

#### **Autumn/Winter 2020**

♦♦♦ Berlin rent freeze executed ♦♦♦ EESC opinion "Universal access to housing" wins large majority ♦♦♦ EP report "Access to decent and affordable housing voted in EP committee" ♦♦♦ URBACT-UIA conferences on the housing rights and financialization ♦♦♦ International Tenants' Day 2020 conferences ♦♦♦ Ministers adopt New Leipzig Charter ♦♦♦ EU Renovation Wave-IUT points for 2021 legislation ♦♦♦

### Berlin rent freeze executed-365.000 households eligible for rent reduction

November 23<sup>rd</sup>, the second phase of the Berlin rent freeze ist set in force. Tenants paying 20% above the rent caps are eligible to reduce their rent. The Berlin tenants' association Berliner Mieterverein developed an online tool to calculate the reduction.1 Reiner Wild, director of Berliner Mieterverein and Vice President of Deutscher Mieterbund, estimated that 365.000 households can profit from the rent freeze. The average rent reduction is 162,50 Euro monthly for a 65 m<sup>2</sup> flat. As landlord's organizations are challenging the rent freeze at the constitutional court, the tenants' association advices to put the savings apart- until the last judgement of the court is published.

"Especially in times of the pandemic and the economic downturn the rent freeze gives a relief for tenants".



Berliner Mieterverein congratulates our colleagues from Sindicat de Llogateres who were also successful in implementing a rent freeze similar to the Berlin law. It is set in force September 2020, for 60 cities

<sup>&</sup>lt;sup>1</sup> https://mietendeckel.jetzt/

with more than 20.000 inhabitants in Catalonia.

IUT-member **Sindicat de Llogateres** and its 2.000 members have won a historical battle.



And this is not the end- the rent freeze might become a reality in entire Spain: PSOE und Unidas Podemos have signed an agreement that the Catalon model will be set in force in the other regions of Spain too. Sindicat de Llogateres, supported by 9.000 other civil society organisations in Spain, put this on the agenda of the federal government.



"Learning from each other in solidaritythis shows the importance of international cooperation between tenant unions", **Reiner Wild** pointed out

EESC opinion "Universal access to housing that is decent, sustainable and affordable over the long term" voted with overwhelming majority September 18<sup>th</sup>, Rapporteur **Raymond Hencks** (Luxembourg) of the Worker's Group of the European Economic and Social Committee (EESC) achieved an overwhelming majority for his report "Universal access to housing". The EESC calls for more robust EU housing policies and asked the EU to adopt urgent common measures in this field: housing policies at European level must make affordable houses available for all Europeans.



The European Union needs to speak with one voice and act accordingly in the field of social housing. Given the housing crisis that Europe is currently experiencing, urgent measures are needed. The real danger of excessive housing costs no longer affects the most disadvantaged only, but also an ever-growing part of the rest of the population.

Housing policies at European level must not be restricted to assisting vulnerable individuals and people in need, but must be broadened with the aim of supplying affordable homes for all. In particular, policies should match family needs, promote high-quality and energy-efficient housing, encourage a social mix within buildings and urban areas, and tackle segregation.<sup>2</sup>

work/opinions-information-

<sup>&</sup>lt;sup>2</sup> https://www.eesc.europa.eu/en/our-

#### **Key points of the EESC opinion:**

- The health, economic and social crisis of COVID-19 has intensified the severity of the affordable housing crisis that Member States have been facing for years. Although housing policy remains the competence of the Member States, the shortage of decent and affordable housing in the EU requires a European action plan on housing that includes comprehensive set of measures, which are easy for people to understand, to help Member States, regions and cities in Europe to sustainably boost the supply of social and affordable housing.
- The EU must, first of all, ensure that a real universal right to housing is enshrined, particularly acting by of means a sector-specific regulation under the ordinary legislative procedure, to establish principles the and set the conditions for providing, commissioning and funding affordable and decent housing, in accordance with Article 14 of the Treaty on the Functioning of the EU.
- In this regard, the EESC welcomes the Commission's initiative to establish a link between the European Pillar of Social Rights and the European Semester, which, in the area of housing policy, should

- lead to better monitoring of social housing reform, of the accessibility and affordability of housing and of the effectiveness of housing benefits.
- The creation of a "European fund for investment in affordable, decent and suitable housing", aimed at creating and maintaining low-cost housing, would enable the EU to make its actions and policies clearer and more consistent for Europeans, particularly in the context of the buildings plan to be rolled out under the Green Deal, and the future European Pillar of Social Rights action plan.
- The European Commission will have to carry out a review of the Decision on Services of General Economic Interest regarding the target group for social housing as soon as possible, and specify that housing policy must not restricted to assisting people at risk of poverty, but must ensure decent housing that is accessible and affordable over the long term for everyone. In this context, the Commission should propose a common definition of excessive housing costs, a harmonised method for assessing those costs, a statutory regulation against speculative hoarding of empty dwellings and residential land and a framework for the practice of converting affordable housing into

<u>reports/opinions/universal-access-housing-</u> decent-sustainable-and-affordable-over-long<u>term</u>

short-term tourist accommodation.

 Finally, the EESC calls on the Commission to organise an annual EU summit on affordable housing bringing together all those involved in implementing and monitoring this European action plan on affordable housing, based on an annual report on the state of housing in the EU.



Raymond Hencks (30.03.1948-01.10.2020)

Just two weeks of after the final vote, the rapporteur Mr. Raymond Hencks died unexpectedly and peacefully in the middle of his family. We lost a committed advocate for affordable housing and rights of workers and an esteemed colleague and friend who represented the social values in the European policies in a tireless, upright and proud way. Rest in peace Raymond, your voice will be missed in the European Union and beyond.

# URBACT/UIA conferences on the right to housing and the financialization of housing designed by programme expert Laura Colini

In autumn 2020, Urban Innovative Actions Initiative (UIA) and **URBACT** are exploring how cities can design housing policies and practical solutions to implement the right to housing. The goal of explore cities' the sessions to engagement in this area, and their experiences in practice, pushing the agenda on the right to housing in Europe and further enriching work under the EU Urban Agenda. Moderated by URBACT expert Laura Colini, the panel of OECD economist Federica De Pace, Silvia Ganzerla, Policy Director, Eurocities, Belgium, Michaela Kauer, Coordinator of the EU Urban Agenda Housing Partnership, City of Vienna. Austria. Bent Madsen, President of Housing Europe, Housing Europe, Belgium. and Barbara Steenbergen, Head of EU Office, International Union of Tenants, Belgium debated during a seminar at the EU week for cities and regions October 14th on concrete actions to be taken.

Government decisions can kill or save lives: the COVID-19 health crisis has given a sharp perspective to the fact that public policies ensuring housing adequacy and affordability are vital. In the last few months, governments across Europe have invested unprecedented efforts to save those at risk, with cities implementing exceptional strategies and measures to keep everyone accommodated. In some cases, this has nearly reduced

homelessness to zero. However, following the peak of the emergency last spring, affordable, suitable and long-term dignified solutions became a mandate that cannot be ignored. The speakers presented the impact of the sanitary crisis on housing, enhancing the financialisation of the sector as a key factor of the major crisis result: the increased inequalities in affordable accessing adequate and housing.



#### Key messages:

- The pandemic has exacerbated housing issues, such as the financialization of the sector, gentrification processes and the decline of public and affordable housing.
- Cities took action during the crisis to provide a roof to vulnerable people. In Ghent and Barcelona, they transformed touristic flats and sports facilities for the homeless.
- The recovery plan offers new financial possibilities to increase cities' capacity to invest in

<sup>3</sup> <u>https://europa.eu/regions-and-cities/programme/sessions/1273\_en</u>

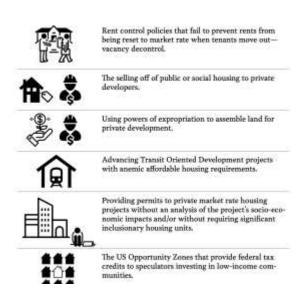
https://www.youtube.com/watch?v=Bvm0nCI8

affordable housing.3

## URBACT/UIA conference on the topic of housing fair finance

Today, more European cities and social movements are calling governments at all levels to take responsibility for reaffirming housing as a right and not as a commodity. They are showing the way by trying out concrete actions to implement the right to housing.<sup>4</sup>

While the process of financialisation of housing is dependent from intricate international cash flow through invisible or hardly traceable chains, it is strongly anchored to localities, local markets and local governments. Examples of governmental policies that have enabled the rise and spread of the financialisation and speculation include:



The web conference on November 19<sup>th</sup> was dedicated to the topic of fair finance,

3A0&list=PL1DtVRdXx41pudDL\_WLWEPD Vr6flF9pHf&index=4 and the role, responsibilities and levers of action cities have in relation to the financialization of their housing market.

Based on good examples from Mataró (ES), UIA project "Yes We Rent!", leveraging vacant private property to build up a cooperative affordable housing scheme, presented by Laia Carbonell and lessons learned from Riga (LV), tax increase to stimulate the rehabilitation of buildings, presented by Villiams Vroblevskis and the inputs of Manuel Gabarre de Sus, Contributor of the report "Housing financialization: Trends, and 2018" processes, and Sioerdie van Heerden, European Commissions' Joint Research Centre, Co-author of the report, "Who owns the city? Exploratory Research Activity on the financialization of housing in EU cities, 2020", Barbara Steenbergen, International Union of Tenants, Head of EU Office, Brussels and Kim van Sparrentak MEP, rapporteur of the report "Access to decent and affordable housing for all, 2020," debated with the audience of 140 representatives from European cities.

**Barbara Steenbergen's** intervention concentrated on 4 core themes:

- Promoting tenure neutrality
- Sustainable finance by regulation of market failures-supply side and demand side
- Prevent capitalization of funding, rent stabilization mechanisms, rent caps, rent freezes
- Sustainable cities by fair urban planning-use zoning law to prevent

the selling-off of cities

The outcomes of this webinar build directly on the "European Urban Agenda Partnership for affordable housing" work, and will explore a set of actions and recommendations in terms of better knowledge among cities, also aiming at pushing the agenda on the right to housing EU wide.<sup>5</sup>

## Housing Europe and IUT president's meeting

**Bent Madsen** and **Marie Linder** met November 12 for their first online-exchange. **Bent Madsen**, president of the Danish social housing provider BL, took over as new Housing Europe president for the next 3 years.

The Presidents exchanged about the EU Green Deal, state aid, the next edition of ERHIN awards at the Social Housing Festival in Finland and the measures of housing providers in the Covid 19 pandemic.

## 25<sup>th</sup> anniversary of the Lisbon social housing provider Gebalis- IUT invited as panellist

To celebrate its 25th anniversary, Gebalis hosted the International Conference "Inhabit the Future", looking at the next generation of housing policies. Speakers

web-conference-3

<sup>&</sup>lt;sup>5</sup> <u>https://www.uia-initiative.eu/en/events/housing-fair-finance-cities-engaging-right-housing-</u>

included the mayor of Lisbon, Fernando Medina and the housing councillor Paula Marques, Christophe Lalande from UN-Habitat and sociologist Saskia Sassen from Columbia University, known from the film "The Push". 6

Gebalis was established in 1995 to end the housing misery in the capital of Portugal, with 20.000 people living in tent cities.

IUT's head of EU office **Barbara Steenbergen** was asked to elaborate on several key challenges for the sector.

She presented the IUT's response to the Covid 19 pandemic and housing parameters in Portugal as analyzed by Prof. Luis Mendes from the Lisbon tenant's association AIL.



Main points were the need to mobilize Portugal's empty housing units in the social and private sectore to house people living in tents again, the economic need to launch a solidarity funds for tenants hit by the recession of the pandemic and the legal need to finally enforce Portugal's basic law of housing form 2019 which is not fully implemented yet.

Housing Europe's Secretary-General,

<sup>6</sup> https://www.pushthefilm.com/

**Sorcha Edwards** presented the latest developments for the sector at European level and the planned recovery package. She said that renovation is key for recovery because it is an investment and not just a cost, it helps to make communities more inclusive and brings them on board for the Energy Transition while upscaling can be beneficial for other sectors or industries.. As a response to housing financialisation, she said that even if "there is no international appetite for really tightening regulation when it comes to financial markets, what we really need is the local level to boost social and affordable housing as a way to buffer society."

Barbara Steenbergen was also interviewed on the growing short term rentals in big Portuguese cities, extracting rental housing from the regular market and exacerbating the housing crisis for low and middle-income households. She referred to the need to implement rent stabilization in the private rental sector by rent caps and rent freezes. <sup>7</sup>

Overwhelming majority for the initiative report "Access to decent and affordable housing for all" in EMPL- committee of the European Parliament

December 1<sup>st</sup>, the EMPL committee of the European Parliament voted with a large majority of 37/11/7 for the key document on housing policy, launched by rapporteur **Kim van Sparrentak** (GroenLinks/NL) and

<sup>&</sup>lt;sup>7</sup> https://eco.sapo.pt/topico/evento-gebalis-25-anos/

widely based on the EU action plan for affordable housing of the "EU Urban Agenda Partnership for affordable housing", where IUT is action leader for "good housing policies".



Kim van Sparrentak MEP

It was quite challenging to find a common majority. Countervotes came for the far right and populists parties as AfD (DE), Rassemblement National (F), Lega Nord (IT), PiS (PO) and Vox (ES) as well as from the Centerpartiet (SE) and ANO (CZ), but at the end a large majority of EPP, S&D, Greens/EFA and GUE/NGL was convinced. This is what the rapporteur managed to get in by compromise amendments:

- The right to adequate housing is a fundamental right
- Wide EU action for a winter heating moratorium and winter truce
- Minimum requirement for healthy homes at the minimum aligned with WHO guidelines
- Renovation wave to prioritise emission reduction and energy efficiency while tackling energy poverty, with a special attention to

- social housing and vulnerable groups.
- Call on Member States (MS) to prioritise renovation in their recovery and resilience plans
- Support to the circular economy (mandatory green criteria, favour construction products from lowcarbon, sustainable and non-toxic materials) and call to foster the fast transition to renewable sources of energy for heating and cooling
- EU level goal to end homelessness by 2030, end to the criminalisation, call for an EU Framework for National Homelessness Strategies, demand to Member States to adopt the principle of housing first.
- Call on the EC to improve data and monitor housing accessibility in the EU via Eurostat, and the European Energy Poverty Observatory
- Legal provisions, including clear rental regulations, to protect the rights of tenants and owneroccupiers and foster security between owners and tenants and prevent evictions,
- MS to make easier access to housing and promote diverse neighbourhoods through improved access to credit facilities and renting for young people, low- and middle income families and people from socially and economically disadvantaged groups
- Call to better protect mortgage borrowers against evictions and for a ban on the eviction of tenants and owner-occupiers without rehousing

- Call for proportionate rules for hospitality services, including mandatory registration, limitation of permits and specific zoning policies, limitation of period to avoid "touristification" and the depletion of urban centres to the detriment of residents
- Calls on the EC for a reform of the economic governance framework allowing Member States to make the needed green and social public investments,
- Commission to adapt the target group definition of social and publicly funded housing in the rules on services of general economic interest

The final text will be available in the next weeks. The final vote in the EP plenary is scheduled January 18<sup>th</sup> 2021 - to be continued!

# New Leipzig Charter signed by ministers of EU Member States November 30<sup>th</sup> - the transformative power of cities

A key feature of the New Leipzig Charter is that it promotes the idea of urban policy for the common good. It emphasises "the transformative power of cities" to respond to the modern-day challenges facing cities in each of their social, environmental and economic dimensions.



The NLC thus highlights three forms of the transformative city which can be harnessed in Europe to enhance people's quality of life:

(Social) The Just City - providing equal opportunities and environmental justice for all, regardless of gender, socioeconomic status, age and origin – leaving no one behind.

(Environmental) The Green City – contributing to combatting global warming and to high environmental quality for air, water, soil and land use, as well as access to green and recreational spaces.

(Economic) The Productive City – ensuring jobs while providing a sound financial base for sustainable urban development through diversified local economies and supportive environments for innovation.

Delivering on the transformative power of just, green and productive cities requires implementation of key principles of good governance. The New Leipzig Charter defines these as being:

Urban policy for the common good – Public authorities should act in the interest of public welfare, providing services and infrastructure for the common good.

Integrated approach – All areas of urban policy have to be coordinated in a spatial,

sectoral and temporal manner.

Participation and co-creation – All urban actors and citizens need to be involved in order to consider their knowledge and concerns and strengthen local democracy.

Multi-level governance – Complex challenges should be jointly tackled by all levels of urban and spatial policy – local, regional, metropolitan, national, European and global.

Place-based approach – Urban strategies and urban funding instruments should be based on sound analysis of the specific local situation.<sup>8</sup>

The New Leipzig Charter was the urban policy project of the German Presidency of the EU. IUT contributed to the text in several hearings.

## Celebrating International Tenants Day October 5, 2020 – IUT members debate across borders

IUT, the Swedish union of Tenants SUT and organisations for tenants in Bosnia-Herzegovina and North Macedonia in cooperation with Freja Forum Foundation invited to celebrate International Tenants' Day/World Habitat Day. This year the theme was "Housing For All - A Better Urban Future".



Moderated by Liselott Vahermägi, Freja Forum Foundation, IUT's Barbara Steenbergen started the conference by reflecting on ITD 2020 and that housing is a fundamental right in every society and therefore needs to be addressed locally, nationally and internationally. Johan Pelling from SUT explained what "Housing for all" does mean for tenants in Sweden.

Maja Staleska from the Housing and Tenants organisation in North Macedonia reported on tenants rights to a safe and clean environment and a decent living standard in North Macedonia

Jasminka Tadic-Husanovic, Censor/tenants organisation Bosnia-Hercegovina – explained the conditions for a better urban future for tenants in Bosnia-Hercegovina

Our partners from Bosnia-Hercegovina and North Macedonia presented manifests for supporting the rights for better living conditions.

The organisation from North Macedonia mentioned in their manifest the air pollution which has been a problem for a long time. The cost of neglecting the environment has impact on the health of many people. In Bosnia-Hercegovina the

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<sup>&</sup>lt;sup>8</sup> https://urbact.eu/urbact-warmly-welcomes-newleipzig-charter

manifest from the tenants organisation included a strategic approach to housing for the youth and alarming facts concerning housing and gender in a country where women do not have equal rights.

The International Tenants' Day event of **Deutscher Mieterbund** and IUT concentrated on rent control and referenda in Germany to strengthen the rights of tenants and to regulate highly speculative markets.

Heike Keilhofer, Managing Director of the Bonn Tenants' Association organized the event featuring inputs from Monika Schmid-Balzert, Managing Director of the Bavarian Tenants' association, member of the board of Deutscher Mieterbund and organizer of the movement "Rent Stop Bavaria", reporting on rent brake, rent freezes and citizens' petitions at the local level.<sup>9</sup>

**Barbara Steenbergen** reported on the recent legislative initiatives at EU level. **Heike Keilhofer**, from the Bonn Tenants' Association introduced the new citizen's iniative from Bonn, mobilizing for a 75% affordable housing quota in the federal district of Bonn. <sup>10</sup>

Michaela Kauer, director of the Vienna House in Brussels, coordinator of the "EU partnership for affordable housing", reported on the new building regulations of the city of Vienna in order to curb speculation

Melanie Weber-Moritz, Federal Director

of the German Tenants' Association Deutscher Mieterbund underlined the importance of a globally working tenant movement as the engine of change.

### **EU Commission Renovation Wave** strategy

The European Commission has published October 14th its Renovation Wave Strategy to improve the energy performance of buildings. The Commission aims to double renovation rates in the next ten years, by 2030, 35 million buildings could be renovated.



Commissioner for Energy, Kadri Simson, said: "The green recovery starts at home. With the Renovation Wave we will tackle the many barriers that today make renovation complex, expensive and time consuming, holding back much needed action. We will propose better ways to measure renovation benefits, minimum energy performance standards, more EU funding and technical assistance encourage green mortgages and support more renewables in heating and cooling.

<sup>9</sup> https://mietenstopp.de/buendnis/

<sup>&</sup>lt;sup>10</sup> https://wohnraum-bonn.de/

This will be a game changer for homeowners, tenants and public authorities."<sup>11</sup>

The strategy also includes an affordable housing initiative for 100 districts. It also mentions improving the capacity of social housing associations, housing cooperatives and organisations improving affordability by participation of owners and residents in renovation and housing projects, such as housing and energy cooperatives, especially in regions where they are less developed.<sup>12</sup>

IUT's housing policy working group chaired by **Dan Nicander** from the Swedish Union of Tenants was informed first hand by **Karlis Goldstein**, member of the cabinet of EU commissioner **Kadri Simson** at their meeting September 29<sup>th</sup>.



Karlis Goldstein, European Commission

Key question is the affordability of energy renovation- in 21 EU states the costs can be passed on to the tenants. IUT's national experts pointed on that fact towards the European Commission, claiming for gross-rent neutrality- rent increases should be at least balanced by energy savings. The EC lacks to acknowledge this simple fact-

when they talk about split incentives, they mean landlords pay, tenants have all the advantages. We point on this every timebut the penny has not yet dropped. October 21<sup>st</sup>, The EC directorate general for Energy, DG ENER, invited **Barbara Steenbergen**, IUT's Head of EU office, to an expert workshop on the respective article 19 of the Energy Efficiency Directive (EED), where she underlined the need for EC to reconsider their point of view in order to avoid gentrification and a wave of "renovictions" with regard to the EU Green Deal Renovation Wave.

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https://ec.europa.eu/energy/sites/ener/files/eu\_r enovation wave strategy.pdf

<sup>12</sup> 

 $<sup>\</sup>frac{https://ec.europa.eu/commission/presscorner/de}{tail/en/ip~20~1835}$