

IUT Board in Paris

allowances-for-low-and-middle-incomehouseholds/ ²https://www.eurofound.europa.eu/publications/r

1

Autumn-Winter 2022/2023

Housing and cost of living crisis Housing Policy Housing Policies Housing

******Housing and cost of living crisis***

IUT Paris Declaration

The **IUT board**, invited by its French member organisation **Confédération Nationale Du Logement**, met in Paris on 27 October 2022. Discussing the situation for tenants in their respective countries, it became evident that tenants all across Europe are facing severe consequences of the cost-of-living crisis. Rent increases following indexation coupled to inflation, and the soaring energy prices are making the situation unbearable for low- and middle-income households. Facing similar challenges in Europe, and elsewhere, the IUT board launched the Paris declaration to call for governments to act¹.

IUT key stakeholder at Eurofound workshop on Housing unaffordability and inadequacy in Europe

On the 23rd of September, IUT participated in the stakeholder workshop organized by Eurofound to receive feedback on its draft report on the impacts of inadequate and unaffordable housing. The report also describes the EU housing landscape and its development over time, it maps housing problems, identifies population groups affected by them, and it presents policy examples to address housing issues in a world. IUT changing had previously contributed to the report by answering to questionnaire sent out by Eurofound in March 2022. The report is expected to be published in May 2023².



Hans Dubois







overview of the rental housing sector in Europe³.

IUT- Social Platform study visit on social solutions to the energy crisis – ERHA 2022 follow-up⁴



On the 19th of October, IUT, the Social Platform, Caritas Europe, and Housing Europe, organized

a virtual study visit to showcase good examples of how civil society is providing solutions for fair energy transition and climate justice.

Chiara Massarotto (IUT Policy Officer) gave an introduction on the European responsible Housing Initiative and its Awards^{5.} Later, three projects were presented: "Bertelotte student residence", "Lloguem!/Yes we rent!", and "Stromspar-Check". The first two won the ERHA 2022 and all information can be found in the ERHA 2022 Handbook⁶.

"Affordable rent and collaborative housing: the experience of the Lloguem project!"⁷- Mataró City Council



On September 13th, the city of Mataró invited to a citizens' meeting at the 'Espai Mataró

Connecta', to promote and develop interaction between citizens and the City Council, to learn about the experiences of the UIA 'Yes, we rent!' project and to discuss the project in its wider context with international experts and practitioners from the projects Advisory Council⁸.



The Advisory Council of "Yes, we rent!" **Barbara Steenbergen** stressed the necessity of accessible, affordable rental housing in Europe and that the project 'Yes, we rent!' is about fairness: fair rents for landlords, so they can maintain their property, but also fair rents for tenants to have a decent living. For this, loans without interest as well as free cession of land for housing cooperatives should be provided and pension funds obliged to invest in social and green housing businesses.⁹

European Commission acts to promote transparency in the shortterm rental sector

On the 8th of November, the European Commission adopted a proposal for a regulation to enhance transparency in the field of short-term accommodation rentals (STR)

eport/2023/affordable-and-adequate-homes-thecost-of-and-access-to-housing-in-europe ³ Report of the International Tenants Day 2022:

https://www.iut.nu/news-events/iut-newsletterinternational-tenants-day-2022/

⁴ <u>https://www.socialplatform.org/events/study-</u> visits-social-solutions-to-the-energy-crisis/

⁵ <u>https://www.responsiblehousing.eu/</u>

⁶<u>https://www.responsiblehousing.eu/_files/ugd/8ac</u>

⁵c3_2e3d4168a7eb441c84a934ce7548ad39.pdf ⁷ https://www.uia-initiative.eu/en/news/mataroconcludes-its-project-yes-we-rent-final-event

https://www.mataro.cat/ca/actualitat/agenda/20 22/jornada-lloguer-assequible-i-habitatge-collaboratiu-la-experiencia-del-projecte-lloguem ⁹ https://uia-initiative.eu/en/news/mataroconcludes-its-project-yes-we-rent-final-event

and help public authorities ensure their balanced development as part of a sustainable tourism sector¹⁰. Key features of the regulation according to the EC:

More transparency:

- Harmonised online procedure for registration of hosts and properties
- Unique identification number issued to identify hosts and properties

Better tracing:

- Hosts obliged to use their identification number and display it online.
- Online platforms must facilitate display of identification numbers and perform certain checks.

Simplified data sharing:

- Platforms obliged to share data monthly in automated way via single digital entry point.
- Lighter requirements for small and micro online platforms.

Encouraged publication of short-term rentals data:

• EU or national statistics offices can publish aggregated and anonymized data.

Respect and protection of personal data.



©Reddit/Geograph

Luis Mendes from the Lisbon Tenants' Association and Barbara Steenbergen (IUT) reacted critically towards the press- the EU commission failed to address the underlying problem of Short-Term Rentals, the extraction of rental housing from the regular housing market, aggravating the affordability crisis.¹¹

Commission's proposal failed to address the "professional profit-oriented exploitation of the market", **Steenbergen** said.

In the first hearing of the European Parliament, **René Ripasi** MEP also criticised that the EU Commission is not regulating the STR's itself, but instead limits their proposal to the collection and sharing of data. The European Parliament will discuss the legislative proposal in 2023.

Berlin Tenants' Association and IUT on Common Ground Podcast: The Berlin Housing Crisis¹²

"Poor, but sexy" Berlin was famous for its affordable rents, but these days, the capital city is the second most expensive in Germany and among the 50 priciest in the world.

and A	
H-H	III
III	H H,H
IIA	HHH

Wibke Werner, Director of the Berlin Tenants' Association and Barbara Steenbergen (Head of IUT Brussels office) participated in the Common Ground podcast, analysing Berlin's residential crisis brought on by a shortage of housing and inflation and potential solutions.

ever-after-with-airbnb/

¹⁰<u>https://ec.europa.eu/commission/presscorner/d</u> etail/en/IP 22 6493

https://www.thenationalnews.com/weekend/202 2/12/30/can-europe-find-a-way-to-live-happily-

¹²<u>https://commongroundberlin.com/podcast/episode</u> -63-no-place-to-call-home-an-update-on-berlinshousing-crisis/

IUT vice-president Jan Laurier and Barbara Steenbergen at the Brussels Renovation Summit¹³



The European Affordable Housing Consortium (Sustainable Housing for Social Impact (SHAPE-EU), Housing Europe, the European Construction, built environment and

energy efficient building Technology Platform (ECTP), and Eurocities) organized a two-day Renovation Summit. The event discussed how legislative, financial, and soft measures backed up with solid innovation can still ensure a smooth energy transition for homes and neighbourhoods in Europe. Jan Laurier (IUT Vice-president) underlined the current inflation trends, pointed out that housing costs are the highest expenditure of households and that tenants are at the forefront of the housing and energy crises. He then highlighted that a plan for the protection of tenants is needed, and it should guarantee the principle of housing cost neutrality. It should also include price caps, safeguards against renovictions and energy cut/offs, climate housing allowances and tenants' democracy¹⁴.



During the second day, Barbara Steenbergen

(Head of IUT Brussels office) pointed out that tenants are the weakest part of the market and addressed the

issues of high inflation, indexation of rent contracts and exploding energy prices. She therefore affirmed that the housing cost neutrality principle is the solution, and that people should be protected from renovictions. Moreover, she stressed the importance of introducing rent control systems and rent caps. She added that financial opportunities should be concentrated on non-profit housing companies and if minimum energy performance standards are not met rent increases should be banned.

IUT at the workshops organized by the EU Directorate General for Economic and Financial Affairs

DG ECFIN organized two one-day workshops on housing prices and taxation on November 30 and December 1, 2022. The first one, entitiled "Is European housing overpriced – how to tell?" discussed the significant increases of house prices in the recent years and the increased overvaluation risks. The second day was dedicated to international perspectives on housing taxation. In fact, pressures on housing affordability across the EU have put a new spotlight on the taxation and provision of benefits for residential housing. The event brought together fiscal and taxation experts from academia, NGO's and the Commission to discuss the evidence on the

¹³ https://www.housingeurope.eu/event-

^{1723/}renovation-summit-2022-fast-tracking-

innovation-to-mitigate-the-energy-crisis

¹⁴ <u>https://www.iut.nu/news-events/iut-calls-for-</u>

moratoria-on-evictions-energy-price-caps-andlong-term-climate-allowances-for-low-and-middleincome-households/

impact of national tax and benefits tools on housing affordability, stability, investment and climate objectives.

The slides of the speakers are available at request.



© Alexia Barakou- Investigate Europe Magazines and newspapers in several countries picked up the issue of the effects of taxation on the housing market by the

journalist collective "Investigate Europe"¹⁵.

Barbara Steenbergen (IUT) criticised in the workshop of the EU Commission the lack of transparency in the benefical ownership of real estate in order to prosecute tax evasion and money laundering- essential as well for tenants who need to know who is actually their landlord. A massive problem which is aggravated by the recent judgement of the **European Court of Justice** which lead to a shut down of existing national transparency registers for real estate.¹⁶

SON and IUT at the Rental Housing Days at the Senate of the Czech Republic

On the 8th of December, IUT was invited to a conference organized by the **Czech Union of Tenants (SON)** at the Senate of the Czech Republic. **SON Chairman and IUT board**

¹⁵ Investigate Europe, Untaxed – how governments lure capital into real estate and feed the housing crisis: <u>https://www.investigate-</u> <u>europe.eu/en/2022/untaxed-real-estate/</u>

¹⁶ <u>https://www.investigate-</u>

europe.eu/en/2022/public-access-to-ubo-abolished-

member Milan Taraba gave an introduction on recent policies for tenants and housing affordability in Czechia.¹⁷



Milan Taraba, SON, at the Czech Senate

Barbara Steenbergen (IUT) spoke on the actual challenges for tenants in Europe¹⁸ and outlined the main components of the housing and energy crises. She then presented the IUT plan on the protection of tenants, based on the IUT Paris Declaration. The Plan includes safeguards such as the principle of housing cost neutrality, price caps, moratoria on evictions and disconnections, laws on rent stabilization and controls and climate housing allowances.

*****Energy chapter*****

Ensuring a fair energy transition for all – European Policy Centre



On the 8th of November, at the European Policy Centre (EPC), IUT attended a

hybrid policy dialogue on the FETA project ¹⁹ (Fair Energy Transition for All), organized by

by-european-court-of-justice/

¹⁷ <u>https://www.son.cz/?p=422</u>

¹⁸ Video of Ms. Steenbergen intervention:

https://www.youtube.com/watch?v=jSBNBgeP44o

¹⁹ <u>https://fair-energy-transition.eu/</u>

EPC, King Baudouin Foundation and ifok. The discussion highlighted the importance of ensuring a fair energy transition. For this aim, the topics of energy poverty, district heating, funding, sustainability and protection of vulnerable categories (including tenants) were addressed.

Adéla Tesarova (DG ENER Head of Unit, Consumers, Local Initiatives, Just Transition,) emphasized that the crisis is bringing out more empathy among people and institutions, and that communication and information must be tailor-made and more accessible. She then assessed that renovations are not always affordable and that there are not enough skilled construction workers.

Chiara Massarotto (IUT policy officer) intervened from the public to point out that tenants are the most socially excluded category who cannot be part of the energy transition with these high prices. Therefore, she stressed the need for social safeguards against renovictions and rent increases.

En finir avec les coupures d'énergie! – Stop disconnections

On the 24th of November, IUT was present at a webinar organized by FEANTSA and Fondation Abbé Pierre. The main theme were energy poverty and disconnection in Europe. **MEP Marie Touissant** (Greens/EFA) assessed that the situation is getting more and more serious day by day. Disconnections deprive people from dignity; indeed, a human right approach is needed in making decisions. Moreover, renovating housing is an emergency to combat energy crisis, it is a social urgency.

People and housing at the crossroads of energy poverty and failing supply chains



On the 14th of December IUT participated in the Housing Europe's event on strategies to shield the population from the massive rise

in prices and good practice sharing. John Taylor (DG JUST, EC) presented a recent declaration adopted by kev energy stakeholders and supported by the European Commission on consumer protection in the energy crisis. The Declaration includes measures such as bill payment deferrals, protection from disconnection, discouraging unilateral contract switching over the winter and access to transparent, clear information as regards bill composition and advice on how to optimize energy use²⁰. Martin Willemart (DG GROW), instead, particularly highlighted the Affordable Housing Initiative.



Chiara Massarotto

Chiara Massarotto (IUT Policy Officer) represented tenants' voices in the debate. She presented the IUT plan for the protection of tenants. Therefore, she stressed the need for laws for rental stabilization and control, limits in rent increase and price caps for consumers. Moreover, she highlighted the importance of long-term compensation for the increase in energy costs and of moratoria on evictions and

²⁰ https://energy.ec.europa.eu/declaration-

enhanced-consumer-protection-winter_en

energy cut-offs. Finally, she claimed the importance of tenants' participation and better transparency in the rental sector.

EU regulatory roundtable and EU energy citizens forum in Dublin

November 22-23, the European Commission invited IUT to participate in the EU Regulatory Roundtable and Energy Citizens Forum in Dublin, Ireland. **Barbara Steenbergen** presented the core points of the IUT Paris declaration, stressing the need to implement social safeguards for low-and medium income households in the energy legislation compliant with the rent law in the EU member states. Housing cost neutrality after renovation is hard to achieve, but indispensable to protect tenants from being "renovicted".



The points have been noted by DG Energy and will be negotiated in the trilogue of the energy legislation package between EU Commission, European Parliament and EU council during the Swedish EU presidency in the first half of 2023.

The rapporteur of the Energy Performance Buildings Directive, **Ciaran Cuffe** (Greens/EFA), from Dublin, had a meeting with **Barbara Steenbergen** at the EU Parliament in Strasbourg with regard to the amendments in line with social safeguards for vulnerable households. The negotiation will be tough, the vote of the responsible ITRE-committee is scheduled January 24th.



Rapporteur Ciaran Cuffe MEP, Barbara Steenbergen (IUT)

******Housing Policies

MES per Mallorca visit to IUT Brussels office²¹

On the 25th of October, a delegation of the political party MES per Mallorca and the European Parliament's political group European Free Alliance (EFA) visited IUT's EU office to discuss the housing crisis and the possible solutions to tackle it. **EFA President Lorena Lopez de Lacalle and Lluís Apesteguis** (Mayor of Deià, Spain) asked IUT to contribute to their upcoming initiatives.



The meeting was the occasion to discuss issues such as the effects on mass tourism on housing (especially on islands), the housing cost overburden rate, the Services of General Economic Interest and the protection of the fundamental human right to housing.

als-preus-dacces-a-lhabitatge/

²¹ <u>https://www.mespermallorca.cat/noticies/mes-</u> per-mallorca-reclama-a-brussel-les-fixar-un-topall-

Housing markets in the 2020s: valuation, drivers, risks and policies

On the 21st of September 2022, the European Money and Finance Forum (SUERF) organized an event to discuss housing market changes in recent years due to the pandemic. The discussion highlighted that house prices grew strongly during the pandemic, almost by 30%. The pandemic, however, shifted preferences: it has induced behavioral shifts underlying housing demand. As interest rates continue to climb, affordability deteriorates even more. Moreover, in most OECD countries, house prices and rents have risen fast over the last decade and a half; prices and rents have continued to rise as economies reopened, and housing has accounted for a rising share of consumption. Low- and middle-income groups are particularly at risk in this situation.

Tenants' Association of Bonn presenting new project of cooperative housing at the Eurocities Housing Working Group

December 16th, the tenants' association of Bonn was invited to the housing expert forum of **Eurocities**, the European network of 200 large cities and capitals in 38 countries, to present their project to set up a cooperative together with the landlords' organization and the welfare organizations of the catholic and protestant churches to provide 55 affordable and barrier-free housing units in Bonn, a city with exploding rents that nearly doubled since 2010.



The project is financially supported by several civil society organizations and receives favorable loans from the public bank of North Rhine-Westphalia.



Felix von Grünberg

The representatives of the tenants' association of Bonn, Bernhard "Felix" von Grünberg, Chair, Heike Keilhofer, Director and Barbara Steenbergen, Vice-Chair, explained the foundation of the cooperative "Zusammenstehen Bonn"²² (standing together in Bonn) as an example for new ways of cooperation to fight the housing crisis. Felix von Grünberg also highlighted the need for a fundamental new housing policy not only in Germany, but beyond: not for profit housing for the common good!

© IUT liaison office to the EU Barbara Steenbergen, Chiara Massarotto and Irene La Barbera More info: Barbara Steenbergen, Head of IUT liaison office to the EU, Brussels. barbara.steenbergen@iut.nu

²² https://zusammenstehen-bonn.de/