



International Union of Tenants

Association Internationale des Locataires

- Consultative status with
UN Economic and Social
Council
- Participatory Status with
Council of Europe

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PRESS RELEASE

INTERNATIONAL UNION OF TENANTS

THEME FOR INTERNATIONAL TENANTS' DAY 2021:

COVID RECOVERY, CLIMATE, CONSTRUCTION

International Union of Tenants, IUT has chosen the theme: "Covid recovery, climate, and construction" for the International Tenants' Day 2021

For more than a year the COVID-19 pandemic has caused massive human and economic harm on a global scale. Still it isn't over, and the recovery will require immense investments, financially and on a human level. The housing sector as a result is subject to the same challenges as before the pandemic – just even deeper and more severe. Tenants, as a vulnerable group on the housing market, as a result of loss of income have faced evictions and rent arrears.

The OECD1 has recently identified the main problem areas of the housing market following the COVID-19 pandemic. (*OECD (2021), "Building for a better tomorrow: Policies to make housing more affordable", Employment, Labour and Social Affairs Policy Briefs, OECD, Paris, <http://oe.cd/affordable-housing-2021>*) A problem description which the IUT also subscribes to:

- Less than half of the OECD population is satisfied with the affordability of the housing in the city / area where they live. Housing prices have continued to rise and households dedicate an increasing share of their budget on housing. The challenges are no longer faced alone by the low-income but also middle-income households.
- Challenges differ across and within countries, and affordability gaps are particularly pronounced in job-rich urban areas and among low-income households, renters in private market, and youth.
- Longstanding challenges such as poor housing quality has been exacerbated by the current crisis.
- Governments have tried to address the challenges posed by the pandemic with mixed outcomes; some targeting low-income and vulnerable households.
- There is a need for renewed public and private investment in affordable and social housing as this can also contribute to economic recovery from the crisis.

IUT Post-COVID-19 Recommendations

Housing, as a result of the pandemic, again has proven to be a fundamental human need – a front-line defense against COVID-19. Therefore, housing must be a focus for recovery plans. Consequently, the essence of a new post-pandemic housing policy must be based on the availability of affordable housing for all!

Such policy should include the following:

1. Security of Tenure and Rent Stabilisation and Controls need to be introduced:

a. Security of tenure: Establishing an indefinite duration of tenancy as well as safeguards from eviction of tenants.

b. Rent Stabilisation and Controls: Controls of levels and frequency of rent increases and caps on rents for new contracts, intended both to preserve affordability, to preclude de facto eviction, and safeguard the accessibility of affordable housing as well as mobility in changing labour markets. These two essential pillars are closely interconnected.

2. The pandemic has had profound effects socially, but also on the global economy. These effects will continue impacting our societies for a long time after the end of the pandemic. Therefore, moratoriums on evictions must continue, temporary contracts are to be automatically prolonged; and, rent arrears are to be paid off over an extended period of time.

3. States should create solidarity funds to provide bail-out options for tenants incapable of paying rent arrears, but also prioritize the creation and / or review of targeted financial support measures such as housing allowances. Rent freezes and rent caps must also be considered.

4. The goal of housing policy should be housing for all – not home ownership for all. Instead of promoting a model solely based on ownership, a tenure neutral stance expressed through public policy, financial requirements, and fair tax incentives could achieve wide availability of suitable housing alternatives irrespective of income, age, or gender of tenants. A crucial benefit would also be its contribution to increased labour mobility. Consequently, reviewing the availability of tax relief measures for rental and operational costs for tenants would be important.

5. To facilitate increased construction of housing (according to a tenure neutral model) land should be made available in larger quantities and overly restrictive planning processes and regulations eased. National, regional and local needs should be the guiding light of a more efficient distribution of land for housing construction purposes.

6. With regards to the continuous improvement of housing under the Paris agreement, the EU Europe climate neutrality agreement 2050, and in line with the UN Sustainability goals, the principle of “housing cost neutrality” (entailing rents, energy costs and local taxes) should be the cornerstone of housing policy. As renovation costs can be passed on to the tenants in most states, renovation often contributes to the displacement of residents as entire quarters are being gentrified. Consequently, affordability in renovation must imply that rent increases are fully balanced by energy-savings. The model of housing cost neutrality therefore should combine social and climate goals to prevent “renovictions” (evictions by renovation).

7. Overcrowding has been a key factor in the spread of the pandemic and the importance of minimum housing standards have been highlighted. The EU Renovation Wave example offers an opportunity for States to create and/or modify regulations guaranteeing quality standards as well as energy and health standards for rental housing.

8. It is crucial that EU recovery funding, and funding made available through the Green Deal as well as the Renovation Wave following the COVID-19 pandemic address the housing crisis in the EU. However, it is crucial that such EU financial recovery programs must respect and be in conformity with national administrative and legislative traditions and requirements.

9. Following the 2008 financial crisis, we learned, that countries with large, regulated rental sectors recovered more rapidly from the crisis, than countries with small rental sectors. Therefore, social and affordable housing should be accessible to broad segments of the population. Consequently, the European Union competition legislation relating to Services of General Economic Interest (SGEI) must be revised and recital 11 thereof removed. The principle of subsidiarity must be strictly enforced in EU legislation affecting the housing sector.

10. The widespread digitalisation of work life will affect housing needs (housing adapted for home offices, preferences for larger, green and open spaces). Such trends, as well as spatial and demographic changes will be crucial to anticipate, as the combined effect will be to change demands for affordable housing and housing support. Solving this will require renewed commitment by states to investment in public, affordable and social housing as a model for economic recovery.

11. The COVID-19 pandemic has highlighted the need to convert short term rental accommodation into regular long term affordable rental housing. The focus should be on the needs of inhabitants for more affordable housing – rather than on short-term speculative practices on the housing market.

IUT and the International Tenants Day 2021 will act as a hub to coordinate and share information about rental solutions and best practice for tenants, and we invite IUT members to share their activities and campaigns with us.

IUT will produce a short film on the theme for the International Tenants' Day. which members can share and translate into their own language if they wish

Each local or regional organisation will be able to design their own activities and celebrations of the International Tenants' Day.

The IUT supports its members in making their own choice at a national, or regional level as to which sub-themes they may want to promote.

Stockholm 29th September, 2021

About IUT: The International Union of Tenants (IUT) was founded in 1926 and is a nongovernmental and not-for-profit umbrella membership organisation with the purpose of safeguarding tenants' interests and promoting affordable and decent rental housing across the world. Its members consist of 74 national and local tenants' associations in 51 countries. IUT head office is located in

Stockholm with an EU representation office in Brussels. IUT considers housing as one of the fundamental rights, which needs to be addressed locally, nationally and internationally. Adequate housing is also one of the safeguards for peace and security.