### Summer 2022

EU housing minister's meeting in Nice March 7- 8 ++ IUT claims for the new EED and EPBD
 Housing affordability ++ Energy poverty ++ Housing rights and renovictons ++

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#### **\*\***+Housing policy

NEWSLETTER FROM INTERNATIONAL UNION

# EU housing minister's meeting in Nice, March 7-8



On the eve of the ministerial meeting initiated by the French Presidency of the Council which brought together the 27 housing ministers of the European Union in Nice on March 8th, L'Union Sociale pour l'Habitat (USH) and Housing Europe, organized a web conference on March 7th to discuss the role of the EU in the context of the affordable housing crisis affecting Member States.

In the presence of the Commissioner responsible for the European Pillar of Social Rights, **Nicolas Schmit** and the rapporteurs from the European Parliament, the Committee of the Regions (CoR), and the European Economic and Social Committee (EESC) on the affordable housing dossier, the panelists discussed the objectives of the European Commission that influence the level of affordable housing in Europe. **IUT president Marie Linder** presented the view of the tenants in the context of the Recovery Plans, the Renovation Wave, and the upcoming energy legislation. In a 10-point plan<sup>1</sup> of HE, Eurocities, IUT, FEANTSA, CEMR et al. demanded the EU ministers to solve the most striking housing problems through an integrated approach at the EU, national and regional levels.

On 7 and 8 March in Nice, **Emmanuelle Wargon**, French Minister Delegate for Housing, invited the EU ministers responsible for housing, representatives from the Commission, and stakeholders in housing and construction for a ministerial conference. A joint statement was adopted following two days of discussions about the political issue of construction and investing in affordable and sustainable housing in the European Union. In the agreed statement, the shift of the narrative towards affordable and accessible housing and the fight against homelessness is remarkable. The IUT especially points at §§ 32 and 33 which have been part of the IUT's and

CNL's negotiations which the French housing

<sup>1</sup> <u>https://www.iut.nu/news-events/final-</u> <u>declaration-of-the-housing-ministers-now-</u> <u>published/</u> ministry in charge of the Nice declaration:

32. With regard to access to housing, the Member States will act, or continue to act, to combat existing inequalities in access to adequate, safe, well-designed, affordable and inclusive housing and homelessness solutions as well as better protect the rights of tenants and owner-occupiers and improve the transparency and stability of housing markets.

33. In this context, the Member States ask the European Commission to carry out a comparative study on the different mechanisms in place in the EU to curb the increase in rents and sale prices of housing. Such a study would provide Member States with a range of actions implemented within the EU and an assessment of their effectiveness in slowing down, or not, the evolution of the market.



Nice EU Housing Ministers' meeting, 7-8 March 2022

The Nice Declaration<sup>2</sup>, unanimously adopted by the Member States, underlines the key role of the housing sector in reaching the climate objectives, highlighting the importance of better coordinating actions in the public policies covered by the housing sector. This declaration marks the beginning of renewed cooperation between the Member States, the European Commission and the other

<sup>2</sup> <u>https://presidence-</u>

francaise.consilium.europa.eu/media/fcxml1nj/fin al-declaration\_finale-version-em\_en\_approved-20220308\_vf.pdf <sup>3</sup>https://czechpresidency.consilium.europa.eu/en/events/housi European institutions regarding housing that is affordable, sustainable and respects citizens' quality of life.

Read the full joint statement, <u>the Nice</u> <u>declaration</u>. Read more about <u>the meeting</u> <u>here</u>.

Under the actual Czech EU Presidency, a Housing focal Points Meeting<sup>3</sup> will happen in Prague on 8-9 November 2022. EU housing Ministers are expected to meet again in Gijon (Spain) 13-14 November 2023, under the Spanish EU Presidency.

## Rising rents and heating costs because of climate protection?

German residential buildings cause about one-third of CO2 emissions. Without investment in the building stock, the goal of making Germany climate-neutral by 2040 is an illusion. But the need for investment is large and in particular tenants are threatened with considerable cost increases. Climate protection and affordable rents threaten to come into conflict. Experts discuss this issue at a symposium<sup>4</sup> of the German Tenants' Association of Baden-Württemberg on February 12<sup>th,</sup> 2022, with an introduction to the theme of chairman and IUT Vice-President Rolf Gaßmann. The event focused on the regulations and proposals for climate protection in the building sector at the European level and on how different EU Member States implement this. In this regard, an international comparison by Barbara Steenbergen, Head of IUT EU liaison office, provided main points of reference.

ng-focal-points-accessible-sustainable-andinclusive-housing-in-europe/ <sup>4</sup>https://www.mieterbundbw.de/landesverband/wohnungspolitik/klimaneu tral-wohnen.html

### Affordable and sustainable housing in the EU - EESC and Latvian Ministry of Economy

On the 6<sup>th</sup> of July 2022, the European Economic and Social Committee (EESC) and the Latvian Ministry of Economy co-organized an event to discuss the issues of affordability and sustainability in the European housing sector. IUT was represented on site by **Annika Wahlberg (IUT Secretary-General).** 





Ilze Indriksone, (Latvian Minister for explained that Economics) Latvia is developing short-term solutions to improve affordability in the rental market and is trying to install a long-term housing fund. She explained that 40% of Latvians need housing support and that social housing is allocated to the most vulnerable groups. Zane Petre (Head of Representation of the EC in Latvia) mentioned several EU initiatives on housing and underlined the importance of using EU resources to improve the housing sector, boosting economic activity and labor mobility.

During the first panel, Housing Europe provided an overview of the social housing sector in Europe, and **Michaela Kauer** (Director Brussels office of the City of Vienna) presented the Vienna case and the EU Urban agenda housing partnership. The second panel reflected upon the best financial practices in housing, with representatives from the European Investment Bank, the

Climate, Infrastructure European and Environment Executive Agency, and the European City Facility Initiative. Finally, the third panel was dedicated to energy efficiency in the built environment. Marcos Ros **Sempere** (Group of S&D, EP) stressed the fact that the EP is increasing the Commission's targets of the EPBD and EED recasts, prioritizing deep and holistic renovations and Gaspard Demur (National renovation strategies, DG Energy, EC) mentioned the RW, the NGEU, RepowerEU, the EPBD recast and the NEB. He particularly highlighted the employment and business opportunities that arise and the importance of scaling up renewable energy sources.

### Housing affordability challenges



Invited by the largest global real estate event MIPIM, **Barbara Steenbergen** (IUT head of EU office) discussed housing affordability challenges in a panel with **Javier Buron**, Housing Manager of the Barcelona City

Council and **Orna Rosenfeld,** global advisor on housing on March 16<sup>th</sup>. This is a critical and timely debate in Europe not only because of the pandemic and the housing challenges that preceded it but also because of the influx of refugees and



**Barbara Steenbergen** (Head of IUT EU office) and **Javier Buron** (Barcelona City Council)

migrants. It is the first time that MIPIM put a strong focus on affordable housing solutions, and the conference discussion with representatives of real estate companies showed that the affordable segment is increasingly in the interest of investors due to the huge surplus demand.

## Housing affordability: Who's responsible?

In June 2022, **Barbara Steenbergen** was interviewed<sup>5</sup> by BPIE (Buildings Performance Institute Europe), the leading European thinktank on the energy performance of buildings, to dig into questions on building renovation and social justice. She suggested how the EED and EPBD could better contribute to housing cost neutrality, and how Minimum Energy Performance Standards can be designed in a socially just (and climate ambitious) way.

#### **\*\*\*** Energy Chapter **\*\*\***

## IUT claims for the new EED and EPBD

In two meetings of the IUT task force of the Housing Policy and Energy Working Group, 20<sup>th</sup> of January and 16<sup>th</sup> of February, the national experts **Jennie Wiederholm, Johan Mirtorp** (Sweden), **Luis Mendes** (Portugal), **Franz Michel, Stefan Bentrop** (Germany) together with **Barbara Steenbergen** (IUT), formulated the IUT demands<sup>6</sup> regarding the

<sup>5</sup>https://www.bpie.eu/housing-affordability-

whos-responsible/

<sup>6</sup> <u>https://www.iut.nu/eu/energy/</u>

<sup>7</sup>https://www.iut.nu/wp-

<u>content/uploads/2022/03/IUTs-answer-to-the-</u> <u>Energy-Efficiency-Directive-report-of-the-</u>

European-Parliament.pdf

<sup>8</sup> https://www.iut.nu/wp-

current revision of the Energy Efficiency Directive<sup>7</sup> (EED) and the Energy Performance of Buildings Directive<sup>8</sup> (EPBD).

The first results are promising: July 13<sup>th</sup>, the European Parliament decided with a large majority of the groups EPP, S&D, Renew and Greens/EFA on the compromise amendments for the revision of the Energy Efficiency Directive, integral part of the "Fit for 55"-package and the EU Green Deal. The Parliament sets higher energy efficiency targets- the energy savings goal is increased from 13% to 14,5% by 2030- a consequence of Russia's war against Ukraine and the need to eliminate the dependency on energy imports from Russia.

Good news: the IUT focus to implement protection mechanisms for vulnerable consumers, our claim to fight energy poverty as well as our demand to explore and implement the principle of housing cost neutrality have been incorporated in the text<sup>9</sup>. The principle of subsidiarity and flexibility towards technologies is as well widely respected. Moreover, Member states will have leeway to decide on renovation requirements for social housing, which is not defined uniformly across the 27 EU countries.

Although the final vote is still missing, the new EED text has been sent to the EU council of ministers who will start the trilogue debates early to come to a result during the Czech EU presidency until the end of this year. Therefore, IUT members interested to strengthen and support our lobby at the national level are advised to address their

13/EED FinalCompromiseAmendment EN.pdf

content/uploads/2022/03/Views-of-the-IUT-onthe-revision-of-the-Energy-Performance-Buildings-Directive.pdf
<sup>9</sup>https://www.europarl.europa.eu/meetdocs/201
4 2019/plmrep/COMMITTEES/ITRE/DV/2022/07-

national ministries for housing and energy now.

## **EESC Conference on Energy Poverty** at the crossroads of the European Pillar of Social Rights and the **European Green Deal**

On the 25<sup>th</sup> of May 2022, the European Economic and Social Committee (EESC) organized an event to discuss the issue of energy poverty from а social and environmental point of view.



Barbara Kauffman, (Director for Employment and Social Governance, DG EMPL, EC)

Barbara Kauffman, (Director for Employment and Social Governance, DG EMPL) underscored the role of Articles 19 and 20 of the EPSR and the Commission's initiatives to tackle social and environmental issues, such as the revision of the EED and EPBD, the AHI and the platform to combatting homelessness. Kadri Simson (Commissioner for Energy,

European Commission) stated that fighting energy poverty is a priority and that the Commission published recommendations on this issue. After highlighting that there is still no standard definition of energy poverty and that, therefore, making comparisons among States is not easy, she stressed the importance of the Renovation Wave, the New European Bauhaus or the Social Climate Pact.



Minister Delegate for Housing)

Emmanuelle Wargon (French Minister for Housing) explained that energy issues are key in all French policies and in its Recovery Plan, and highlighted the role of the civil society, mentioning the French Citizens Pact for

<sup>10</sup> <u>https://www.greens-</u> efa.eu/en/article/document/my-home-is-an-assetClimate. The French government inserted standards on new buildings, is planning the deep renovation of existing buildings, and is providing points of information on technical and financial means. Moreover, it is focusing on social protection measures. Finally, Ville Niinistö (Member of European Parliament, Finland) said that the Parliament wants to be involved in tackling energy poverty and that, in general, to fight poverty it is important to introduce minimum wages, providing affordable housing, and ensure decent incomes.

#### EMPL hearing on "the escalating energy poverty and housing affordability crisis"

On the 11<sup>th</sup> of July 2022, the Committee for Employment and Social Affairs (EMPL) of the European Parliament organized a public hearing on the issues of energy poverty and housing affordability.

Kim van Sparrentak (Rapporteur of the report "Access to Decent and Affordable Housing for All") recalled some of the important achieved after the steps adoption of her Report, such as the target to end homelessness by 2030; the Platform to combat homelessness: the Nice minister's declaration; the Eurogroup discussions on the rising housing prices; and announcement of an upcoming short-term rental initiative as a plug-in on the Digital Services Act – although it has been postponed. She finally recalled that the Greens published a study<sup>10</sup> financialization of housing. Her speech was



Kim van Sparrentak, MEP, Greens/EFA

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followed by an expert discussion on housing affordability and by a view from the Institutions. **Joost Korte** (Director General, European Commission Directorate General for Jobs and Social Rights) recalled the Porto targets, the EPSR, the Minimum Wage directive, the European Child Guarantee, the Council recommendation on ensuring a fair transition to climate neutrality, and the upcoming EC recommendations on income. On housing, he mentioned the EC reply to Kim van Sparrentak's report, the EC support for policy initiatives, the funds made available to the Member States, and the European platform to combat homelessness.

Adéla Tesařová (Head of Unit, European Commission Directorate General for Energy -Unit Consumers, Local Initiatives, Just Transition) focused on the "Fit for 55"package, which is reinforcing existing EU legislation to address energy poverty, and RePower EU, which is accelerating the energy transition. She also mentioned the EPBD as having provisions to protect tenants from rising prices following deep renovations, and the EED for its energy poverty definition proposal and for its plan to prioritize energy interventions for social housing and people in need. The EC is also working with the Member States to strengthen the energy dimension of the national Recovery plans. Finally, she stated that the EC is looking forward to the Social Climate Fund establishment and stressed the need for more, better and timely data on energy poverty.

#### **\*\*\***Housing rights**\***\*

The European Contribution to the Right to Housing- Standards, Litigation and Advocacy<sup>11</sup>, FEANTSA & Fondation Abbé Pierre



On the 16<sup>th</sup> of May 2022, FEANTSA & Fondation Abbé Pierre co-hosted an event to raise awareness for the European and national binding obligations of the right to housing, and to compare different national situations. Several issues were addressed,

such as environmental litigation concerning the right to housing, requirements of the the principle of proportionality in relation to homelessness, the fact that controlling the property market against price abuses is not contrary to EU law, and а European strategy/national strategy to end fuel poverty. Maria José



*Maria José Aldanas* (Policy *Officer, Feantsa*)

Aldanas (Policy Officer, Feantsa) delivered a presentation on the binding obligations for the States arising from European and international treaties and conventions regarding the right to housing. States, in fact, must assess the resources they need and ensure the provision of social housing and benefits for low and middle-income people. At the same time, tenants have the right to appeal and to legal protection, with adequate

obligations\_EN\_v4.pdf (abusivelending.org)

<sup>&</sup>lt;sup>11</sup> FEANTSA report: FEA 005-20 Update housing

procedural safeguards, affordable and impartial judicial, and a reasonable time frame for the legal procedure. Within the obligations related to evictions, the following were mentioned: security of tenure, legal framework sufficiently protecting residents' rights, prohibition of evictions at night or during winter, prior access to other housing solutions, and proportionality assessment. Finally, she stressed that States must take action to prevent homelessness and ensure human dignity for homeless people and disadvantaged people, such as Roma people, migrants and asylum seekers.

The panel discussed the similarities and differences between environmental and climate change litigation and housing rights, and how the former can be used as a model for housing rights advocates. The discussion suggested that since climate and housing are strictly related, this link should be further exploited for implementing the right to housing.

Finally, in an afternoon workshop on energy poverty, Louise Sunderland (senior advisor to the Regulatory Assistance Project, England) presented the case of the UK, where energy standards (EPC E) in buildings are fully enforced and from 2004 a Housing Health and Safety Rating Standard (HHSRS) – a risk-based system used to assess threats to human health in housing - is implemented. In addition, since 2016, the private rental sector adopted the EPC E standard enabling tenants to request landlords to make home improvements. However, this highlighted the power imbalance between tenants and landlords, the issue of insecure tenancy, the lack of data and financing and the lack of ambition of the current energy standard. Finally, she provided the good practice of home energy efficiency programs in Scotland, where there is a national advisory board providing advice and subsidizing long-term energy efficiency measures, especially in energy poverty households, with zerointerest loans and cashback for landlords with less than 5 properties.

### Existing Tools to prevent "Renovictions"



On the 24<sup>th</sup> of May 2022, IUT and FEANTSA jointly organized a webinar on the prevention of renovictions. This term refers to deliberate or indirect evictions due to rent increases caused by housing renovation. The issue is becoming even more relevant and urgent in the context of the Renovation Wave, an EU initiative that aims to double the rate of energy-efficient housing renovation in the EU to meet the Green Deal carbon emissions' reduction targets. The webinar presented the tools available to prevent low-income households from paying the costs of the energy transition, with a specific focus on Canada, and Sweden.

Marie Linder (IUT President) pointed out that today many landlords take the opportunity to make standard-raising measures that are not strictly necessary and increase rents to the point where tenants are forced to move out. The Swedish Union of Tenants, in fact, has registered a rise in renovictions rates. The IUT



*Marie Linder* (IUT President)

president therefore highlighted the urgency of this issue and the importance of making the Renovation Wave economically and socially sustainable. To defend tenant's rights against renovictions at the international level, she emphasized the power of organization and the principle of housing cost neutrality (rent increases are fully balanced by energy savings, helping to prevent renovictions) and the subsidiarity principle. Moreover, she stressed the need of state sponsored support for sustainable renovations. In conclusion, **Marie Linder** provided an overview of the rental housing system in Sweden.

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