining 95% rent and price caps are not effectively executed. Switzerland- world's largest share of tenants- but poor tenant's protection. **Carlo Sommaruga**, President of the Swiss Union of Tenants, presented the strategy for a national referendum of the tenant unions in 2019- campaigning is on!

Barbara Steenbergen, Head of IUT Brussels, presented the EU Action Plan for affordable housing hot off the press and draw parallels between the EU policy recommendations and the tenants claims in the Swiss referendum 2019.⁹

The Swiss General Assembly elected the new board of the union, with President **Carlo Sommaruga** (Geneva), and Vice Presidents **Marina Carobbio** (Ticino) and **Balthasar Glättli** (Zurich) reelected.

Also **Deutscher Mieterbund (DMB)** gets ready for the EU election year. In a colloquium to prepare the DMB's General Assemblies' lead

motion for 2019, scientists together with the **DMB-board** debated new ways for the EU- from the purely market driven perspective towards a union of upward social convergence with a housing-rights based approach.

2019 EU semester cycle started

November 21, the European Commission published the 2019 **Annual Growth Survey (AGS)**. The AGS is the key document taking evaluating the developments over the past year and setting the priorities for the European Union and its member states for 2019.

The AGS points out the need for delivering high-quality investment, mentioning "targeted investments in residential construction, coupled with simplified national regulations, are needed to make housing more affordable and curb energy consumption."

Housing is also playing a role in the **Alert Mechanism Report**, the starting point of the economic imbalance procedure and the draft **Joint Employment Report**, pointing particularly on the housing overburden rate for tenants:

"The share of household disposable income spent in housing-related expenditures remains significant in a number of Member States. When housing costs are taken into account, 156 million people are at risk of poverty, as against 85 million before housing costs are taken into account. This condition is particularly draining for households with lower income. In 2017, 10.2% of households in the EU spent over 40% of their disposable income on housing costs, but this share increases to 37.8% when considering households at risk of poverty. Despite a slight

⁸ <https://www.mieterverband.ch/mv/politik-positionen/news/2018/Der-Nationalrat-hat-versagt.html>

⁹⁹ <http://www.asloca.ch/blog/suisse-assemblee-de-lasloca-ouvrir-la-voie-aux-logements-abordables/>

improvement compared to previous years, the housing cost overburden rate remains the highest in Greece, at 39.6% in 2017. **Bulgaria, Denmark and Germany are, after Greece, the Member States with highest rates of population experiencing housing cost overburden (over 15% of the population in each).** The effect is particularly notable in **Denmark and Germany**, where the share of people at risk of poverty is below the EU average before housing costs, but above the EU average when housing costs are taken into account. **By contrast, in Estonia, Ireland, Finland, Cyprus and Malta less than 5% of the population live in households overburdened by housing-related expenditure. In most countries, tenants who rent at market price are considerably more overburdened by housing related costs than owners with a mortgage or a loan (EU average of 25.1% for tenants paying market rent, compared to around 5% for owners).**

Rising rents represent an increasing burden on the poor in some Member States. In 2016, in 7 countries (Ireland, Estonia, Lithuania, Slovenia, Hungary, Austria and Poland) rents calculated in real terms have increased by more than 5% since 2015. High rents can compound the risk of poverty or social exclusion, particularly in countries such as Slovenia, Ireland, Austria and Lithuania where the poverty risk facing tenants is significantly greater than for those who own their homes. National figures may also hide challenges at the level of particular cities.

The report announces the following countries will be covered by an **in-depth review in 2019: Spain, Bulgaria, Croatia, Cyprus, France, Germany, Greece, Ireland, Italy, Netherlands, Portugal, Romania, and Sweden.**¹⁰

¹⁰ [https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-](https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/european-semester-timeline/setting-priorities_en)

UNECE and EU housing partnership meetings on revision of EU housing data set

Two meetings with one purpose: is the EU definition of the “housing overburden rate” still in conformity with the social-economic realities in Europe? November 22 and December 13 the experts and policy makers came to the same conclusion: a revision of the data should be put at the agenda asap. The housing overburden rate is currently set at 40% of the household’s disposable income-experts, including IUT and the EU partnership for affordable housing say this must be lowered to a reference threshold of 25% to avoid severe risks of poverty and to redirect EU and member states funding. Experts also highlighted the need to collect housing data of local markets as national data are levelling out massive peaks and imbalances in booming regions.¹¹

IUT contributes to “Progressive Society” initiative of S&D

From SDGs to real policy: The Independent Commission for Sustainable Equality (ICSE), initiated by the Socialists & Democrats Group of the European Parliament, presented in December 2018 its report involving 110 recommendations to fight all forms of inequalities in Europe, in particular social, economic, environmental and territorial. The report is a progressive political program for the next legislative period in the EU, 2019-2024.

[economic-governance-monitoring-prevention-correction/european-semester/european-semester-timeline/setting-priorities_en](https://ec.europa.eu/info/business-economy-euro/economic-governance-monitoring-prevention-correction/european-semester/european-semester-timeline/setting-priorities_en)

¹¹ <http://www.unece.org/index.php?id=50331>



Former Danish Prime minister and member of the EU Parliament **Poul Nyrup Rasmussen** and Ms. **Louka T. Katseli**, economist at the University of Athens and former minister for economy and labour of Greece, invited IUT Brussels representative **Barbara Steenbergen** to contribute to the task force launching the recommendations. The report is published in nine languages¹², please read the part on **housing and rent control** from page 111 on.

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¹²

<https://www.progressivesociety.eu/publication/report-independent-commission-sustainable-equality-2019-2024>