



International Union of Tenants

Association Internationale des Locataires

www.iut.nu

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Press release

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World Consumer Rights Day 2018

International Union of Tenants - 10 years of lobbying for tenants towards the European Institutions

This year, the International Union of Tenants is celebrating the 10th anniversary of its representation in Brussels.

The IUT EU office was set up in 2008 to defend the rights of tenants towards the EU. IUT promotes the fundamental right to housing, more affordable rental housing supply, measures against energy poverty and the defense of the principle of subsidiarity in housing policy.

Tenant's rights are affected by EU regulations in various fields:

State aid: According to European Commissions' competition law, state aid to social housing may only be granted if it is restricted to "socially disadvantaged groups"¹. IUT considers the EC decision as a violation of the principle of subsidiarity.

Social housing is- like health and education- a sector where state aid is needed to correct market failures. But in the health and education sector the EC does not define the target group.

Therefore, the target group should not be defined in the social housing sector either. If Member States, cities and regions decide that there is a local need to build more social and affordable housing, they should not be hindered by the EC. Access to social housing must also be made available for middle-income households- the key-workers, who keep our cities running. Access to the housing markets is effectively shut for middle-income households: private market rents are too high, ownership is not an option because they lack creditworthiness as their income is too low to finance a purchase. IUT is supported in its policy by the European Parliament, the Committee of the Regions and the European Economic and Social Committee. Despite of the clear resolutions of these institutions, the EU Commission has stated that it is not currently intending to review the state aid directive in the field of social housing.

Fundamental Right to Housing: In the EU pillar of Social Rights, adopted in November 2017, Article 19 states:

"Access to social housing or housing assistance of good quality shall be provided for those in need. Vulnerable people have the right to appropriate assistance and protection against forced eviction. Adequate shelter

¹ http://ec.europa.eu/competition/state_aid/cases/197757/197757_1155868_173_2.pdf

and services shall be provided to the homeless in order to promote their social inclusion”²

IUT appeals to the EU member states to implement the pillar in their national legislation and policy. The lack of affordable housing is one of the main drivers for social exclusion and poverty. The EU institutions have to do more than writing rules and legislation and also sanction violations of the right to housing- for instance by cutting funding to those countries not applying Article 19 in practice.

Energy Poverty: 50 million people in Europe have difficulties in paying their energy bills and keeping their homes warm. Instead of an energy policy playing in the hands of industry by imposing regulations to increase the costs of construction, EU’s role should be to guarantee the affordability of energy efficiency. IUT thinks it is necessary to redirect EU funding for energy efficiency to households in need. In 21 Member States of the EU, the costs for energy renovation can be passed on via the rent. Rent increases, which are not balanced by energy savings, lead to “renovictions”- evictions by renovations. If EU funding is granted, binding regulations like rent caps and a housing cost guarantee should be obligatory.

More affordable rental housing supply: There has been reasonable progress in opening EU funds for housing: Since 2008, the European structural funds can be used for the housing sector- which was at first targeted towards the new member states. Today, in the current programming period 2014-2020, cohesion funding has been significantly improved: 6.6 billion € have been allocated to housing through energy efficiency measures and new infrastructure construction.³ The challenge for IUT and its members remain to mobilize at local level and make sure that the money is actually invested in the affordable rental homes for low- and middle-income households. We continue driving the EU agenda for more tenants’ empowerment and corporate social responsibility in the housing sector.⁴ IUT is an active member of the “EU Affordable Housing Partnership”, the recently set-up committee at EU level to identify better policies for more housing investment in the European cities.⁵

“10 years of work for tenants at EU level: many steps forward, and still a long and challenging way to go. Together with the national tenant unions, we will work together to reach improvements for tenants in the EU and globally, Barbara Steenbergen, head of IUT EU office, and Annika Wahlberg, Secretary General conclude.

² https://ec.europa.eu/commission/sites/beta-political/files/social-summit-european-pillar-social-rights-booklet_en.pdf

³ Figures by Housing Europe, February 18, 2018

⁴ www.responsiblehousing.eu

⁵ <https://ec.europa.eu/futurium/en/housing>

About IUT: The International Union of Tenants (IUT) was founded in 1926 and is a non-governmental and not-for-profit umbrella membership organization with the purpose of safeguarding tenants' interests and promoting affordable and decent rental housing across the world. Its members consist of 69 national and local tenants' associations in 46 countries. IUT offices are located in Stockholm and 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.

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