

REPORT

ON THE

CONFERENCE ON THE FUTURE OF EUROPE HOUSING EVENT



NUI Galway
OÉ Gaillimh



Centre for Housing Law, Rights, and Policy



An Ghníomhaireacht
Tithíochta
The Housing Agency



European
Movement
Ireland



Conference
on the Future
of Europe



The Global Galway Project
NUI Galway - A Global University

Report on the Future of Europe – Housing Event

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Media by Cormac Staunton.

This Event was possible through funding support from the Housing Agency Ireland.

The Report may be cited as:

Kenna, P. (2020) *Report on the Conference on the Future of Europe – Housing Event*, (NUI Galway, Centre for Housing Law, Rights and Policy).

Contents

Introduction - Professor Padraic Kenna - NUI Galway	Page 4
Housing Event Programme	Page 7
Recommendations	Page 8
Conference Presentations:	
Kim Van Sparrentak MEP	Page 12
Sharon Donnery, Central Bank of Ireland	Page 14
Michaela Kauer, EU Office, City of Vienna	Page 16
Freek Spinnewijn, FEANTSA	Page 18
Dara Turnbull, Housing Europe	Page 20
Stanislas Jourdan, Positive Money Europe	Page 22
Professor Rory Hearne, NUI Maynooth	Page 24
Barbara Steenbergen, International Union of Tenants	Page 26
Dr. Núria Lambea-Llop UNESCO Housing Chair	Page 28
Dr. Áine Sperrin, NUI Galway	Page 30
Professor Marc Roark, Southern University Law School	Page 32
Macdara Doyle - Irish Congress of Trade Unions	Page 34
Housing Event - Concept Paper – Professor Padraic Kenna:	
Housing Challenges	Page 37
Housing Rights in Europe	Page 39
The EU and Housing	Page 42
The European Green Deal	Page 46
APPENDIX 1. Report (2021) <i>Decent and affordable housing for all</i> – European Parliament – extracts	Page 49
APPENDIX 2. Nasarre-Aznar, S., Ftáčnik, M., Lambea-Llop, N. & Rasnača, L. (2021) <i>Concrete Actions for Social and Affordable Housing in the EU</i> – Recommendations.	Page 51
APPENDIX 3. Kenna, P., Benjaminsen, L., Busch-Geertsema, V. & Nasarre-Aznar, S.. (2016). <i>Promoting protection of the right to housing – Homelessness prevention in the context of evictions</i>. Final Report DG EMPL - Recommendations.	Page 53
Appendix 4. Housing In Europe	Page 55
Guide to the European Union	Page 63
Follow Up – The Irish Times	Page 71

Introduction

Professor Padraic Kenna - NUI Galway

Housing – or the challenges facing young people in accessing affordable housing, is emerging as one of the key issues for the European Union. While the great majority of Europeans live in good quality, affordable housing as a result of major State and private investment since the 1950s, the picture for young Europeans is not so rosy.

Housing as a European Issue

The majority of people aged 18-34 across the EU still live with their parents, largely because they cannot afford to rent or buy. While there are major differences in the housing situation in every Member State, all prosperous European cities face similar challenges, especially those with population growth and inward migration.

The lack of affordable housing particularly impacts on poor and socially excluded people, such as LGBTQI+ young people, lone parents and migrants. Almost 10% of the EU-27 population (and 35% of those who are poor) live in households that spend 40% or more of their disposable income on housing. Homelessness has risen across Europe, although this year, the European institutions, Member State governments and civil society have committed to combatting homelessness under the European Platform on Combatting Homelessness, with a target set for ending homelessness by 2030.

More and more Europeans are looking to the EU to tackle the challenges of our times in such areas as climate change and environmental protection, economic stability, digitalisation of society, data protection, the sharing economy, responsible lending, good jobs, improved quality of life, recognition of diversity, fundamental rights and social inclusion.

Could the EU do more in the field of housing?

It is important to remember that the EU has no direct competences/powers in housing as such – it is unlikely to ever build, sell or rent homes. For example, in relation to owner-occupation or housing as property, Article 345 of the Treaty on the Functioning of the EU states that “This Treaty shall in no way prejudice the rules in Member States governing the system of property ownership.” Of course, Member State constitutional and legal provisions on the regulation of use of property in the public interest are mirrored in the Treaties. But housing is also about more than property, and despite all the differences between national housing systems, there are many common issues facing all Europeans. Some of these are relevant for, and overlap with, EU policies, which have already been approved by Member States.

In many areas which relate to housing, Member States have agreed to share their competences/powers, such as in supervision of mortgage lenders, setting of euro-area interest rates, consumer protection and fundamental rights, and in non-discrimination on gender or other grounds.

The European Commission, through the European Semester, and referring to the European Pillar of Social Rights, provides Member States with policy support, guidance and orientation on how to design efficient national policies aimed at ensuring citizens' access to affordable, secure and accessible social housing. The European Commission assists Member States to deal with housing supply shortage, dysfunctional housing markets, macroeconomic imbalances and insufficient stock of social housing.¹

Many issues which affect access to, and enjoyment of, housing rights are impacted by the unique architecture of the Economic and Monetary Union. These include the rules on social and affordable housing as a Service of General Economic Interest, and the rules on Member State budget deficits and borrowing levels for investment. Of course, these rules do not in any way prevent Member States from acting to address national housing system deficits. There are proposals to separate investment in social and affordable housing from the rules on general government debt, avoiding State budget deficits.

The European Commission, European Parliament and European Central Bank support measures which limit excessive house price increases, and have also recommended increased investment of all forms of social and affordable housing to promote wider access to adequate, secure and affordable housing for Europeans. Indeed, EU institutions are beginning to recognise the need for choice, stability and balance in housing systems across Europe. In 2021, the European Parliament Report on 'access to decent and affordable housing for all' called for adequate, energy-efficient and healthy housing for all Europeans, and major investment in social, public, affordable and energy-efficient housing.

The EU Green Deal is especially significant for housing investment across Europe. The decarbonisation of the EU economy by 2050 is a common objective in the fight against climate change, and the energy used for heating and cooling buildings is one of its main causes. Through the Green Deal, the European Union set itself the goal of making buildings and housing more energy-efficient.

The European Single Market and social market economy of the EU also impact on housing on many levels. But, of course, access to adequate housing is essential for the full participation of every EU citizen in society.

Looking to the Future

All of these issues were up for discussion at the Conference on the Future of Europe Event on Housing, hosted by NUI Galway on 9th December 2021, in association with European Movement Ireland and The Housing Agency. This EU initiative seeks to open a space for debate to address Europe's challenges and priorities, and it is important

¹ EU funding for housing projects is available through the European Regional Development Fund, the Just Transition Fund, InvestEU, ESF+, Horizon Europe, Next Generation EU, Recovery and Resilience Facility, Coronavirus Response Investment Initiative (CRII) and the Coronavirus Response Investment Initiative Plus (CRII+). The European Investment Bank provides low interest long term loans for social and affordable housing.

that housing is treated as one of the important issues for Europe's young (and not so young) citizens.

One of the key questions addressed by presenters and participants at the NUI Galway Event was "what your ideal Europe would look like in the next 10-20 years". Of course, this led to many other questions. Will everyone in Europe be able to access decent and affordable housing? How much will we pay for our homes? Will our housing systems contribute to climate change, or will we have sustainable and energy efficient homes? Will our communities be inclusive of all? Will our housing policies reflect gender equality? Will we have segregation based on income, identity, disability, nationality or connectivity? Will our students and young people be able to access good quality affordable housing if they chose to study or work in another Member State? Will the EU help us ensure that no-one is homeless due to lack of housing? Will our housing systems be defined by boom-bust cycles and unpredictable mortgage interest rates for aspiring home-owners? Will the EU support a minimum standard of housing in line with human dignity for all? Will the human right to home take priority in housing-related policymaking, or will it be something else? What does the commitment in the EU Charter of Fundamental Rights "to ensure a decent existence for all those who lack sufficient resources" really mean? How does the European Pillar of Social Rights actually inform EU policies?

Of course, we found that the answers to these questions involve national, regional and local actors and organisations, as well as European Union institutions. We also agreed that it is really time to include housing as part of the Europe-wide debate on the Future of Europe. We will develop and share better solutions, working together as Europeans.

I wish to sincerely thank all those who presented to this Event, as well as the moderators Cllr Alison Gilliland, Lord Mayor of Dublin, and Bob Jordan, CEO of the Housing Agency. Special thanks to colleagues NUI Galway Professor Martin Hogg and Professor Geraint Howells, and Researchers Áine Dillon and David Martin, with Cormac Staunton of Staunton Media. The sponsorship and assistance of the European Movement Ireland and the Housing Agency was invaluable.

We hope that this Report and the accompanying video of the Event will contribute to the healthy debate about how to organise our housing systems for benefit of all. Comments and feedback welcome. Send to padraic.kenna@nuigalway.ie

Professor Padraic Kenna. 1st February 2022.

Conference Programme

Chairperson: Professor Martin Hogg - Head of Law School, NUI Galway

Opening Address: Thomas Byrne TD, Minister for European Affairs – Ireland.

Introduction: Noelle O' Connell, CEO European Movement Ireland.

Session 1. Moderator - Alison Gilliland - Lord Mayor of Dublin

- Kim Van Sparrentak MEP - European Parliament Report (2021) on 'access to decent and affordable housing for all'.
- Sharon Donnery, Deputy Governor Central Bank of Ireland and Member of Governing Council of the European Central Bank.
- Michaela Kauer, Brussels Office of City of Vienna – housing and gender equality in the Future of Europe.

Session 2. Moderator – Professor Padraic Kenna, NUI Galway

- Freek Spinnewijn, FEANTSA – The EU and homelessness.
- Dara Turnbull, Research Coordinator at Housing Europe – the European Federation of Public, Cooperative and Social Housing – Key issues for social housing in Europe.
- Stanislas Jourdan, Positive Money Europe.
- Professor Rory Hearne, NUI Maynooth – public housing and the EU.

Session 3. 12.30 – 1.30. Moderator - Bob Jordan, CEO - The Housing Agency

- Barbara Steenbergen, Brussels Office - International Union of Tenants.
- Dr. Núria Lambea-Llop, UNESCO Housing Chair, University Rovira i Virgili, Tarragona, Spain.
- Dr. Áine Sperrin, CDLP, NUI Galway, Independent Living and the Future of Europe.
- Professor Marc Roark, Southern Law School, USA. What can the US learn from Europe?

Housing Event Closing: Professor Geraint Howells, Dean of College of Business, Public Policy and Law, NUI Galway

Recommendations

Kim Van Sperrantak

1. An integrated strategy on affordable housing in EU institutional policy-making.
 - Follow up on the European Parliaments' call to allow for more public investments and the European semester should set affordable housing as an important policy goal.
2. Tackling financialization of the housing market.
 - Evaluate the impact of EU institutional supervision rules on financialization and ensure better transparency on real estate transactions and ownership.
3. An ambitious Renovation Wave.
 - Aim to achieve a deep renovation of 3% of the European building stock per year.
 - Improve the energy performance of these building by at least 60%.
4. Goal to eradicate homelessness.
 - Take stronger action to support Member States in reducing and eradicating homelessness.
 - Use all policy tools to fight housing crisis.

Sharon Donnery

1. Housing policy overall has to focus on the sustainable supply of housing to meet the growing needs of citizens across Europe.

Michaela Kauer

1. Need to have more focus on energy poverty as it relates to gender inequalities.
2. There needs to be institutional change to empower citizens and implement for gender equality at EU level.
 - Instruments like gender quotas in the political field
 - Gender mainstreaming
 - Gender budgeting
 - Linking women's rights to the EU Justice Scoreboard and the Rule of Law Mechanism

Freek Spinnewijn

1. Mainstreaming homelessness in other policy areas – Migration & Asylum, Fundamental Rights, Anti-Discrimination and Health – all areas of EU institutional competences.
2. Strengthening of the Human Rights monitoring
 - Enlarge the role of the Fundamental Rights Agency to social rights including the right to housing

- There needs to be more support for European NGO's to engage in strategic human/housing rights litigation.
3. The EU should consider legislative means to address/ prevent homelessness
 - This can be done by building on some of the EU law directives that exist and that mention homelessness, such as access to basic banking services and access to Water Directives.
 - There needs to be a move towards guaranteed access to shelter for homeless people – it exists already for Asylum Seekers.
 4. The 'Do no harm principle' should be applied – avoid negative impact of EU policies on housing affordability, security and access.

Dara Turnbull

1. A need for greener more sustainable homes.

Stan Jourdan

Recommendations for ECB:

1. Conduct monetary policy in a way that doesn't rely on house price appreciation:
 - Credit guidance policies that discourage bank lending for real estate speculation and supports access to first-time homeowners of newly built homes.
 - Direct cash transfers to households and non-financial firms instead of QE and negative rates.
 - Coordination with fiscal authorities to foster real economic growth and public investment

Recommendations for EU:

1. Tackle financialization of housing as an asset class
2. Encourage member states to eliminate subsidies for homeownership
3. Encourage member states to increase publicly build affordable housing
4. Create EU standards to protect against repossessions and evictions in all EU countries.

Professor Rory Hearne

1. Revise economic and housing system models used in EU policymaking away from boom-bust cycles, and move towards a more social democratic approach to housing.
2. Situate housing as a fundamental issues such as health and education to EU citizens. It cannot be left to vagaries and inequalities of the market
3. Member States and 'not for-profit' sectors to be financially and legislatively supported by all EU institutions as key guarantors and deliverers of services of general economic interest.

4. Reassessment of State Aid rules for social housing enabling Member States to invest in public and not-profit provision of social and affordable housing for low and middle-income earners in need.
5. Extended suspension of fiscal rules to enable Member state borrowing for investment in building social and affordable housing
6. Better regulation of financialization, especially the predatory residential real estate financial actors. Affordability of housing to be a key indicator along with systemic risk, for EU surveillance and regulatory systems.
7. More EU support cooperative housing and community land trusts as key to green housing delivery, building green homes and community.

Barbara Steenbergen

1. Tenant protection by security of tenure and by long term rental contracts as default option, instead of gentrification and displacement.
2. Rent price stabilization where required and clear national rental regulations.
3. Housing policies that are based on the principle of neutrality between home ownership, private rented accommodation and rented social housing instead of a biased favouring of homeownership.
4. A tenant friendly-EU Green Deal with housing cost neutrality after renovation and modernisation instead of “renovictions” (evictions by renovation) and full tenants’ involvement.
5. Boosting investment in affordable, social and public housing instead of unregulated, unlimited market access for profit-orientated investors and financialization of markets by unleashed speculation and selling out of our cities.
6. Support a restrictive framework for short term lettings in the EU. Modify the “Digital Services Act” to offer opportunities for national governments to prevent touristification of our cities, limitation of permits and zoning policies to safeguard the public interest of housing affordability in line with the recent Court of Justice of the European Union (Case C-390/18 *AirBnB Ireland* (2019)).
7. Winter-heating disconnection moratorium instead of energy cut-offs.
8. Implement “Housing First” programme of Finland all over Europe to house the homeless instead of inhumane lodging
9. Remove investment barriers in EU competition law by deleting the narrow target group for social housing in the EU state aid rules, and reforming the EU economic governance framework to enable massive investment in housing

Services of General Economic Interest (SGEI) instead of further widening the EU wide investment gap in housing of 57 billion Euro per year

10. Protection of vulnerable groups in the housing market- tenant protection, security of tenure, fair and equal access to affordable housing for small and middle- income groups instead of speculative displacement of key workers, working poor and precarious households out of our cities.

Dr. Nuria Lambea Llop

1. Tackle incoherent or contradictory multi-level housing legislation and lack of reliable data.
 - Setting up an integrated strategy for housing withing the EC.
 - Developing a fully-fledged dataset on housing matters
 - Creating better framework conditions for decent, sustainable, and affordable housing.
 - Creating an ad hoc EU Observatory and Research Centre on Housing.
2. Increase social and affordable housing stock.
 - Making concrete the right to social housing of Principle 19 EPSR – expanding the scope of beneficiaries.
 - Increasing financial resources – better and combined use of local, national and European funding.
 - Affordable and sustainable housing – key investment.
 - Revising the target group on SGEI definition.
3. Guarantee universal accessibility to housing.
 - Renovation wave within the European Green Deal.
4. Increase literacy in the field of housing.
 - Re-establishing the network of national focal points on housing policy
 - Creating a solid specialized housing cooperative network.
5. Tackle other urbanization externalities
 - Undertaking further research on the impact of financialization and touristification on housing markets – develop common European rule

Dr. Aine Sperrin

1. EU Structural Funds and all funding must seek evidence of Article 19 adherence
2. Universal Design standards to be enforced across Member States where EU funding is involved.
3. Increase representation of disabled people at EU governance levels

See also APPENDIX 3 below. Recommendations in Kenna, P., Benjaminsen, L., Busch-Geertsema, V. & Nasarre-Aznar, S.. (2016). Pilot project – Promoting protection of the right to housing – Homelessness prevention in the context of evictions Final report European Union: European Commission, Directorate-General Employment, Social Affairs and Inclusion.

Kim Van Sparrentak, MEP

Kim van Sparrentak is a Dutch Member of the European Parliament for the Greens/EFA group. Kim acted as Rapporteur steering through the European Parliament in 2021 – the historical and ground breaking report “Access to Decent and Affordable Housing for All” which sets out a clear pathway for the European Union to address the key housing issues of our time, including ending homelessness in Europe by 2030.

Europe is in the midst of a housing crisis. From Paris to Warsaw, Dublin to Athens, an increasing number of people in the EU are struggling to afford the rising cost of housing. Even before the start of the pandemic, one in 10 Europeans were spending more than 40% of their income on housing. In urban areas, in particular, many people find themselves in a dire situation and are driven out of the city. Also, the quality of housing is often deplorable. Far too many people in Europe are living in overcrowded dwellings and damp or poorly insulated homes, with unaffordable utility bills. That’s why the European Parliament has this week adopted its report ‘access to decent and affordable housing for all’. The next step is for the European Commission to take up the gauntlet and ensure that housing rights are put before market interests.

Access to housing is a fundamental right that is guaranteed at EU level by the Social Charter and is a part of the European Pillar of Social Rights. The EU’s economic governance framework and its rules on banking, competition and consumer protection have a major impact on the housing market. It has become painfully clear to me, as rapporteur on this topic in the European Parliament, that European rules today are often better at protecting the making of profit on the housing market, than at protecting people who need a roof over their head. This has to change. There’s an economic and social crisis unfolding and we find ourselves at a crucial moment when housing insecurity and household debt are rising. Many Europeans were evicted from their houses during the financial crisis that started in 2008. Investors were quick to sweep up this housing as an ‘investment opportunity’. We must by all means avoid a repetition of this horror scenario with the economic downturn that is taking place as a result of the pandemic. This is why action is needed now. The European Commission should swiftly turn the proposals of the European Parliament into action.

An Integrated Strategy on affordable housing

The housing crisis is in the first place the result of an austerity-driven investment gap in affordable and social housing of EUR 57 billion per year in the EU. The Commission needs to propose an integrated strategy on affordable and social housing.

The Commission should, when proposing the new fiscal rulebook, follow up on the European Parliaments’ call to allow for more public investments and the European semester should set affordable housing as an important policy goal. Investment in affordable, social and energy-efficient housing should be a priority for the EU budget and the economic recovery.

Tackling financialisation of the housing market

Rather than a fundamental right to be guaranteed for all, housing has increasingly been considered a market to make profits through speculative acquisitions and the

so-called financialisation of the housing market, especially in cities, where investors such as Blackstone treat housing as a tradeable asset. This has a dramatic effect on prices. The European Commission should evaluate the impact of EU rules on financialisation, ensure better transparency on real estate transactions and ownership and put forward proposals to better protect mortgage borrowers from eviction.

An ambitious renovation wave

The European Parliament gives its full support to the Renovation Wave that was launched by the European Commission. We know massively investing in housing renovation is good for climate and jobs, but it also can get people out of energy poverty and into decent homes by focusing efforts on social housing and on the least energy-efficient houses. Ensuring this does not lead to increased housing costs or gentrification should be central in its implementation.

To realise the full potential of this strategy, the European Commission should further increase its ambitions and aim to achieve a deep renovation of 3% of the European building stock per year, improving the energy performance of these buildings by at least 60%. It's been calculated that this can create 2 million jobs.

An EU goal to eradicate homelessness

Everyone has the right to a home. Homelessness is an extreme form of poverty and a violation of human rights. Homelessness has almost doubled in the EU over the last ten years. The Commission should take stronger action to support member states in reducing and eradicating homelessness and propose a goal to end it by 2030. In the coming six months, the Commission will propose its action plan on the European Pillar of Social Rights, that addresses homelessness in its Principle 19, and the topic is high on the agenda of the Portuguese presidency. The Commission should be bold and dare to propose a social 'moonshot strategy'. People were already struggling to afford a proper roof over their heads before the pandemic and it has only made the importance of a decent place to call home more clear.

With this strong signal by the European Parliament, the European Commission can no longer hide behind the fact that the EU has no "direct competence" on housing and should use all policy.

Sharon Donnery, Deputy Governor, Central Bank of Ireland.

Sharon was appointed Deputy Governor of the Central Bank of Ireland on 1 March 2016 and is the Governor's Alternate on the Governing Council of the European Central Bank (ECB). She was previously a member of the European Systemic Risk Board (ESRB) and Alternate Member of the Supervisory Board of the Single Supervisory Mechanism (SSM). She has chaired a number of European Committees including being Chair of the ECB High Level Group on Non-Performing Loans (NPLs), Chair of the European Banking Authority's (EBA) Consumer Protection Group and Vice-Chair of the EBA Standing Committee on Consumer Protection and Financial Innovation. In 2020, Sharon was appointed as an Adjunct Professor of Economics in Trinity College Dublin.

Challenges related to the housing market, particularly around access and affordability, are well known in Ireland, and are also prevalent across Europe and further afield. Across advanced economies, Irish people stand around the middle with regard to the amount they spend on housing relative to their incomes. Euro area house prices rose at their fastest pace since 2005 in the second quarter of 2021 while labour shortages, global supply chain bottlenecks and input price increases are weighing on the construction sector's ability to expand housing supply. While this will not give solace to those who are experiencing difficulties finding housing to meet their needs, it is important to place the Irish experience in its full context.

Housing policy is a complex area, where elected governments have a particularly important role to play with respect to housing provision. There are many other actors in the housing market, including households and investors as well as the construction sector and financial entities, such as banks. Central banks are relevant with respect to the role the financial system plays in the housing market. When someone wishes to purchase a home, they often need to access finance. This is to give them the funds they need, which they can repay in an affordable way over what is generally a long time period of 25 or 30 years. This intermediation is an important and valuable role the financial system plays. However, the financial system takes on risk through this role (as do borrowers) and central banks are important in this case for reasons of financial stability.

At the Central Bank of Ireland, we have a specific mandate related to financial stability and our mortgage measures are one of our key policy tools. These endeavour to ensure that borrowers don't take on unsustainable amounts of debt, and banks don't give out unsustainable amounts of credit. This means that through the highs and lows of the economic cycle the financial system is stable and sustainable, and can continue to serve the people of Ireland.

Looking at the Irish housing market, demand is strong and supply has not kept pace. What is needed is a sustainable level of supply. For central banks, our role relates to the availability of credit for property purchases. The fact is, a higher level of credit by itself will not build more homes. However, it risks the re-emergence of a credit price spiral. If supply is not responding to prices, then any move to increase the level of credit is likely to lead to higher housing costs and higher indebtedness.

The challenges facing the wider housing market, around sustainability and affordability are not addressed by excessive indebtedness of households and imprudent lending standards by banks. Thinking more broadly, there are many other policy levers that can be used to influence housing markets such as planning levies, building regulations and the tax system. Housing policy overall has to focus on the sustainable supply of housing to meet the growing needs of citizens across Ireland and Europe.

Michaela Kauer, Director, Brussels Liaison Office of City of Vienna

Michaela Kauer is the Director of the Brussels Liaison Office of the City of Vienna, where she is best known for her work on explaining and promoting the iconic Vienna Model of housing. Michaela is Member of Executive Committee of EUROCITIES and its working group on the EU Urban Agenda. She has also served as a Member of the Vienna Parliamentary Assembly, and has designed an awareness campaign on "making women visible" - contributing to gender equality rules for the Vienna City administration, and implementation of gender mainstreaming and gender budgeting.

Housing and gender equality in the Future of Europe Conference

Welcome to a feminist reframing of politics; the year is 2021, by the way. Thinking about the future of our societies cannot work if half of humanity simply remains invisible in this exercise. However, this is exactly what is happening in many policy fields, including many areas of EU policy-making. Good governance means *explicitly* involving a gender dimension in the process of thinking, participating and shaping policies. It is the opposite of what we often get in response to the question: "where are the women in all this?".

The year is 2021: It is simply not enough to include the female half of humanity only *implicitly*, as the answer to the aforementioned question often goes: "But we will save the planet, make beautiful cities, create affordable housing, etc. also for women!". The reality of women's lives is still different from that of men. One cannot get the vision right if the analysis is poor. Therefore, any debate on the future of Europe must acknowledge these different starting points; it must name and recognise them in order to ultimately overcome them.

Democracy and gender equality?

There are more mayors called "Josef" in Austria's 2,300 municipalities than women elected to lead of their local communities in the country. The statistics are a shame all over the continent. In Europe, only 16 percent of mayors are female, and only a third of all local councillors are women. The introduction of quotas can change this. One good example can be seen in the French departmental elections: only 13% female elected representatives in 2008, but 50% in 2018, after the gender quota rule was introduced. We know this works. The further up in the legislative or executive political hierarchy, the less women we see. There are only 3 female heads of government in EU member States. And the year is 2021.

Gender equal cities and affordable housing for all?

Cities have been built according to the needs of the powerful – i.e. male – population. Men dominate the public sphere; the private is the unpaid burden of women. Homes have been designed to reinforce and prolong gender stereotypes – men as breadwinners, women as caregivers. In the pandemic, these roles have often been exacerbated – homes have become kindergartens, schools, workplaces and, sadly, unsafe places when it comes to partner violence. Housing affordability has a clear gender dimension, as it is always a relation between income and costs – women tend

to be more affected by rising housing costs and energy prices as they still earn 15 percent less than men do, and their pension is a third lower. The year is 2021.

What role for the Future of Europe Conference (CoFoE)?

The CoFoE is a “unique and timely opportunity for European citizens to debate on Europe’s challenges and priorities”. Activities galore have been set up all over Europe. There are only a few events related to gender issues in the CoFoE activities, mostly linked to family policies, employment and education, and only one explicitly related to housing. CoFoE must deliver on institutional change and include a profound discussion as how to implement women’s rights and gender equality on EU level. It must see into the benefits of instruments like gender quotas in the political field, and propose a clear gender mainstreaming and gender budgeting mechanism, as proposed so boldly by the European Court of Auditors just recently. The CoFoE must have the courage to link women’s rights to self-determined control of their bodies to the Justice Scoreboard and the Rule of Law Mechanism, very concretely. My final question: should we perhaps pay our daughters less pocket money so that they get used to the injustice in future income patterns? Or should we encourage and empower them by giving them more female role models in politics, economy and society? The year is 2021.

Freek Spinnewijn, Director of FEANTSA

Freek Spinnewijn is the Director of FEANTSA, the European Federation of National Organisations working on homelessness and social exclusion. Freek works closely with the European Union institutions in developing policies to address and prevent homeless across the Union and contributed to the Lisbon Declaration on the European Platform on Combatting Homelessness in June 2021. Freek is also a Board member of the European Anti-Poverty Network and was previously Director of the European Federation of Elderly Organisations.

EU Role in combatting homelessness

FEANTSA is the only European NGO working exclusively on homelessness in the EU. It started off as a 'trade union' of the shelter sector more than 30 years ago but has become a multi-stakeholder platform. It has diversified its membership, mainly NGOs and hostel accommodation providers, but increasingly included as members cities, social housing companies, etc. The idea is to bring together all the stakeholders that are needed to make real progress towards solving homelessness. The main focus is on knowledge creation and research because most of the policies in place in Europe at local or national level are very little evidence-based. We believe knowledge production can really have a big impact on homelessness policies.

What is the EU at the moment doing well on homelessness?

They have first of all created a favourable policy context for EU action on homelessness in the future. The EU platform for combatting homelessness was just announced by the EU. It is a new initiative launched in Lisbon in June 2021. This platform is supported by all 27 EU member states. It is rare that you get in the current EU, all member states supporting more EU action on a social issue. The platform also includes the European Parliament, the Committee of the Regions, and other European actors, such as NGOs and the social partners. All member states signed the Lisbon declaration, which underpins the work of the platform.

In relation to what the EU is doing well; firstly, the commitment of all the members to work together at EU level and secondly, the commitment of the European Commission to make substantial progress towards ending homelessness by 2030. Even if we do not succeed in ending homelessness by 2030, changing the management of homelessness in the sector, a paradigm shift, will be a major achievement. Secondly, the EU has created unprecedented opportunities to use EU funding and financing for the fight against homelessness. There is the REACT-EU program which relates to the old ESF programs, there is the ESF+, the European Regional Development Fund (ERDF) and even Invest EU, which is about loans and guarantees. There explicit and implicit references to homeless people as a target group in the regulations underpinning these financing and funding instruments. Member states must have an integrated homeless policy to access the funds. They can only spend the funds if they have a homeless policy in place and an output indicator in relation to homelessness. There is also some ringfencing of budgets on some of the funds. Lastly, the EU has been funding FEANTSA for more than 30 years in a structural way which has allowed us to build a strong knowledge base and a network of organisations working on homelessness and experts that can be used as a building block for the EU platform.

What the EU needs to do to improve on homelessness

The EU can do better in mainstreaming homelessness in all policy areas. The platform is led by the DG Employment of European Commission, which means that the focus is mainly on the competences that are held by this DG: Child guarantee, disabilities, etc. If you want to have real impact on homelessness you have to enlarge to migration and asylum, anti-discrimination, health, etc. These are big priorities for EU, and homelessness needs a place there. It is actually not yet integrated in the new migration pact, in the EU gender equality strategy or, even in the EU health union.

We could also improve the strengthening of the human rights monitoring. It's about time we enlarge the role of the fundamental rights agency to work on social rights, including the right to housing. At the moment, there is some kind of a 'straitjacket' imposed on the fundamental rights agency that relates to anti-discrimination. Anti-discrimination, however, doesn't capture all human rights violations, and it is difficult to capture homelessness with just an anti-discrimination approach. Secondly, there should be more support for European NGOs to engage in human rights litigation. We are not aware of any funding available for that. We are funded by DG employment in a structural way, and we are not allowed to use this funding to enter into human rights litigation. Thirdly, the European Commission and EU should consider legislative means to address homelessness. There is a tendency to use soft policy instruments but there are legislative means. We could build on some EU laws and directives that exist and mention homelessness. For instance, access to basic banking services where homeless people are mentioned as a target group. Access to water, homeless persons are mentioned as a target group. Why not move to a legal initiative to guarantee access to emergency shelter for homeless people? There is a case to be made for a guaranteed access to shelter at EU level integrated in law.

Lastly, we need to apply a do-no-harm principle. Even if the EU has no direct competence in the area of housing, it can play a bigger role to avoid the negative impact of its policies on housing affordability.

What does ideal Europe look like for Homeless in the next 10 years?

We hope that by then the European platform on homelessness is a key part of EU social policy and that we do not have to fight to keep homelessness on the agenda but that it is proactively led by the European Commission. The European Commission is hesitating about how proactively they want to lead this platform, how ambitious they want to be. There is sufficient funding available at the EU level for both mutual learning and for policies and services. Hopefully, FEANTSA will not necessary by then. This would be a sign that we are making real progress. We hope that member states will have made substantial progress towards ending homelessness, or there is some kind of a systemic change to housing led approaches with the clear focus on the prevention of homelessness, so that we don't constantly fall back from the shelter system to manage homelessness, but really move towards ending it. Lastly, the social function of housing takes priority over the economic function in the EU policy. We hope that the Green Deal will be a success by then, but also for poor homeowners and poor tenants, both social as well as in the private sector, because I think there is a lot of initiatives on the table that might have a huge negative impact on them.

Dara Turnbull, Housing Europe

Dara Turnbull is the Research Coordinator at Housing Europe – the European Federation of Public, Cooperative and Social Housing. His work primarily focuses on the preparation of research for the Housing Europe Research Observatory, as well as work on a number of EU projects. An economist by training, prior to working for Housing Europe, Dara spent five years in the banking and finance sector. He holds a Masters in Economic Policy Evaluation & Planning from the National University of Ireland, Galway.

Even prior to the onset of the COVID-19 pandemic housing affordability and exclusions issues were significant barriers to a complete and fulfilling life for tens of millions of people in the European Union. This reflects, amongst other factors, a strong rise in both house prices (+30.2%) and private rents (+14.8%) over the decade to the end of 2020.

A lack of supply is also a significant factor. The estimate unmet need for housing prior to the pandemic was 3.5 million units in England, at least 1 million in Germany, and approximately 330,000 homes in the Netherlands, to pick just a few Member States. In Ireland, the shortfall in housing output in the years leading up to the pandemic was around 165,000 units.

Those most impacted by insufficient or ill-adapted housing policies tend to be younger people and those on lower incomes. A fall off in state support for the development of social and affordable housing since the global financial crisis of 2007/08 has also played a detrimental role in the worsening housing outcomes for many in Europe. These issues are discussed in detail in the latest issue of the ‘State of Housing in Europe’ report from Housing Europe – the European Federation of Public, Cooperative and Social Housing.² The report also includes discussion of the next steps for European housing policy.

One of the most pressing housing issues of our time is the need to make sure that our homes are fit for purpose when it comes to climate sustainability. The European Commission estimates that the current shortfall in investment in adapting our homes is of the order of €115 billion per year. While the national Recovery Plans which have recently been unveiled by EU member states show greater ambition on this crucial issue, it is unlikely to be anywhere near enough to close the gap. There is also a significant risk that those on lower incomes or those who do not own their own home will be left behind in the race for climate neutrality of our homes.

In this regard, the European Commission Executive Vice-President with responsibility for the EU Green Deal, Frans Timmermans, has stated that: “Fairness is key. Our ambition should help, not hurt the most vulnerable in society. This transition will be just, or there will be no transition”.

One of the ways that the EU hopes to achieve this “just” transition is through its new ‘Social Climate Fund’ (SCF). This fund will provide supports for the necessary

² <https://www.housingeurope.eu/resource-1540/the-state-of-housing-in-europe-in-2021>

investments. However, revenues will be raised, in part, from extending the EU's existing 'Emissions Trading System' (ETS) to buildings. While it will be fuel providers that will have to purchase credits under the scheme, it seems certain that at least part of this cost will be borne by ordinary households in the form of higher energy costs. The SCF aims to compensate those vulnerable households and support their transition to cleaner energy sources to the tune of €72.2 billion during the 2025-2032 period. Drawing on matching funding from Member States, investment will be at least €144.4 billion. This is a drop in the ocean compared to the aforementioned shortfall in investment.

From the point of view of providers of affordable housing, the members of Housing Europe consider themselves to be at the forefront of the just energy transition; with a firm commitment to renovate 4 million homes by 2030. However, to bring the energy performance of the housing stock of Housing Europe members up to an 'A' or 'B' label by 2050 would require at least €13 billion in additional investment per year, over and above the current spending rate on renovations of around €23 billion per year. It is not clear to what extent the SCF can help to bridge this gap.

Stanislas Jourdan, Executive Director of Positive Money Europe

Stanislas Jourdan is the executive director of the Brussels based NGO - Positive Money Europe, where he leads advocacy campaigns and research on the European Central Bank and monetary policy. Previously, as a journalist Stan covered the euro financial crisis and has also written extensively on money creation. He facilitates regular consultations between the ECB and civil society across Europe.

The Problem

In recent years, the cost of shelter for homebuyers has increased the most. This is because house prices have been on a massive upward trend. In the Eurozone, residential property prices have risen by 31% since 2010, and as much as 80% in Germany ([Eurostat, 2021](#)). In the same period, however, the disposable income of households' – one of the most important factors determining the ability to purchase a house or flat – has increased significantly less. Although housings costs, especially as a ratio of disposable income, are significant and increasing, housing costs are neglected in the inflation calculation. In the consumption basket underlying the Harmonised Index of Consumer Prices (HICP), housing costs are only weighted with 6.5%. This is a remarkable omission considering that 71% of all euro area citizens live in their own house or flat.

What the ECB decided to do and why it's insufficient

In response to the criticism, the ECB wants to include the cost of buying a home. By applying the so-called net-acquisitions approach, Eurostat should record the cost of buying a home based on the price that households pay for that home. However, the ECB decided to still ignore the shelter costs of home *owners*. Their opportunity cost, i.e., the money they forgo by living in their house/flat instead of renting it out, is not captured by the net acquisition approach. Furthermore, the inclusion of only home *buyers'* shelter costs will likely not bring about a monetary policy change and even if so, a policy change in the form of a contractionary shock would likely not bring house prices down. The wider effects of a contractionary shock on the real economy could even mean that – relative to their income – households' housing costs go up.

How to tackle housing costs

Increased housing costs can best be tackled by regulatory institutions and fiscal agencies. Based on the assumption that house prices (eventually) affect housing costs, regulators should address what has recently contributed most to house price increases: investment demand in residential buildings. Protecting housing from financial capital should be prioritised, preferably at the international level. The ECB can also play its part. Although it is not solely responsible for the surge in house prices, it has contributed significantly to it in the last decades. This is mainly due to the way monetary policy currently works: it is implemented by banks and other financial market actors. Both are currently strongly biased towards driving up the price of housing. For example, approximately 74% of all bank loans to households are for the purchase of a house, and the volume of originated loans correlates well with the rise in house prices.

To address rising housing costs stemming from accelerating house prices, the ECB could conduct monetary policy in a way that doesn't rely on house price appreciation. For example, the ECB could beneficially refinance banks that lend for productive purposes and not for real estate purchases, similar to the so-called TLTROs which are already in place.

Professor Rory Hearne – Maynooth University, Ireland.

*Professor Rory Hearne is Assistant Professor in Social Policy at NUI Maynooth. His book *Housing Shock: Ireland's housing crisis & how to solve it*³, in 2020, contextualises the Irish housing crisis within the broader global housing situation. Rory is a regular contributor to debates on the right to housing, the financialisation of housing, spatial disadvantage, economic inequality, neoliberalism and the welfare state, social justice and social movements.*

An unprecedented housing crisis in Ireland

Ireland has been experiencing a sharp increase in house prices and rents since 2013. In that year average house prices were four times the median income, but by 2020 average house prices had risen to seven times median income. This must be classed as 'severely unaffordable' housing. Rents in Ireland are now 40% above their 2008 boom-time levels. For 90% of earners, the average rent of €1,397 in Ireland is now unaffordable under international definitions of affordability. In Dublin, it is even more severe. Renters need to be earning €115,000 a year (top 5% of earners) for the average Dublin rent of €1,916 per month to be affordable (defined as less than a third of net income). There is also a hidden homelessness crisis of half a million adults living at home with their parents. The sheer numbers are staggering. Some 350,000 young adults aged 18 to 29 are still living at home with parents, and 100,000 adults aged 30 to 49 are also living with parents. Most of these (250,000) are in paid employment. There was a 300% increase in family and child homelessness between 2014 to 2018. Since the COVID eviction ban was removed, family and child homelessness has started to increase again. This is directly related to the levels of evictions and rent increases in the private rental sector and the lack of social and affordable housing available. More than 2,000 notices to quit (eviction notices) were issued to private rental tenants in the first nine months of 2021, a 50% increase in evictions on the previous year. Nationally, 953 families with 2,189 children are in homeless emergency accommodation. In Dublin, in 2020, a total of 1,544 families became homeless, with half of these being placed in emergency accommodation.

What is the EU doing well

I have identified four key areas where the EU is doing well currently in housing. Firstly, *the EU Green New Deal* is a positive development as it recognizes the need for the EU to lead in investment in climate resilience and mitigation through public infrastructure investment, of which housing must be central. Secondly, the European Central Bank is *supporting the debt situation of EU Member States* which enables member states' borrowing interest rates to remain low. This is vital to supporting member states expand their borrowing for investment in the development of new social and affordable housing. Thirdly, and related to this, is the EU *stimulus response to COVID*. The pandemic response has focused on protecting and supporting society as a priority through investment and fiscal support, rather than cutting back expenditure. We appeared to have learned from the failed austerity policies. Fourthly, the *European*

³ Hearne, R (2020) *Housing Shock: The Irish Housing Crisis and How to Solve It*. (Bristol: Policy Press)

Pillar of Social Rights is an important initiative which puts affordable, secure, and quality homes, and the concept of the right to housing, central to policy and vision in the EU.

What does the EU need to do to improve the situation

There needs to be a revision of the economic and housing system models used in EU policymaking, away from boom-bust cycles and US style “trickle down” economics. Housing should be situated as fundamental as health and education to EU citizens and therefore cannot be left to the vagaries and inequalities of the market. In line with this, Member States and not ‘for-profit’ sectors should be financially, legislatively, policy, and guidance supported by all EU institutions as key guarantors and deliverers of services of general economic interest.

There is a need for a reassessment of State Aid rules for social housing that would enable member states to invest in public and not-profit provision of social and affordable housing for low and middle-income earners in need. There is also a need for an extended suspension of fiscal rules to enable member state borrowing for investment in building social and affordable housing. Along with this better regulation of financialization is required, especially the predatory real estate financial actors in residential sectors. Affordability of housing should be a key indicator alongside systemic risk in the macroeconomic surveillance and European Semester reports. Finally, there is a need for greater EU support for cooperative housing and community land trusts as key to green housing delivery – building green homes and communities.

My ideal Europe in 10-20 years would be where the human right to housing is a guiding principle for housing (and economic and social policy), and where everyone has access to affordable, secure, sustainable, homes in communities they want to live in, be part of, and flourish to their full potential. It would be a place where homes give people security, enhance mental and physical health and wellbeing, stability, an ability to have families, children develop, people age with dignity and security, create, dream, fulfill their lives, develop their skills, contribute to the economy, society, community, and integrate with nature, biodiversity.

Barbara Steenbergen, International Union of Tenants - EU Liaison

Barbara Steenbergen is the head of the International Union of Tenants EU liaison office, which advocates for tenants and affordable rental housing. She is responsible for the political relations and representation of the interest of the European tenant associations towards the EU institutions including the EU Parliament and the EU Council.

The European Parliament promotes security of tenure, affordability and enforceable right to adequate housing. Affordability and protection of vulnerable groups is the key!

On 21 January 2021, the European Parliament voted with a large majority for the Report “Access to decent and affordable housing” claiming security of tenure, the fundamental right to housing and fair access to affordable housing.⁴

This is a game-changer in European policy: the signal that we want- and the decisions that we need:

1. Tenant protection by security of tenure and by long term rental contracts as default option instead of gentrification and displacement,
2. Rent price stabilization where required and clear national rental regulations instead of skyrocketing rent hikes and rack-rents by further market liberalization.
3. Housing policies that are based on the principle of neutrality between home ownership, private rented accommodation and rented social housing instead of a biased favouring of homeownership
4. A tenant friendly-EU Green Deal with housing cost neutrality after renovation and modernisation instead of “renovictions” (evictions by renovation) and full tenants’ involvement.⁵
5. Boosting investment in affordable, social and public housing instead of unregulated, unlimited market access for profit-orientated investors and financialization of markets by unleashed speculation and selling out of our cities.
6. Support a restrictive framework for short term lettings in the EU. Modify the “Digital Services Act” to offer opportunities for national governments to prevent touristification of our cities, limitation of permits and zoning policies to safeguard the public interest of housing affordability in line with the recent Court of Justice of the European Court decision.⁶
7. Winter-heating disconnection moratorium instead of energy cut-offs

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https://multimedia.europarl.europa.eu/en/decent-and-affordable-housing-for-all-extracts-from-the-debate-2001-and-from-the-final-vote_1201144-V_v

⁵ <https://www.iut.nu/eu/energy/eu-green-deal/>

⁶ Case C-390/18 *AirBnB Ireland* (2019)

<https://curia.europa.eu/juris/document/document.jsf?jsessionid=39F1534058412632895C03A15A48397F?text=&docid=221791&pageIndex=0&doclang=EN&mode=req&dir=&occ=first&part=1&cid=218504>

8. Implement “Housing first” programme of Finland⁷ all over Europe to house the homeless instead of inhumane lodging
9. Remove investment barriers in EU competition law by deleting the narrow target group for social housing in the EU state aid rules and reforming the EU economic governance framework to enable massive investment in housing Services of General Economic Interest (SGEI) instead of further widening the EU wide investment gap in housing of 57 billion Euro per year⁸
10. Protection of vulnerable groups in the housing market- tenant protection, security of tenure, fair and equal access to affordable housing for small and middle- income groups instead of speculative displacement of key workers, working poor and precarious households out of our cities.

The European Parliament leads the way how to achieve the overdue and profound changes in housing markets. Whereas national governments still believe that the market will solve all housing problems, with devastating results for housing affordability all over Europe and beyond, the EU Parliament raises the red card - stop speculation and overcome investment barriers for an access to adequate and affordable housing for all!

Housing is the highest item of expenditure for European citizens. Some 38 % of households at risk of poverty spend more than 40 % of their disposable income on housing. This means that some 156 million people in Europe are at risk for poverty if housing costs are taken into account, and the situation will aggravate in the economic downturn of the pandemic.

Achieving adequate, energy-efficient and healthy housing is a common EU and national goal

The EU Commission will have to react to the European Parliament Report (2021) on “Access to decent and affordable housing” and propose suitable legislative and financial measures to be agreed and endorsed by the EU member states. Whereas according to the Protocol 26 of the EU treaty (TFEU), the provision of affordable and social housing remains and should remain under national competence, the European Commission has substantial number of competences related to the housing market, including monetary policy, loans and mortgage credit, economic governance for debt settlement and intervention in the event of financial bubbles and public costs of affordable and social housing financing.

The timing could not be better: the recovery after the pandemic will have to be concentrated on green and affordable housing solutions. The EU need to prioritise the “EU Green Deal Renovation Wave” in the EU’s multiannual financial framework (MFF) and give substantial financial support in their envisaged “EU Affordable Housing Initiative”.

⁷ <https://ysaatio.fi/en/housing-first-finland>

⁸ https://ec.europa.eu/info/sites/info/files/economy-finance/dp074_en.pdf

Dr Nuria Lambea-Llop UNESCO Housing Chair.

Dr Nuria Lambea-Llop is a postdoctoral researcher at the UNESCO Housing Chair, at the University Rovira i Virgili, Tarragona, Spain where she is a specialist in social housing governance, intermediate tenures and tourist dwellings in the EU. Nuria was one of the authors of the Report – *Concrete Actions for Social and Affordable Housing in the EU*, published by the Foundation for European Progressive Studies (FEPS) in 2021.

Study on Concrete actions for social and affordable housing in the EU: housing challenges, lessons learned and recommendations

The Report "Concrete actions for social and affordable housing in the EU"⁹ aims to identify the main issues, challenges and lessons learned regarding affordable and social housing in the EU (also taking into consideration housing sustainability and inclusiveness), while proposing a set of multi-level policy recommendations at a local, regional/national and EU level. This is undertaken through a bottom-up approach (countries' selection followed the criteria of their dimension as well as their geographic location), where the selection of best practices followed objective criteria (budget, scope, beneficiaries, real impact and results, among others) and the lessons learned pointed out strengths and weaknesses and replicability of the measures or policies.

Thus, the Report identifies the most common topics addressed by national reporters:

1. The impact of the process of urbanisation on housing unaffordability;
2. The social rental housing stock (regarding two different approaches: the size of its share and its management) and
3. Housing deprivation (lack of quality in different fields: universal accessibility and independent living, renovation of the stock and improvement of energy efficiency).
4. Other important highlighted challenges are housing governance and research, immigration and refugees, housing insecurity and homelessness.

In this regard, a coordinated multi-level policy from local to national and European public authorities is needed, with general priorities, which can face common challenges but with relevant disparities within (different) national housing systems.

In that sense, the Report offers 10 recommendations or actionable points at the EU level, which mainly aim to:

1. Tackle the existence of incoherent or even contradictory multi-level housing legislation (e.g. setting up an integrated strategy for housing within the

⁹ S. Nasarre-Aznar, S., Ftácnik, M., Lambea-Llop, N. & Rasnaca, L.(2021) *Concrete Actions for Social and Affordable Housing in the EU*, Foundation for European Progressive Studies and available at : <https://www.feps-europe.eu/resources/publications/775:concrete-actions-for-social-and-affordable-housing-in-the-eu.html>

- European Commission -which could take the form of a potentiated interservice group of housing);
2. Produce reliable data and trustworthy and independent housing research to properly orientate housing policies (e.g. developing a fully fledged dataset on housing matters or creating an ad hoc EU Observatory and Research Centre on Housing);
 3. Foster the increase of social and affordable housing stock (e.g. through a better and combined use of local, national and European funding or a revision of the target group for social housing on the SGEI definition);
 4. Guarantee a universal accessibility to housing, housing renovation and energy efficiency (e.g. renovation wave within the European Green Deal, while avoiding renovictions) and increase literacy in the field of housing among citizens and transfer and communication of trustworthy housing research to groups of interest (e.g. increasing the coordination of the EU with major stakeholder organisations and re-establishing the network of national focal points on housing policy).

All in all, implementing all or most of the highlighted recommendations and actionable points could provide the EU with the tools to be able to address the multidimensionality and complexity of housing affordability and sustainability through a holistic approach on the housing field. These recommendations acknowledge the diverse housing situation in EU Member States, regions and cities (due to their long-term approaches to housing based on a mix of market solutions and state intervention), which at the same time face similar (and new) challenges on housing policies.

Dr Áine Sperrin - NUI Galway

Dr Áine Sperrin is a Post-Doctoral Researcher with the Re(al) Productive Justice at the Centre for Disability Law and Policy in NUI Galway, where she lectures on rights for persons with disabilities, including the right to Independent Living. Áine has worked with a variety of Irish and International human rights organisations. Áine is Chair of the *Sibéal*/Feminist and Gender Studies Network, a Board Member of *Aiseanna Tacaíochta* and the Chair of Ability West Human Rights Committee.

Disability housing rights and the European Union

The EU has uniquely ratified the UN Convention on the Rights of Persons with Disabilities¹⁰. Article 19 of the UNCRPD protects the right to have choice and control over where and with whom disabled people live, to have access to supports to enable them to live independently and to participate equally in their communities. Through this ratification in 2011 the EU has undertaken to incorporate disability rights, including independent living rights, across its laws, policies, actions and communications to Member States.

Article 19 of the UNCRPD states:

States Parties to the present Convention recognize the equal right of all persons with disabilities to live in the community, with choices equal to others, and shall take effective and appropriate measures to facilitate full enjoyment by persons with disabilities of this right and their full inclusion and participation in the community, including by ensuring that:

- a) Persons with disabilities have the opportunity to choose their place of residence and where and with whom they live on an equal basis with others and are not obliged to live in a particular living arrangement;
- b) Persons with disabilities have access to a range of in-home, residential and other community support services, including personal assistance necessary to support living and inclusion in the community, and to prevent isolation or segregation from the community;
- c) Community services and facilities for the general population are available on an equal basis to persons with disabilities and are responsive to their needs.

European States who have ratified the UNCRPD report to the Committee on the Rights of Persons with Disabilities on a 4-year cyclical basis. The Committee is comprised of independent experts, and they examine evidence from the state and civil society reports to determine compliance and make recommendations for improvement in compliance with UNCRPD

The EU institutions have a major role to play in promoting the UNCRPD, particularly the institutions with a funding and social inclusion mandate. The European Structural Investment Funds are also significant especially in prohibiting investments in

¹⁰ European Commission, Employment, Social Affairs and Inclusion, UNCRPD, <https://ec.europa.eu/social/main.jsp?langId=en&catId=1138>

institutional residential settings and services, which contradict the obligations of Article 19 UNCRPD.¹¹ By embedding a disability rights perspective in all EU funding mechanisms, independent living practices can be mainstreamed, and become an integral part of housing services. This can be achieved through implementation of the Strategy on the Rights of Persons with Disabilities 2021-2030¹² and EU Directives on accessibility¹³ and non-discrimination¹⁴.

While these are positive initiatives, there remains much to be done to ensure disabled people enjoy their housing rights. More than 1 million disabled people under 65, and over 2 million over 65's reside in residential institutions¹⁵. The ethos of inclusion enshrined in the UNCRPD must be at the centre of EU institutional actions in the future.

¹¹ Crowther, Quinn and Hillen-Moore, 'Opening up communities, closing down institutions: Harnessing the European Structural and Investment Funds', (2017), Community Living for Europe and Structural Funds Watch. Available from: https://bettercarenetwork.org/sites/default/files/cle-sfw_opening-up-communities-november-2017_final.pdf

¹² European Commission, Employment, Social Affairs and Inclusion, 'the Strategy on the Rights of Persons with Disabilities 2021-2030', <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8376&furtherPubs=yes>

¹³ Directive (EU) 2019/882 harmonising the accessibility of technological products,

¹⁴ Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation.

¹⁵ European Disability Forum, 'Independent Living and Deinstitutionalisation policy', <https://www.edf-feph.org/independent-living-and-de-institutionalisation-policy/>

Professor Marc Roark – Southern University Law Centre.

Professor Marc Roark is Professor of Law at the Southern University Law Centre, USA, where he lectures on property and housing law. Marc is also Research Associate Professor at University of Pretoria, and is part of a group of world-wide scholars researching and collaborating on affordable housing issues globally. He is currently working on a second book titled Under-Housed, forthcoming from Cambridge University Press in 2023. Professor Roark is a founding member of the Resilient Property Research Network, a collaborative research network aimed at illuminating the role of property in shaping state resilience around the globe.

Is an Aziz-type Shift Possible in the U.S.

In 2013, the European Court of Justice's decision in *Aziz v. Caixa d'Estalvis de Catalunya*¹⁶ reframed private housing mortgage transactions across Europe. That decision, held that Spain's procedural limits on consumer remedies in mortgage contracts conflicted with the Unfair Contract Terms Directive's (UCTD) goal of protecting consumers because it did not provide an avenue for interim relief, such as staying the dispossession of the home, while the validity of the contractual term was adjudicated. Spanish law had hitherto limited the legal claims that consumers could raise in foreclosure actions to previous performance, miscalculation, or subordination. If Mr. Aziz wanted to argue the fairness of the mortgage contract terms, he would have to bring a separate civil complaint against the mortgage company. Even if he were successful, the court would be powerless to stay the enforcement of the foreclosure process. In short, Mr. Aziz could lose his home under unfair terms, and have no way to stop the process.

The case was a landmark decision because it represented an intervention on the supranational scale on the effectiveness of a Member State's regulation through broader European Union (EU) consumer policies. In many ways, the bifurcated status of mortgage remedies, present in Spain's law pre-Aziz, represents the current status of American mortgage remedies for consumers. While the EU Union has consolidated its approach under the twin requirements of effectiveness and equivalency, the U.S. approach continues to bifurcate remedies for consumers between procedural and substantive claims.

Since 2009, the U.S. law built on mortgage relief is a mixture of pre-mortgage formation rules (primarily driven by Federal Agencies) and post-default limitations (primarily driven by state contract law). In the years since the 2008 mortgage crisis, the U.S. invested much of its attention towards limiting the pre-mortgage conditions that gave rise to risky lending market and predatory practices of lenders in the run up to the crisis. The 2009 Amendments to the Dodd Frank Act, created the Consumer Financial Protection Bureau (CFPB) vesting regulatory oversight in the new federal agency to craft and enforce rules to protect against practices that target consumers. The agency shares powers with the Federal Trade Commission (FTC) in regulating

¹⁶ Case C-415/11 *Aziz v Caixa d'Estalvis de Catalunya, Tarragona i Manresa (Catalunyacaixa)* [2013].

consumer protection matters. On the backside of the mortgage default, the relationship between a particular debtor and lender is primarily regulated by the common law on contracts as applied in each State.

In this setting, the law around unconscionable bargains is informed by federal law but not dictated by it. State courts may look to regulatory rules by either the FTC or the CFPB to determine whether a court should restrain enforcement of a contractual obligation. In this setting, a few matters stick out from *Aziz*. Generally, U.S. state courts are tolerant of acceleration clauses (even interest rate accelerations) if they are properly disclosed under Regulation Z of the Truth in Lending Act (1968). An improper acceleration of the debt can be set aside, while the defence of predatory lending can render the entire contractual obligation unenforceable.

Importantly, three major differences arise between the European Union approach and the U.S. approach to unconscionable bargains after *Aziz*. First, the FTC and CFPB rules do not provide consumers with direct causes of action against lenders that violate their rules. Instead the causes of action lie with the agencies who impose fines against on the consumers behalf. Secondly, because many of the remedies and defences to an obligation are built on the common law of unconscionability, it is up to state courts whether to adopt CFPB or FTC rules for interpreting what constitutes an unconscionable bargain. There is only a discretionary requirement on U.S. state courts to enforce the federal rules, compared to the 'equivalency' obligations of all courts across EU Member States to apply EU consumer law.

Macdara Doyle - Irish Congress of Trade Unions

The European Union faces a deepening crisis in respect of housing.

While this manifests in differing degrees of severity across member states, a common feature is the 'affordability crisis' experienced by increasing numbers in the rental sector and among those seeking to purchase homes. Both rents and home purchase prices are now spiralling well beyond the means of citizens and this widening affordability gap is steadily undermining the capacity of European citizens to access secure, decent housing. If left unchecked, the denial of the fundamental need and right to adequate shelter to millions across the EU will have serious longer-term social and economic consequences.

In the immediate future, far higher housing costs will remove considerable levels of consumer spending from the economies of member states, weakening demand and recovery prospects post Covid. Equally, a lack of affordable, accessible housing will see greater numbers pushed into more precarious accommodation across the EU with governments forced to divert greater resources to emergency housing, in response. Over the longer-term, our societies will pay a price for the social dislocation and loss of social cohesion arising from this failure to either establish or vindicate the essential Right to Housing.

There is little doubt but that this would also have wider political consequences for the EU and undermine the credibility of its institutions. Citizens who saw the 'normal' market strictures suspended and essentially overturned for the duration of the pandemic, will no doubt question why there cannot be a similar approach taken in response to the growing housing crisis - particularly given the key role played by EU institutions in facilitating the massive financialisation of housing over the last decade. Equally, citizens will also wonder whether key EU institutions - such as the European Commission - should not play a more proactive and interventionist role in upholding and vindicating the social and economic rights of citizens, with reference to the Charter of Fundamental Rights and the EU Pillar of Social Rights.

In that context, it is somewhat positive that the growing crisis across member states has prompted a response from the EU Parliament, with the January 2021 vote to support a resolution on affordable housing and the adoption of the report on this issue arising from Housing Rapporteur, Kim van Sparrentak on *Access to Decent and Affordable Housing for All*.¹⁷ As the report itself highlights, the EU "can no longer hide behind the fact that it has no competence on housing policy." The report also notes the key role played by the EU's "macro-economic and fiscal policy" in setting the parameters for housing policy and investment - or the lack of same - across member states.

With respect to Ireland, we have seen contradictory analysis, poor forecasting and unhelpful policy guidance on housing issued by different sections of the European

¹⁷ European Parliament (2021) Report on access to decent and affordable housing for all (2019/2187(INI) P9_TA(2021)0020 (January 2021) available at: https://www.europarl.europa.eu/doceo/document/A-9-2020-0247_EN.html

Commission. Thus, the 2019 Country Semester Report for Ireland was highly critical of our failings in the housing arena, pointing out that a lack of affordable and social housing had increased homelessness.¹⁸ Yet, a later briefing paper published by the Directorate-General for Economic and Financial Affairs in December 2020, warned of potentially severe falls in house prices, arising from the Covid pandemic.¹⁹ It advocated the use of official 'subsidies' in order to "moderate the decline in prices."

At a time of record homelessness and spiralling home purchase prices and rents, it is somewhat remarkable that this briefing was advocating that prices be maintained at these high levels, a perspective that rather jars with the goal of 'housing affordability.'

Equally, to recommend the use of 'subsidies' in an already inflated and dysfunctional housing market borders on the reckless. As we know to our cost, housing prices did not fall during the pandemic, with purchase prices doubling over the last eight years and rental costs some 32% higher on average than their pre-Crash peak. Such is the depth of the affordability crisis in Ireland that average priced homes in Dublin are now behind the financial reach of some 85% of the population, according to research carried out by the Nevin Economic Research Institute (NERI). And in line with the EU briefing paper in 2020, the government's *Housing for All* plan contains a number of measures likely to subsidise and inflate prices further. It appears the policy priority is to ensure people can afford what is on offer, rather than making what is on offer *more affordable*. The latter option preferences citizens, the former preferences investors and developers. Affordability must be measured against household incomes, or how much money is left after housing costs, rather than market prices for housing or rents.

National housing policies play a key role and, in Ireland, a reliance on the private sector to deliver what is an essential public good is central to the severe difficulties experienced here. However, the macro-economic fiscal and policy framework established by the EU is also a source of the problem, not least in respect of investment in social/ public housing and direct state provision of housing. Indeed, it is hardly a coincidence that across the EU over recent years we have seen a dramatic fall in the public housing stock of member states and the exponential growth of the private provision of housing services. The shift from State support for direct investment in housing to housing allowances has been most pronounced in Ireland. It is exemplified in the wasteful spending on the Housing Assistance Payment scheme (HAP) which acts as a *de facto* subsidy for private landlords, with no asset accruing to the State, despite the massive outlay.

Therefore, in the context of addressing the deepening crisis that afflicts all of Europe and, in particular, the financialisation of housing, The Irish Congress of Trade Unions fully supports the 2021 report on the right to affordable housing adopted by the

¹⁸ Doval Tedin, N. J. & Faubert, V. (2020) Housing Affordability in Ireland, European Economy – Economic Brief 061, December 2020. Luxembourg, European Commission.
https://ec.europa.eu/info/sites/info/files/economy-finance/eb061_en.pdf,

¹⁹ European Commission, Country Report Ireland 2019 Including an In-Depth Review on the prevention and correction of macroeconomic imbalance COM(2019) 150 final:
https://ec.europa.eu/info/sites/default/files/file_import/2019-european-semester-country-report-ireland_en.pdf

European Parliament, notably its key recommendations on changes to the fiscal rules to facilitate increased investment and boost the stock of availability of public and affordable housing.

The Irish Congress of Trade Unions also supports the call to ensure that housing affordability is “better reflected in the European Semester,” with key principles of the European Pillar of Social Rights on homelessness and housing assistance “turned into action.” In addition, Congress would back the demand on the European Commission to bring forward “new laws to counter the financialisation of housing markets” allied with new “tax measures to counter speculative investment” and greater protections for renters.

Here in Ireland, Congress is calling for the Right to Housing to be enshrined in law, in order to legally underpin all provisions and initiatives on provision of secure, affordable homes for all.

As the largest civil society organisation on the island of Ireland, Congress fully supports the calls for greater action at EU level to devise a more appropriate and responsive policy and fiscal framework, with respect to housing provision. It is our strong belief that a failure to uphold and vindicate the Right to Housing for all citizens across the EU, breaches, impinges upon and undermines the rights set out in both the EU Charter of Fundamental Rights and the EU Pillar of Social Rights.

The Conference on the Future of Europe process provides a unique opportunity to shape the new Europe that will emerge post-pandemic and it is vital for the longer-term future of the EU that this is a Europe that preferences the rights of citizens over the demands of markets, as was largely evident during the depths of the pandemic. The EU Pillar of Social Rights and the Charter of Fundamental Rights provide crucial starting points in this regard and it is clear that the disconnect between the proclamation of such rights and their application in the everyday lives of citizens must be challenged. To this end, Congress would call for the EU Parliament to be charged with a new and specific oversight and enactment role in terms of the rights set out, ensuring that the institutions of the EU are held to account and that all policies – social and economic - are in full accordance with the principles of the Charter and the Pillar of Social Rights.

Conference on the Future of Europe - Housing Event

Concept Paper - Professor Padraic Kenna - NUI Galway

Housing Challenges

The challenges of ensuring access to adequate, affordable and secure housing for all is a key issue for the European Union. While the great majority of European live in good quality, affordable, housing as a result of major State and private investment since the 1950s, the picture for young Europeans is not so rosy. Indeed, the majority of people aged 18-34 across the EU still live with their parents, largely because they cannot afford to rent or buy their own homes.

While there are major differences in the housing situation in every Member State, all prosperous European cities face similar challenges, especially those with population growth and inward migration. In a world where blocks of housing in many European cities have become squares on a global game of monopoly (but with no go to jail square!) the need for effective EU-wide financial regulation and supervision in this area has never been greater. The re-ordering of Europe's cities has major implications for gender and social equality, citizenship, equal opportunities and social inclusion – all issues where the EU has established clear objectives for Europe.

While Member States undertake a range of regulatory and provision measures to address housing needs, it is now widely recognised that unregulated housing markets cannot deliver sufficient affordable housing for all. Almost 10% the EU-27 population live in households that spend 40% or more of their equivalised disposable income on housing, while one in eight Europeans with a disability face a housing overburden. Some 17% of the EU population lived in overcrowded households in 2019, and 7% were unable to keep their home adequately warm; this share reached 18.2% among people at risk of poverty. While 10% of the EU population spent 40% or more of their household disposable income on housing, these high costs affect over 35% of those at risk of poverty.²⁰

Homelessness is rising in most Member States; and on any given night in the European Union some 700,000 homeless people have to sleep in shelters or on the street, an increase of 70% in the past 10 years. This has harmful consequences, especially for Europe's children and young people – and they know it. Homelessness, evictions and poor housing represents a threat to human dignity, creates a sense of shame and social exclusion, and acts as a barrier to full participation and equal opportunity in Europe. Although homelessness has risen across Europe, this year, the European institutions, Member State governments and civil society have committed to the European Platform on Combatting Homelessness, with a target for ending homelessness by 2030. The FEANTSA/Housing Rights Watch *Homeless Bill of Rights* includes rights to housing, access to decent emergency accommodation, equal treatment, right to a postal address, right to sanitary facilities, emergency services, voting, data protection, privacy and right to carry out practices necessary to survival

²⁰ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_housing

(within the law).²¹ FEANTSA and many other European NGOs recognise that the most vulnerable groups (migrants, women, LGBTQI+ people, people with disabilities) are among the most affected by homelessness.

In a European Commission/European Social Policy Network (ESPN) study of national housing policies in 2019, the lack of affordable, secure, social rented housing was identified as the main housing-related systemic cause of homelessness in almost all European countries.²² Others have pointed out that a scarcity of housing is pushing up rents and prices in some cities which surpass increases in wages and “these trends cause many people to gradually be “priced out” of certain neighbourhoods and force them to accept homes of substandard quality or to move to areas where they face poorer prospects of finding work within a reasonable distance, decent education, quality healthcare, and other basic social needs”.²³

The lack of affordable housing particularly impacts on poor and socially excluded people, such as LGBTQI+ young people, lone parents, persons with disabilities, migrants and others.²⁴ The lack of affordable student accommodation has a major impact on educational opportunities for students from households on low incomes, in some EU Member States.

More and more Europeans are looking to the EU to tackle the challenges of our times, in such areas as climate change and environmental protection, economic stability, data protection, the digitalisation of society and the sharing economy, responsible lending and consumer protection, improved quality of life, recognition of diversity, fundamental rights and social inclusion. The focus of EU institutions must be on supporting citizens and ensuring access to affordable secure housing for all. This must be reconciled with other objectives, such as promoting ‘resilience in euro area residential property prices.’²⁵ Equally, we need a European debate on how to reconcile long term sustainable returns on pension funds invested in housing, with the provision of long-term, secure, affordable, housing

²¹ <https://www.housingrightswatch.org/billofrights#bill>. See also FEANTSA/Fondation Abbe Pierre (2020) *Fifth Overview of Housing Exclusion in Europe*. <https://www.feantsa.org/en/news/2020/07/23/fifth-overview-of-housing-exclusion-in-europe-2020?bcParent=26>

²² Baptista, I. and Marlier E. (2019) Fighting homelessness and housing exclusion in Europe – study of national policies. European Social Policy Network – European Commission DG EMPL. Available at: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8243&furtherPubs=yes>

²³ Dunja Mijatović, (2020) Commissioner for Human Rights, Council of Europe: *The right to affordable housing: Europe’s neglected duty*. Available at: <https://www.coe.int/en/web/commissioner/-/the-right-to-affordable-housing-europe-s-neglected-duty>

²⁴ See FEANTSA: *Homelessness on the European agenda: European Parliament and the European Commission discuss homelessness and Housing First during first European Parliament plenary session of the year*.

²⁵ https://www.ecb.europa.eu/pub/economic-bulletin/focus/2021/html/ecb.ebbox202104_05~681f95e295.en.html

Housing Rights in Europe

All EU Member States have adopted housing rights obligations, within their constitutions, laws, policies and budgeting. At an international level all have ratified and adopted the UN International Covenant on Economic, Social and Cultural Rights (1966), the Council of Europe, European Social Charter (1961) and Revised Charter – all of which contain housing rights.²⁶ The UN *Universal Declaration of Human Rights* (UDHR)(1948) recognises the right to housing as part of the right to an adequate standard of living. The UN *International Covenant on Economic, Social and Cultural Rights* (ICESCR)(1966), States obliges its European ratifying States to recognize, respect, and fulfil the right to housing, meet “minimum core” obligations, ensure non-discrimination, enact legislative measures, develop appropriate policies, and commit the maximum available resources towards a progressive realisation of this right. UN *General Comment No. 4. on the Right to Adequate Housing* (1991) clarified that for housing to be adequate, it must, at a minimum, include legal security of tenure, have available services, materials and infrastructure, be affordable, habitable and accessible, be in a suitable location and constructed and sited in a way which is culturally adequate. *UN General Comment No. 7 on Forced Evictions* (1997) states that evictions should not result in individuals being rendered homeless. Where those affected are unable to provide for themselves, the State must take all appropriate measures, to the maximum of its available resources, to ensure that adequate housing, resettlement or access to productive land, is available.

Housing rights are also established in the Council of Europe’s *European Social Charter* (ESC)(1961), the Revised Charter (RESC)(1996) and *European Convention on Human Rights and Fundamental Freedoms* (ECHR)(1950). The ESC sets out a range of housing rights in Article 15 (disabled persons); Article 16 (sufficient housing for families); Article 19 (migrant workers); Article 23 (elderly persons); Article 30 (as part of the right to protection against poverty and social exclusion); and Article 31 (on the right to housing). The ESC monitoring body, the European Committee of Social Rights (ECSR), has defined the concept of “adequate housing” as requiring a legal framework ensuring an adequate standard (safe, healthy and of adequate size); legal and procedural safeguards in case of eviction; policy and action to prevent homelessness; provision of adequate emergency accommodation for all homeless persons; provision of affordable housing through social housing of adequate quality and quantity or other means.²⁷ Although not imposing on States an obligation of “results”, nevertheless the ESC and RESC rights recognised must take a practical and effective, rather than theoretical, form.²⁸ When one of the rights in question is exceptionally complex and expensive to implement, States must take steps to achieve the objectives of the ESC within a reasonable time, with measurable progress and making maximum use of resources.

²⁶ Kenna, P. (2022) Right to Housing, *Elgar Encyclopedia of Human Rights* (Cheltenham, Edward Elgar).

²⁷ ECSR Committee of Social Rights, *Digest of the Case Law* <https://rm.coe.int/digest-2018-parts-i-ii-iii-iv-en/1680939f80>

²⁸ *European Federation of National Organisations Working with the Homeless (FEANTSA) v. France*, Complaint No. 39/2006. Available at: https://www.coe.int/en/web/european-social-charter/processed-complaints/-/asset_publisher/5GEFkJmH2bYG/content/no-39-2006-european-federation-of-national-organisations-working-with-the-homeless-feantsa-v-france?inheritRedirect=false

Article 8 of the ECHR (which is replicated in Article 7 of the EU Charter of Fundamental Rights)²⁹ on the right to respect for home states:

Everyone has the right to respect for his private and family life, his home and his correspondence. There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.

This has been interpreted as prohibiting any eviction from a 'home' without a proportionality assessment.³⁰ Article 8 concerns rights of central importance to the individual's identity, self-determination, physical and moral integrity, maintenance of relationships with others and a settled and secure place in the community.³¹

In many European States support for and intervention in the market has long been the norm, with extensive State institutional support for all aspects of housing systems, including major support for home-ownership through tax relief, subsidised sale of public housing and mortgage assistance. There has been significant public expenditure in social and subsidised housing, with the objective of securing access to adequate and affordable housing for specific sections of the population. More recently, the industrialisation of mortgage lending across Europe, the risks created by mortgage driven housing bubbles, and the effects on national economies and consumers, have prompted EU action in many areas which affect housing rights.³²

The Treaties of the European Union, including the Charter of Fundamental Rights³³, which sets out fundamental rights for Europeans, and integrates these rights into EU law. These EU Charter rights include Article 7 on the right to respect for home and family life, Article 33 on the rights of households to enjoy legal, economic and social protection – including access to adequate housing, and Article 36 on the obligation on the EU to recognise and respect Member States arrangements for access to Services of General Interest, which includes social and affordable housing. While the EU Charter of Fundamental Rights does not create stand-alone housing rights, it does create binding obligations on EU institutions, acting within their competences and mandates, to respect and promote its housing rights for the people in Europe.

²⁹ Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union 2012/C 326/01. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12012E%2FTXT>

³⁰ *McCann v UK* Application no. 18984/91, [1995] available at: <https://hudoc.echr.coe.int/eng#%7B%22itemid%22%3A%22001-57943%22%7D>

³¹ The CJEU has also held that under EU law, the right to accommodation, as a fundamental right guaranteed under Article 7 of the Charter, must be taken into consideration by a court when addressing EU law issues, such as the implementation of Directive 93/13 on unfair contract terms in consumer contracts – as applied to mortgage possession cases. See Case C-34/13 *Kusionova v SMART Capital* [2014] para 65.

³² Kenna, P. (2020) *Integrating EU Charter Housing Rights into EU Economic Governance and Supervision*. <http://www.nuigalway.ie/media/housinglawrightsandpolicy/files/Briefing-3-Integration-EU-Charter-Housing-Rights-into-EU-Economic-Governance-and-Financial-Supervision-.pdf>

³³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12012P/TXT>; See Peers, S. et al (2021) *The EU Charter of Fundamental Rights – A Commentary*. (Hart, Oxford).

Perhaps, the best known Article of the Charter in housing terms is Article 34(3) which states:

In order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Union law and national laws and practices.

However, Art 34(3), with its unique minimum core standard of a ‘decent existence’, can only be invoked in the context of EU social inclusion policies, based on Article 153 TFEU, but also in the interpretation of secondary EU law.³⁴ In fact it is time to integrate the full range of EU Charter rights which relate to housing into the EU economic governance framework.³⁵ One significant European case pointed out that there is no limit to the applicability of the EU Charter with respect to EU institutions (compared with Member States), and there is an obligation on EU institutions, not just to respect, but also to promote the application of the EU Charter.³⁶ There is also great potential for the EU Charter housing rights to be raised by MEPs in their democratic monitoring of the EU institutions’ reports to the European Parliament.³⁷

The European Pillar of Social Rights (EPSR)³⁸ provides at Principle 19 that access to social housing or housing assistance of good quality shall be provided for those in need, while adequate shelter shall be provided to homeless people.³⁹ The EPSR now informs EU policy, including the European Semester, with a Social Scoreboard ranking Member States performance in a number of areas including housing.⁴⁰ The Action Plan on the EPSR sets out a range of EU measures which impact on housing and other policies.⁴¹

³⁴ See Case 571/10, *Servet Kamberaj v Istituto per l’Edilizia sociale della Provincia autonoma di Bolzano (IPES)* [2012].

³⁵ See Kenna, P. (2020) Briefing Paper 3. Integrating EU Charter Housing Rights into EU Economic Governance. Available at: <http://www.nuigalway.ie/media/housinglawrightsandpolicy/files/Briefing-Paper-3-Integrating-EU-Charter-Housing-Rights-into-EU-Economic-Governance-and-Financial-Supervision-.pdf>

³⁶ Opinion of AG Wahl in *Ledra Advertising* case (Joined Cases C-8/15 P, C-9/15 P and C-10/15 P), para 8.

³⁷ European Parliament (2019) *Report on the implementation of the Charter of Fundamental rights of the European Union in the EU institutional framework 2017/2089(INI) PE629.691*, https://www.europarl.europa.eu/doceo/document/A-8-2019-0051_EN.html, p. 5.

³⁸ SWD(2017) 201 final. https://ec.europa.eu/info/strategy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillar-social-rights/european-pillar-social-rights-20-principles_en

³⁹ European institutions, EU governments and civil society have for the first time committed to working together towards combatting homelessness in the EU. At a high-level conference in Lisbon in June 2021, they launched the *European Platform on Combatting Homelessness* to trigger dialogue, facilitate mutual learning, improve evidence and monitoring, and strengthen cooperation among all actors that aim to combat homelessness. See https://ec.europa.eu/commission/presscorner/detail/en/ip_21_3044.

⁴⁰ <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/#socialdimensions>

⁴¹ The EPSR Action Plan (2021) (p. 27) [file:///Users/padraickenna/Downloads/KE0921008ENN%20\(1\).pdf](file:///Users/padraickenna/Downloads/KE0921008ENN%20(1).pdf)

Many EU financial consumer and regulatory measures overlap with housing rights, linking Charter housing rights with EU consumer law.⁴² The Spanish mortgage case - *Aziz*,⁴³ established that national mortgage procedural law must be compatible with EU consumer law, especially where a loss of home was at issue. In *Kušionová*⁴⁴ the CJEU held that “the right to accommodation is a fundamental right under Article 7 of the Charter that the court must take into consideration when implementing Directive 93/13 [consumer law].⁴⁵

The EU and Housing

So could the EU do more in the field of housing to assist Europeans? Most of the EU impact on and support for housing in Member States is not widely recognised, though substantial. There are many areas where future EU policies, integrated with national policies, could really assist in the housing of young and not-so-young Europeans. It is important to remember that the EU has no direct competences/powers in housing policy as such – it will never build, sell or rent homes. Housing as property, land use and associated regulation and taxation issues are Member State competences, but, of course, housing is about more than property or land use.

There are divergences in housing systems across EU Member States, ranging from ownership and rental levels, housing costs, conditions and standards, mortgage lending arrangements and State supports.⁴⁶ While housing is not exempt from a range of EU measures affecting it, and which are set out here, housing policy in each Member State is a national (or regional or local) competence, and there are no EU harmonisation (or top-down) measures on housing policy. For example, in relation to owner-occupation, or housing as property, or investment property.⁴⁷ Article 345 TFEU states that “ This Treaty shall in no way prejudice the rules in Member States governing the system of property ownership.”

⁴² See Kenna, P, & Simón-Moreno, H. ‘Towards a common standard of protection of the right to housing in Europe through the charter of fundamental rights’. *European Law Journal*, 2019; 25: 608–622.

⁴³ Case C-415/11 *Aziz v Caixa d’Estalvis de Catalunya*, [2013].

⁴⁴ Case C-34/13 *Kušionová v SMART Capital a.s.* [2014].

⁴⁵ *Ibid.*, para. 65.

⁴⁶ Eurostat provides comparable data on housing conditions across Europe, and has advanced the definition of severe housing deprivation and affordability: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_housing#Housing_condition. Severe housing deprivation rate is defined as the percentage of population living in the dwelling which is considered as overcrowded, while also exhibiting at least one of the housing deprivation measures. Housing deprivation is a measure of poor amenities and is calculated by referring to those households with a leaking roof, no bath/shower and no indoor toilet, or a dwelling considered too dark. Housing affordability may be analysed through the housing cost overburden rate, which is defined as the percentage of the population living in households where the total housing costs (‘net’ of housing allowances) represent more than 40 % of disposable income (‘net’ of housing allowances).

⁴⁷ Although Article 17 of the EU Charter of Fundamental Rights provides that while everyone has a right to own and use property, the use of property may be regulated by law in so far as is necessary for the general interest.

However, the major competence of EU institutions in the housing systems of Europe operates through regulation and supervision of capital markets.⁴⁸ House prices and rents in Europe's cities are greatly impacted by EU licenced, regulated and supervised financial entities. The the implementation of EU legislation, economic governance and regulation by EU institutions sets the terms for this financial investment in housing across the EU. In this context it is a major concern that the drive by EU institutions and Commissioners towards capital markets union are failing to respect and promote key human/housing rights obligations, already set out in the EU Treaties and adopted by Member States. For example, the ECB Datawarehouse or Eurostat do not provide a breakdown of residential housing assets within institutional portfolios, while European Commission, EBA and ECB reports and proposals on "non-performing loans" fail to recognise that their subject matter constitutes people's home protected by Article 8 ECHR and Article 7 of the EU Charter of Fundamental Rights.⁴⁹ Some EU institutional proposals could increase to the risk of households with children losing their home, in violation of Article 7 of the EU Charter. There is no evidence that any impact assessments of the effects on housing rights of these EU policies is being carried out.

Reports have shown the devastating effects on security and affordability from the failure to supervise and regulate these financial activities in line with the EU institutions obligations to respect and promote the EU Charter of Fundamental Rights. Yet, there are no housing rights impact assessments carried out at all in the drive towards capital markets union, and in the regulation of financial entities.

A recent Report proposes that the European Commission, in its Social Taxonomy proposals for EU sustainable finance, should include a range of measures which reverse the preferential regulatory treatment given to financial investment entities who invest in people's homes.⁵⁰ The ESG framework already requires institutional investors to consider the risks to their portfolios from the social and governance practices of the companies they invest in.⁵¹ A housing ESG framework would explicitly "require investors to not just consider the financial risks associated with their investments in HAC but also the impact that their investments, say via Blackstone, has on affordable and sustainable housing".⁵²

The narrow focus of existing ESG obligations must be widened to include impacts on secure and affordable housing, and promotion of sustainable communities, within the permitted legitimate activities of financial entities in the EU. The European Pillar of Social Rights, and its Action Plan, the European Social Charter and Revised Charter, ratified by all EU Member States, and the EU Charter on Fundamental Rights, which

⁴⁸ Gabor, D. & Kohl, S. (2022) "My Home is an Asset Class" – The financialisation of housing in Europe, The Greens/EFA of the European Parliament. <https://www.greens-efa.eu/en/article/document/my-home-is-an-asset-class> p. 63.

⁴⁹ Article 51 on the field of application of the EU Charter of Fundamental Rights establishes clearly that EU institutions, agencies, offices and bodies must respect the rights, observe the principles and promote the application of the Charter within their respective competences and mandates.

⁵⁰ Gabor, D. & Kohl, S. (2022) "My Home is an Asset Class" – The financialisation of housing in Europe, para. 5.1.1.

⁵¹ https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/overview-sustainable-finance/platform-sustainable-finance_en

⁵² Gabor, D. & Kohl, S. (2022) "My Home is an Asset Class" – The financialisation of housing in Europe, p. 67.

together contain range of housing already adopted by Member States, can provide the basis for this Social Taxonomy.⁵³

The recent Report on financialisation of housing in Europe points out that the growing institutional appetite for residential housing, historically supported by increasingly permissive European legislation developed to promote the Capital Markets Union, suggests that Europe also needs an integrated approach that reclaims responsibility for affordable and adequate housing from financial markets. Institutional investors may have mandates and risk/return requirements that are inconsistent with the delivery of housing as a human right.⁵⁴ The Report proposes a framework that reclaims public responsibility for affordable and adequate housing from markets through a four-tiered approach:

- (a) a European level regulation of the institutional landlord ecosystem, anchored in the Social Taxonomy proposals of the European Commission. This mandates disclosure through a triple-bucket approach to the Social Taxonomy, to then reverse the preferential regulatory treatment afforded to all but the strongest performing housing asset classes in European legislation and implement an escalation-based regulation regime.
- (b) slowing down financialization through a European Housing Fund that balances the countercyclical forces moving residential housing from private/public to institutional portfolios.
- (c) a Housing Red Flag rule that ensures housing asset classes are ring-fenced from any future regulatory easing initiatives.
- (d) macroprudential interventions orchestrated by the European Central Bank to break the spirals of exploding mortgage debt and rising house prices in major urban centers in Europe.⁵⁵

The duty to respect and promote the EU Charter of Fundamental Rights and the UN and Council of Europe social and economic rights instruments, adopted by all Member States, must be applied where house prices and rents are examined within the European Semester, and macro-economic surveillance arrangements. EU institutions have issued warnings and recommendations in 2016 and 2019 on vulnerabilities linked to house price and household credit dynamics, but there has been no references at all to housing rights, or the EU Charter of Fundamental Rights in these EU approaches. Affordability issues linked to rapid growth of house prices in European cities impact on income distribution and social inclusion – which are integral to the respect for and promotion of the EU Charter of Fundamental Rights.

The EU economic governance framework was strengthened following the credit-fuelled housing-related crash of 2008/9, which threatened the stability of the euro itself. Since such credit-fuelled house price bubbles have the potential to create macroeconomic instability (as well as reducing affordability), the growth of house

⁵³ See Social Taxonomy subgroup of the EU Platform for Sustainable Finance, https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/sf-draft-report-social-taxonomy-july2021_en.pdf

⁵⁴ Gabor, D. & Kohl, S. (2022) “My Home is an Asset Class” – The financialisation of housing in Europe, p. 73.

⁵⁵ Ibid.

prices is carefully monitored at EU level,⁵⁶ alongside ECB regulation and prudential supervision of the main European mortgage lenders, under the Single Supervisory Mechanism.⁵⁷ The EU Mortgage Directives provide an EU-wide protection for mortgage borrowers, while EU consumer law prevents unfair contracts terms in mortgages and tenancies. The Representative Actions Directive (EU)(2020/1828) will create a collective class action system for housing consumers and tenants.

Indeed, Member States have conferred on the EU a range of competences in areas of competition and monetary policy (in the euro-zone) as well as banking/mortgage lender supervision. Member States have agreed to manage their tax and public spending rules within certain limits, and of course, public spending/investment on social housing comes within this framework. There are shared competences/powers in relation to the internal market, some areas of social policy, social cohesion, environmental and consumer protection. EU law and fundamental rights prohibit discrimination on gender and other grounds, and EU funding for housing related actions is substantial. The European Single Market and social market economy of the EU impact on housing on many levels.

The European Commission, through the European Semester, and referring to the European Pillar of Social Rights, provides Member States with policy support, guidance and orientation on how to design efficient national policies aimed at ensuring citizens' access to affordable, secure and accessible social housing.⁵⁸ The European Union assists Member States to deal with housing supply shortage, dysfunctional housing markets, macroeconomic imbalances and insufficient stock of social housing.⁵⁹ Of course, the treatment of Member State housing systems as 'housing markets' is in itself indicative of the limitations of the EU approach to housing. Of course, housing markets are unlike other markets. House prices do not fall with increased supply, as housing is both a consumption and investment commodity. This issue is being addressed by the ECB as it attempts to include realistic

⁵⁶ Martins, V., Turrini, A., Vašíček, B. & Zamfir, M. (2021) *Euro Area Housing Markets: Trends, Challenges and Policy Responses*. Available at:

https://ec.europa.eu/info/sites/default/files/economy-finance/dp147_en_0.pdf. The Macroeconomic Imbalance Procedure Scoreboard monitors year-on-year changes in house prices relative to a Eurostat consumption deflator. See <https://ec.europa.eu/eurostat/web/macroeconomic-imbalances-procedure/data/scoreboard>

⁵⁷ <https://www.bankingsupervision.europa.eu/about/thessm/html/index.en.html>

⁵⁸ The European Semester provides a framework for the coordination of economic policies across the EU. Housing is addressed within the European Semester Goals, which accompany the twin digital and climate transition and are structured around four dimensions: environmental sustainability, productivity, fairness, macroeconomic stability. The goals are: ensuring sound public finances (avoiding excessive government debt); preventing excessive macroeconomic imbalances in the EU; supporting structural reforms, to create more jobs and growth; boosting investment. See https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/framework/european-semester-goals_en

⁵⁹ EU funding for housing projects is available through the European Regional Development Fund, the Just Transition Fund, InvestEU, ESF+, Horizon Europe, Next Generation EU, Recovery and Resilience Facility, Coronavirus Response Investment Initiative (CRII) and the Coronavirus Response Investment Initiative Plus (CRII+). The European Investment Bank provides low interest long term loans for social and affordable housing.

housing costs inflation into its measure of inflation, upon which ECB monetary policy is based.⁶⁰

Lack of affordable housing, homelessness and housing exclusion are increasingly becoming a problem in the EU. The pandemic has caused homelessness rates to increase even further, as the crisis made it more difficult for many households to pay for adequate housing, while also disrupting the construction of new homes. Low-income owners and private renters were particularly affected, but also people with an average income became burdened by increased housing and maintenance costs.⁶¹

The European Commission promotes best practice models in social housing provision - which is treated as one of the Services of General Economic Interest in EU law – and recognised as a right in Article 36 of the EU Charter of Fundamental Rights. The Vienna Model represents one such good practice model which involves long term investment and affordable rents.⁶²

The living and natural environment of European citizens is also protected through EU-wide laws, agreed by all Member States, in areas of planning, environmental protection, sustainable development, water quality and construction product standards. Non-discrimination in access to housing on grounds of race or gender, EU coordinated housing related social inclusion measures, and European Commission funding for housing projects and best practice models are significant, especially under the European Green Deal.⁶³ EU measures on money-laundering (with housing recognised as a key element) are important in protecting EU citizens and communities.⁶⁴

The European Green Deal

The Green New Deal is especially significant for housing investment across Europe. The decarbonisation of the EU economy by 2050 is a common objective in the fight against climate change, and the energy used for heating and cooling buildings is one of its main causes. Through the European Green Deal, the European Union set itself the goal of making buildings and housing more energy-efficient.

The European Green Deal is an EU package of measures to cut greenhouse gas emissions, invest in cutting-edge research and innovation, and to preserve Europe's natural environment. It involves the introduction of harmonising regulations governing climate law, to enshrine the 2050 climate-neutrality objective into EU law; a European Climate Pact to engage citizens and all parts of society in climate action; a 2030 Climate Target Plan to further reduce net greenhouse gas emissions by at least 55%

⁶⁰ ECB (2021) *Hearing of the Committee on Economic and Monetary Affairs of the European Parliament – Christine Lagarde*, <https://www.ecb.europa.eu/press/key/date/2021/html/ecb.sp211115~6fa9a12c1e.en.html>.

⁶¹ <https://data.consilium.europa.eu/doc/document/ST-9147-2021-INIT/en/pdf>

⁶² <http://www.vienna-model.at/en/> Michaela Kauer.

⁶³ https://www.europarl.europa.eu/doceo/document/TA-9-2020-0005_EN.html

⁶⁴ See Kenna, P. (2020) Briefing Paper 3. Integrating EU Charter Housing Rights into EU Economic Governance. Available at: <http://www.nuigalway.ie/media/housinglawrightsandpolicy/files/Briefing-Paper-3-Integrating-EU-Charter-Housing-Rights-into-EU-Economic-Governance-and-Financial-Supervision-.pdf>

by 2030 and an EU Strategy on Climate Adaption to make Europe a climate-resilient society by 2050, fully adapted to the unavoidable impacts of climate change.⁶⁵

Since 75% of housing in the EU is not energy efficient and 85% of these houses will be in use in 2050, major renovation of housing is required to meet the targets. The European Commission Proposed Directive⁶⁶ on the energy efficiency of building will facilitate the renovation of homes across Europe. The Revised Renewable Energy Directive⁶⁷ will place energy efficiency at the forefront of planning and investment decisions within Member States, underpinned through prioritisation of vulnerable households and ensuring basic contractual rights for end-users of energy (e.g. heating and cooling of households, heating of water).⁶⁸ The worst-performing 15% of residential buildings in each Member State will be upgraded from Energy Performance Grade G to Grade F by 2030, and housing offered for sale or rent must have such a Certificate by 2025. Estimated annual funding for upgrading homes will be at least €115 billion, and renovations will be required for all types of properties and tenures, which will place new burdens on low income home owners, landlords and tenants, with the risk of 'renovictions' unless adequate arrangements are put in place.

Energy poverty affects nearly 34 million Europeans who are unable to afford keeping their homes warm, pointing to the lack of access to affordable quality housing for many families. The implementation of the Green Deal, through the Renovation Wave Initiative⁶⁹ (which aims for 35 million buildings to be renovated by 2030), the Commission Recommendation on Energy Poverty⁷⁰, the future revision of the Energy Efficiency Directive⁷¹ and the steer and guidance for local action by EU Energy Poverty Observatory⁷², will contribute to alleviate energy poverty and increase the quality of housing, in particular for medium and low-income households.

Already Europe's landlords are planning how they will make rental housing more energy efficient without unduly disrupting tenants lives.⁷³ Some 30% of European households are tenants, and their inclusion in future European and national housing policy development will be significant.⁷⁴

Significantly, the European Parliament in January 2021, adopted the Report on 'access to decent and affordable housing for all', with Kim Sparrentak MEP, as Rapporteur (See Appendix 1 of this Report).⁷⁵ The Report called for adequate, energy-efficient and

⁶⁵ European Green Deal (2021) https://ec.europa.eu/clima/eu-action/european-green-deal_en

⁶⁶ COM(2021) 802 final.

⁶⁷ COM/2021/557 final.

⁶⁸ https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1835

⁶⁹ COM(2020) 662 final of 17 September 2020.

⁷⁰ Commission Recommendation (EU) 2020/1563 of 14 October 2020.

⁷¹ Directive 2012/27/EU of 25 October 2012.

⁷² <https://www.energypoverty.eu>.

⁷³ <https://www.uipi.com/renovation-tour/>

⁷⁴ <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-1a.html?lang=en>; See My Rights as a

Tenant in Europe: https://www.uni-bremen.de/fileadmin/user_upload/fachbereiche/fb6/fb6/Forschung/ZERP/TENLAW/My_Rights_as_Tenant_in_Europe.pdf

⁷⁵ European Parliament (2021) Report on access to decent and affordable housing for all (2019/2187(INI) P9_TA(2021)0020 (January 2021) available at: https://www.europarl.europa.eu/doceo/document/A-9-2020-0247_EN.html

healthy housing for all Europeans, and end to homelessness by 2030, no discrimination, an integrated approach to social, public and affordable housing at EU level, security of tenure and inclusive housing markets, and major investment in social, public, affordable and energy-efficient housing.⁷⁶ Similarly, the Report on *Concrete Actions for Social and Affordable Housing in the EU* puts forward significant policy recommendations.⁷⁷ The European Parliament has also called⁷⁸ for a European impetus to end homelessness across the EU by 2030.

Clearly, EU measures are now constitutive of national housing systems, rather than a marginal add-on.

⁷⁶ https://www.europarl.europa.eu/doceo/document/A-9-2020-0247_EN.html

⁷⁷ Nasarre-Aznar, S., Ftáčnik, M., Lambea-Llop, N. & Rasnača, L. (2021) *Concrete Actions for Social and Affordable Housing in the EU* (FEPS) available at: http://housing.urv.cat/es/?download=1&kcccount=https://www.feps-europe.eu/attachments/publications/social%20affordable%20housing_report.pdf

⁷⁸ European Parliament resolution 2020/2802(RSP) of 24 November 2020 on tackling homelessness rates in the EU.

APPENDIX 1. *Decent and affordable housing for all* – Report to the European Parliament – Rapporteur Kim Sparrentak MEP⁷⁹ - extracts

A. whereas access to adequate housing is a fundamental right must be seen as a precondition for the exercise of, and access to, other fundamental rights and for a life in conditions of human dignity; whereas the national, regional and local authorities of the Member States have the obligation to define their own housing policy and to take the necessary measures to ensure that this fundamental right is respected in their housing markets;

B. whereas, as stated in Article 151 TFEU, the Union and the Member States, having in mind fundamental social rights such as those set out in the European Social Charter signed at Turin on 18 October 1961 and in the 1989 Community Charter of the Fundamental Social Rights of Workers, have as their objectives the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high levels of employment, and combating exclusion;

C. whereas the EU and its Member States have an obligation to ensure access for all to decent and affordable housing in accordance with fundamental rights such as Articles 16, 30 and 31 of the European Social Charter and the European Pillar of Social Rights;

D. whereas, according to Article 36 of the Charter of Fundamental Rights of the European Union, the Union recognises and respects access to services of general economic interest as provided for in national laws and practices, in accordance with the Treaties, in order to promote the social and territorial cohesion of the Union; whereas services of general interest are classified as such by the public authorities of the Member States, and are therefore subject to specific public service obligations; whereas these services can be provided by the state or the private sector; whereas these services include social housing as a social service of general interest; whereas social services of general interest respond to the needs of vulnerable citizens, in line with the principles of solidarity and equal access; whereas, the Commission Communication on the Quality Framework for Services of General Interest in the EU guarantees access to essential services for all citizens and promotes quality in the field of social services;

E. whereas SDG 11 calls for specific targets for 2030 to ensure access for all to adequate, safe and affordable housing and basic services, for the upgrading of slums and for the enhancement of inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries;

⁷⁹ https://www.europarl.europa.eu/doceo/document/A-9-2020-0247_EN.html
P9_TA(2021)0020 (January 2021)

F. whereas a growing number of low- and middle-income people living in the EU have difficulty affording housing, are overburdened by housing and maintenance costs, live in housing where there are safety concerns, that is unhealthy, of low quality, inaccessible, energy-inefficient or overcrowded, or is homeless or at risk of eviction;

... Investing in social, public, affordable and energy-efficient housing

51. Stresses that the investment gap for affordable housing amounts to EUR 57 billion per year; calls on the Commission and the Member States to close the investment gap in affordable housing as a matter of priority; calls in this regard for a reform of the economic governance framework allowing Member States to make the green and social public investments needed, including those related to the development and improvement of social, public, affordable and energy-efficient housing; calls, furthermore, for a harmonised accounting for amortisation methodology for affordable housing investments;

52. Recalls that as a service of general economic interest (SGEI), social housing is exempted from State aid notification requirements; recalls that social housing is the only sector in the SGEI Decision for which the Commission mentions a target group (disadvantaged citizens or socially less advantaged groups), and that this is not the case for other social services; believes that this may limit the possibility to deliver social and affordable housing for all; acknowledges that there is no agreed common definition of social housing at EU level; warns, however, that a narrow definition of social housing limiting it only to 'housing for disadvantaged citizens or socially less advantaged groups, which due to solvability constraints are unable to obtain housing at market conditions' is restrictive and hinders Member States' ability to define their SGEIs and services of general interest; stresses that SGEIs in housing should be principally guided by specific requirements determined by national, regional or local authorities, since these authorities have the competence to identify and address the housing needs and living conditions of different groups, which can differ greatly between rural and urban areas, and since these authorities play crucial roles in well-targeted decision making; urges the Commission to adapt the target group definition of social and publicly funded housing in the rules on SGEIs, so as to allow national, regional and local authorities to support housing for all groups whose needs for decent and affordable housing cannot be easily met under market conditions, while also ensuring that enough funding is allocated to the most disadvantaged, in order to unblock investment and ensure affordable housing, housing tenure neutrality and sustainable urban development, and to create socially diverse neighbourhoods and enhance social cohesion;

APPENDIX 2. Nasarre-Aznar, S., Ftáčnik, M., Lambea-Llop, N. & Rasnača, L. (2021) Concrete Actions for Social and Affordable Housing in the EU, (2021) Concrete Actions for Social and Affordable Housing in the EU (FEPS) available at: http://housing.urv.cat/es/?download=1&kccccount=https://www.fepe-europe.eu/attachments/publications/social%20affordable%20housing_report.pdf

Chapter 3. Lessons Learned and Policy Recommendations:

3.3.3. For the EU level.

1. Given the importance and cross-impact of housing issues and challenges in many fields (economics, finance, health, human rights, consumer protection, education, foreign policy/migration, energy, social cohesion, free movement of people, etc), we strongly recommend setting up an integrated strategy for housing within the European Commission with the objective of enhancing the policy coherence of EU policies and initiatives with an impact on housing. This could take the form of a potentiated interservice group on housing, setting the grounds for a dedicated directorate in the years to come. Besides policy coherence, a coordinated approach to housing within the European Commission should be focused towards improving the analytical basis of housing assessment, so that country reports and country-specific recommendations can be based on more solid ground. Recommendations from the Commission should reflect the latest scientific developments in the field of housing theory and housing economy and decipher the complexity of national housing systems, not only some selected elements.

2. Many challenges discussed in this report could be tackled or better addressed if sufficient (pan-European, national and sub-national) data were made available to the legislator. This is why we strongly recommend that the European Commission give a mandate to Eurostat to develop a fully fledged data-set on housing matters, covering at least the NUTS 3 level. Among data to collect and monitor are measures of housing deprivation, homelessness and housing exclusion, types of housing tenures, energy efficiency of buildings and housing investment. The creation of an ad hoc EU Observatory and Research Centre on Housing is advised to guarantee objective housing research.

3. To increase financial resources, we recommend allowing for a better and combined use of local, national and European funding and EIB financing to promote social, affordable and sustainable housing, especially in urban areas. Also, fostering the renovation wave within the European Green Deal, to refurbish and improve public and private buildings to address current low decarbonisation and to improve the energy efficiency of the EU building stock.

4. Expand and make concrete the right to affordable housing enacted in the European Pillar of Social Rights (EPSR). Principle 19 of the EPSR should grant the right to affordable housing to all, instead of limiting it to the most vulnerable groups only.

5. Better framework conditions for decent, sustainable and affordable housing can be created via the European semester process. These can be attained through a revision of the indicators on housing included in the social scoreboard, as well as in the macroeconomic imbalances procedure. Crucially, they should take into account diverse housing tenures throughout the housing continuum and the housing cost overburden.

6. In the upcoming revision of European fiscal rules, MS should agree to consider spending on affordable and sustainable housing as a key investment, so that, from a medium-term perspective, investment programmes to address housing issues can be exempted from deficit rules.

7. A similar approach should guide the reform of state-aid rules; through a revision of the target group definitions for the services of general economic interest, investment can be unlocked towards affordable and sustainable housing solutions. This should be done according to EU fundamental principles.

8. The network of national focal points on housing policy (or HFPs) should be re-established to ensure a mechanism for the exchange of information and knowledge, and to scale-up monitoring of affordable housing needs and policies in the EU MS. Connecting initiatives such as the EU Urban Agenda or the EU Smart City Agenda with their good practices and lessons learned about affordable and sustainable housing in EU cities with the EU Housing Agenda, establishing networks for the exchange of urban and regional housing responsibilities (eg as an Erasmus+programme) with the aim of capacity building with regard to housing investment and setting up municipal housing programs.

9. With regard to financialisation, the European Commission should undertake further research on its impact on housing markets. Concerning touristification, the European Union should explore the possibility of a common European rule for a better legal framework and law enforcement mechanisms for short-term holiday rental platforms, so that data are made available to cities and illicit use is minimised.

10. Increase the co-ordination of the EU in the field of housing with major stakeholder organisations, such as Eurocities, the CEMR or the European Network for Housing Research (ENHR) and other housing stakeholders, to create a solid specialised housing cooperative network.

APPENDIX 3. Kenna, P., Benjaminsen, L., Busch-Geertsema, V. & Nasarre-Aznar, S.. (2016). Pilot project – Promoting protection of the right to housing – Homelessness prevention in the context of evictions Final report: European Commission, DGEMPL

<https://aran.library.nuigalway.ie/bitstream/handle/10379/5847/KE-02-16-339-EN-N%282%29.pdf?sequence=1&isAllowed=y>

Recommendations:

Promotion of housing rights

- Promoting protection of the right to housing through defining eviction-related standards from the internationally accepted housing rights instruments and integrating these into national and EU social protection and human rights policies;
- Creating a legal obligation on courts and other agencies involved in evictions to promptly inform housing and social care agencies;
- Ensuring respect of the right to legal aid, advocacy and representation in cases of evictions;
- Better integrating housing consumers into national and EU consumer protection policy;
- Promoting and disseminating information on eviction-related housing rights and putting into place enforcement procedures.

Housing and housing policy

- Developing effective secondary eviction prevention measures, including making available accessible eviction prevention services, mediation and information on households at risk;
- Ensuring rapid rehousing, with intensive social support for evicted and homeless people with complex support needs, promoting the Housing First approach;
- Ensuring that low-income and vulnerable households have an adequate income or social benefit to access adequate housing, even after an eviction;
- Ensuring a sufficient stock of affordable/social housing and a continuum of housing tenures, with access for those on low incomes and those who are vulnerable;
- Restricting the use of short-term tenancies to special circumstances, such as housing for students and highly mobile workers;
- Assessing the impact of anti-eviction measures on the efficiency of the mortgage and housing markets.

Responsible lending and fresh start

- Securing a second opportunity or ‘fresh start’ for over-indebted borrowers;
- Promoting responsible mortgage lending;
- Increasing general information/education about the risks of over-indebtedness and defaulting on housing-related payments.

Research

- Improving the monitoring of evictions;
- Promoting research into the personal factors leading to evictions;
- Researching the weaknesses in legal protection and countering illegal eviction;
- Improving the basis for the EU-SILC question on housing evictions (as a reason for 'change of dwelling').

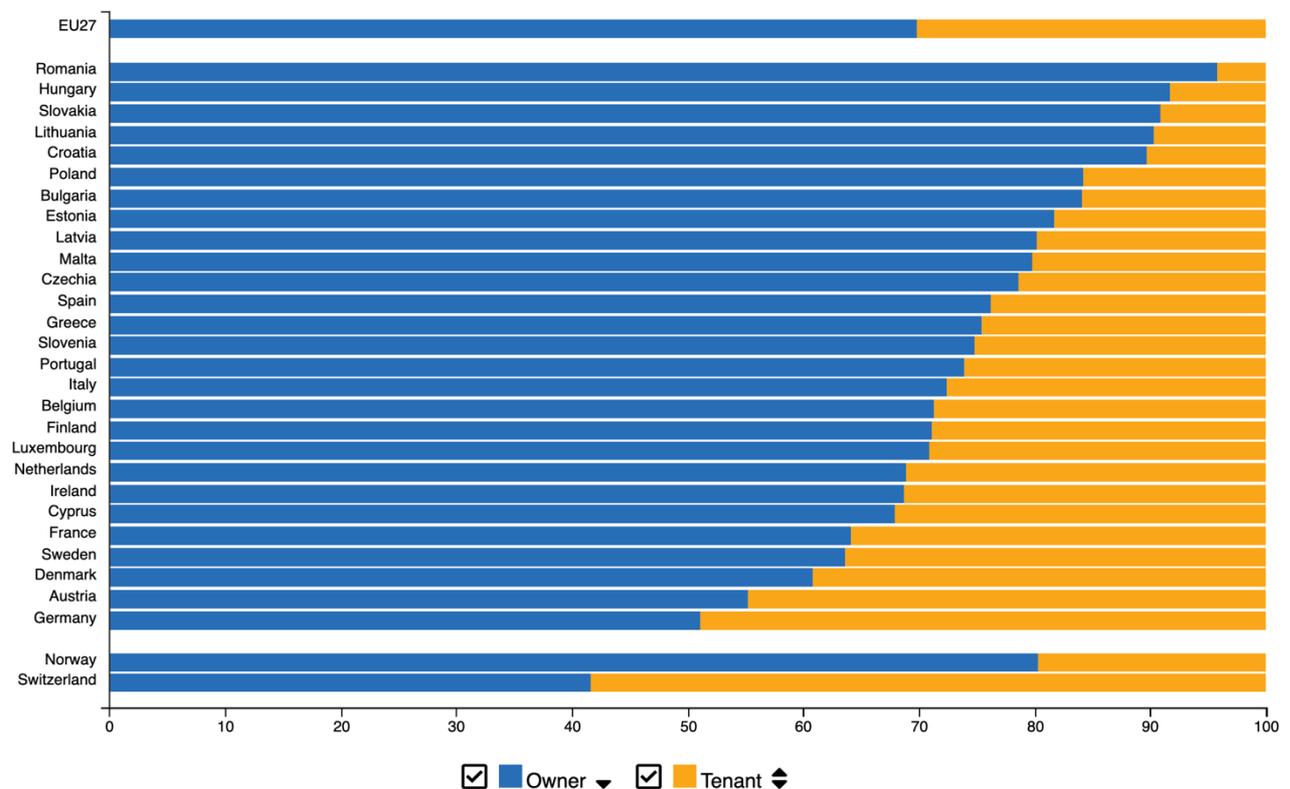
APPENDIX 4. Housing in Europe (Eurostat) (2020 edition)⁸⁰

More than two thirds of the EU population own their home

Being an owner or a tenant of your home is something that differs significantly among the Member States. In the EU in 2019, 70% of the population lived in a household owning their home, while the remaining 30% lived in rented housing. The highest shares of ownership were observed in Romania (96 % of the population owned their home), Hungary (92%) and Slovakia (91%). In all Member States, owning is most common. However, in Germany, renting is almost equal with 49% of the population being tenants. Austria (45%) and Denmark (39%) follow.⁸¹

Owning or renting your home, 2019

(as % of the total population)



Just over half of the EU population live in a house rather than an apartment/flat

Living in a house or a flat also differs among the Member States, and also varies depending on whether you live in a city or the countryside. In the EU in 2019, 53% of the population lived in a house, while 46% lived in a flat (1% lived in other accommodation, such as houseboats, vans etc.). Ireland (92%) recorded the highest share of the population living in a house, followed by Croatia and Belgium (both 78%) and the Netherlands (75%). It should be noted that this includes terraced houses. Houses are most common in two thirds of the Member States. The highest shares for flats were observed in Latvia (66%), Spain (65%), Estonia (61%) and Greece (59%). In cities, 72% of the EU population lived in a flat and 28% in a house. For towns and

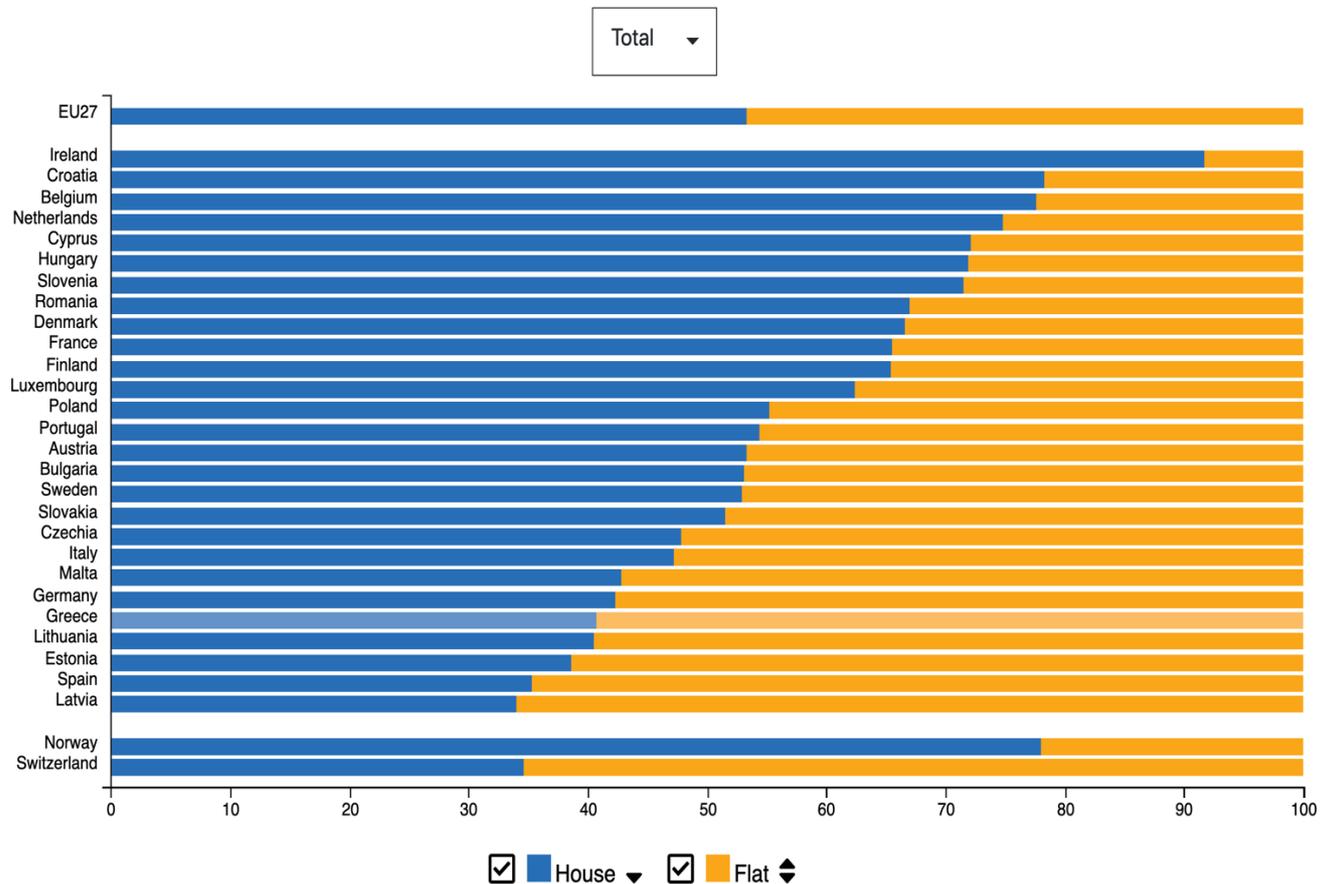
⁸⁰ https://ec.europa.eu/eurostat/cache/digpub/housing/images/pdf/Housing-DigitalPublication-2020_en.pdf?lang=en

⁸¹ See Eurostat: <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-1a.html?lang=en>

suburbs, the proportions were 58% and 42% respectively, while for rural areas, 82% of the population lived in a house and only 18% in a flat.⁸²

Type of housing in cities or rural areas, 2019

(as % of the total population)



Is Europe's housing affordable?⁸³

Measurements of housing affordability vary. Many suggest that 30-35% of net income spent on housing costs is an affordable level. This may be higher for those wishing to invest or live in more spacious homes, but for those on lower incomes this proportion of net income could be onerous. In terms of average housing costs across the EU, many countries have a large population who are home-owners, but without a loan or mortgage, and so this will reduce the overall national average, even though new rents and prices may be very expensive. In any case rents and prices are rising almost everywhere.

Housing cost overburden highest in cities

The cost of housing can be measured by the [housing cost overburden rate](#), which shows the share of the population living in a household where total housing costs represent more than 40% of disposable income. In the EU in 2019, 11.8% of the population in cities lived in such a household, while the corresponding rate for rural areas was 7.0%. The housing cost overburden was higher in cities than in rural areas

⁸² See Eurostat: <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-1a.html?lang=en>

⁸³ <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-2b.html?lang=en>

in all Member States, except Bulgaria, Romania, Croatia, Latvia and Lithuania. The highest housing cost overburden rates in cities were observed in Greece (40.7%), Denmark (21.1%) and Germany (16.2%), while in rural areas they were in Greece (28.3%), Bulgaria (18.5%) and Germany (12.4%).

The **lowest average housing cost overburden** rates were Malta (1.7%), Cyprus (2%), Estonia (4%), Slovenia (4.1%), Ireland (4.2%), Finland (4.3%), France (4.7%) and Slovenia (4.9%).⁸⁴

A fifth of disposable income dedicated to housing

Another way of seeing whether housing is affordable is by the share of housing cost in total disposable income. On average in the EU in 2019, 20.0% of disposable income was dedicated to housing costs. This differed among the Member States, with the highest shares in Greece (38.9%), Denmark (27.1%), Germany (25.9%) and Bulgaria (24.8%). Looking at those having a disposable income of below 60% of the national median income, people who could be considered as at risk of poverty, the share of housing in disposable income rose to 39.3% on average in the EU. On the other hand for those having a disposable income of above 60 % of the median income, the share was 16.3%.

Share of households with arrears on mortgage, rent or utility bills going down

Arrears on mortgage, rent or utility bills is another indication that housing costs could be too high. Despite the fact that house prices and rents have increased during the period 2010 to 2019, the share of households with arrears on mortgage, rent or utility bills in the EU has decreased from 12.4% in 2010 to 8.2% in 2019. The shares have decreased in all Member States, except Greece, Denmark and Finland. In 2019, the largest shares were observed in Greece (41.4% of households), Bulgaria (29.3%) and Cyprus (17.6%) and the smallest in Czechia (2.8%), Germany (3.7%) and the Netherlands (4.0%).

House prices up by 19% in the EU between 2010 and 2019

Looking at the trend of house prices between 2010 and 2019, there has been a steady upwards trend since 2013 with particularly large increases between 2015 and 2019. In total, there was an increase of 19% between 2010 and 2019. There were increases in 23 Member States and decreases in three (data for Greece not available) over this period. The largest increases were observed in Estonia (+96%), Hungary (+82%), Latvia (+75%), Luxembourg and Austria (both +65%), while decreases were registered in Italy (-17%), Spain (-7%) and Cyprus (-4%).

Rents up by 13%

There has been a steady increase of rents in the EU between 2010 and 2019 – in total 13% during the whole period. There was an increase in 25 Member States and a decrease in two. The largest increases were registered in Estonia (+156%), Lithuania (+101%) and Ireland (+63%), while decreases were observed in Greece (-25%) and Cyprus (-7%).

⁸⁴ https://ec.europa.eu/eurostat/databrowser/view/ilc_lvho07a/default/table?lang=en

Inflation up by 13 %

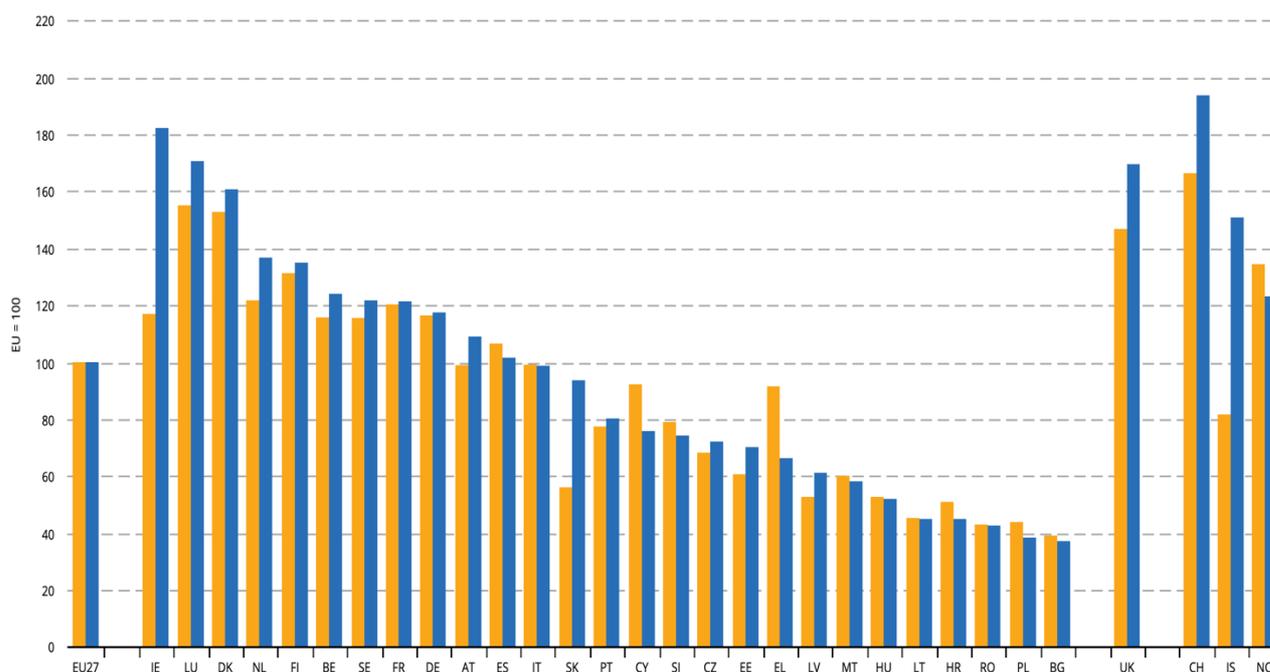
Inflation between 2010 to 2019 developed similarly as rents with a total increase of 13%. There has been inflation in all Member States during this period, with values of over 20% in Estonia (+26%), Romania (+23%) and Hungary (+22%). The smallest inflation was observed in Greece (+3%), Ireland and Cyprus (both +6%).⁸⁵

Housing costs range between 64% below and 77% above the EU average

The housing costs compared to the EU average differs significantly between Member States. The highest housing costs in 2019 compared to the EU average were found in Ireland (77% above the EU average), Luxembourg (70% above), Denmark (63% above) and Finland (42% above). The lowest, on the other hand, were observed in Bulgaria (64% below the EU average), Poland (60% below) and Romania (57% below). Looking at the evolution between 2010 and 2019, house price levels compared to the EU average have increased in 17 Member States and decreased in 10. The largest increases were observed in Ireland (from 17% above to 77% above the EU average), Slovakia (from 44% below to 23% below) and the Netherlands (from 22% above to 37% above), and the largest decreases in Greece (from 8% below to 35% below the EU average) and Cyprus (from 8% below to 25% below).⁸⁶

Price levels for housing, 2010 and 2019

(EU27 = 100)



2010 2019

Housing includes water, electricity, gas and other fuels.

Source: Eurostat - [access to dataset](#)

⁸⁵ <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-2a.html?lang=en>

⁸⁶ <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-2a.html?lang=en>

Size of Europe's housing

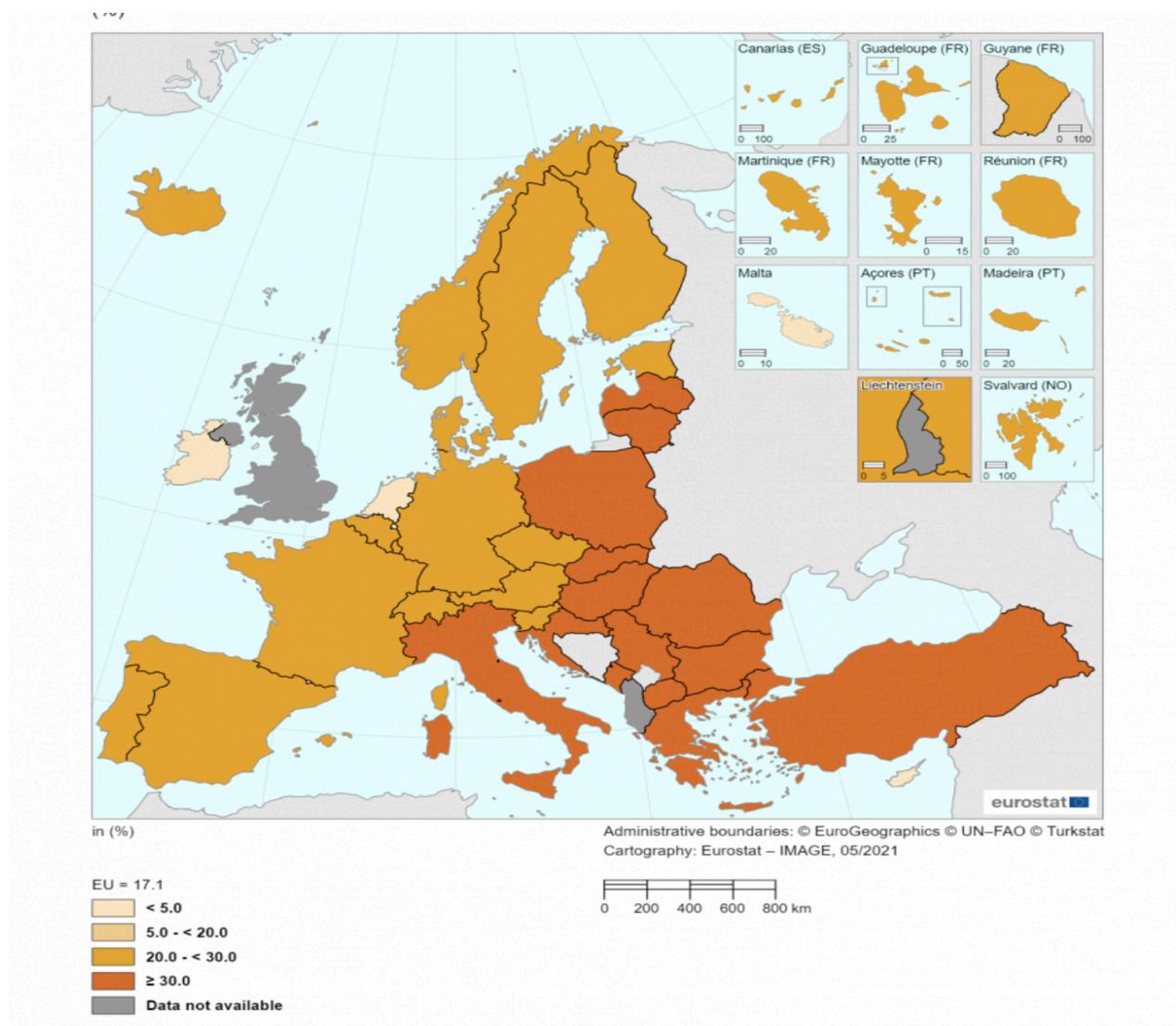
On average 1.6 rooms per person...

The size of housing can be measured as the average number of rooms per person: there were on average 1.6 rooms per person in the EU in 2019. Among the Member States, the largest number was recorded in Malta (2.2 rooms per person), followed by Belgium and Ireland (both 2.1 rooms). At the other end of the scale were Croatia, Poland and Romania, all with 1.1 rooms on average per person.

Around 17 % of the EU population live in an overcrowded home...

The quality of housing can be measured in many ways. One is whether people live in an [overcrowded](#) home. In the EU in 2019, 17.2% of the population were living in such a home, a share which has fallen from 19.1% in 2010. In 2019, the highest overcrowding rates were observed in Romania (45.8%), Latvia (42.2%) and Bulgaria (41.1%), and the lowest in Cyprus (2.2%), Ireland (3.2%) and Malta (3.7%).

Overcrowding Rate (2019)



... and 33 % live in an under-occupied home

The opposite of an overcrowded home is an [under-occupied home](#), meaning that it is deemed too large for the needs of the [household](#) living in it. The classic cause of under-occupation is older individuals or couples remaining in their home after their children have grown up and left. In the EU in 2019, a third of the population (33%) lived in an under-occupied home, a share which has been almost stable since 2010. In 2019, the highest shares of under-occupied homes were recorded in Malta (72.6%), Cyprus (70.5%) and Ireland (69.6%), and the lowest in Romania (7%), Latvia (9.6%) and Greece (10.7%).

Around 13% of the EU population live in a home with a leaking roof

It is not only the number of people living in a home which impacts the quality of life, it is also the quality of the housing, such as the ability to keep the house warm, the lack of toilet and shower and a leaking roof. In the EU in 2019, 6.9% of the population did not have the ability to keep the house adequately warm. The highest shares were observed in Bulgaria (30.1%), Lithuania (26.7%), Cyprus (21.0%) and Portugal (18.9%), and the lowest in Austria and Finland (both 1.8%) and Sweden (1.9%). On average in the EU, 1.6% of the population lacked a toilet, shower or bath. This was most common in Romania (22.4% of the population), followed by Lithuania (8.7%), Latvia (7.7%) and Bulgaria (7.5%). Regarding a leaking roof, 12.7% of the EU population had such a problem. The highest shares were observed in Cyprus (31.1%), Portugal (24.4%) and Hungary (22.3%).

Environmental impact of housing

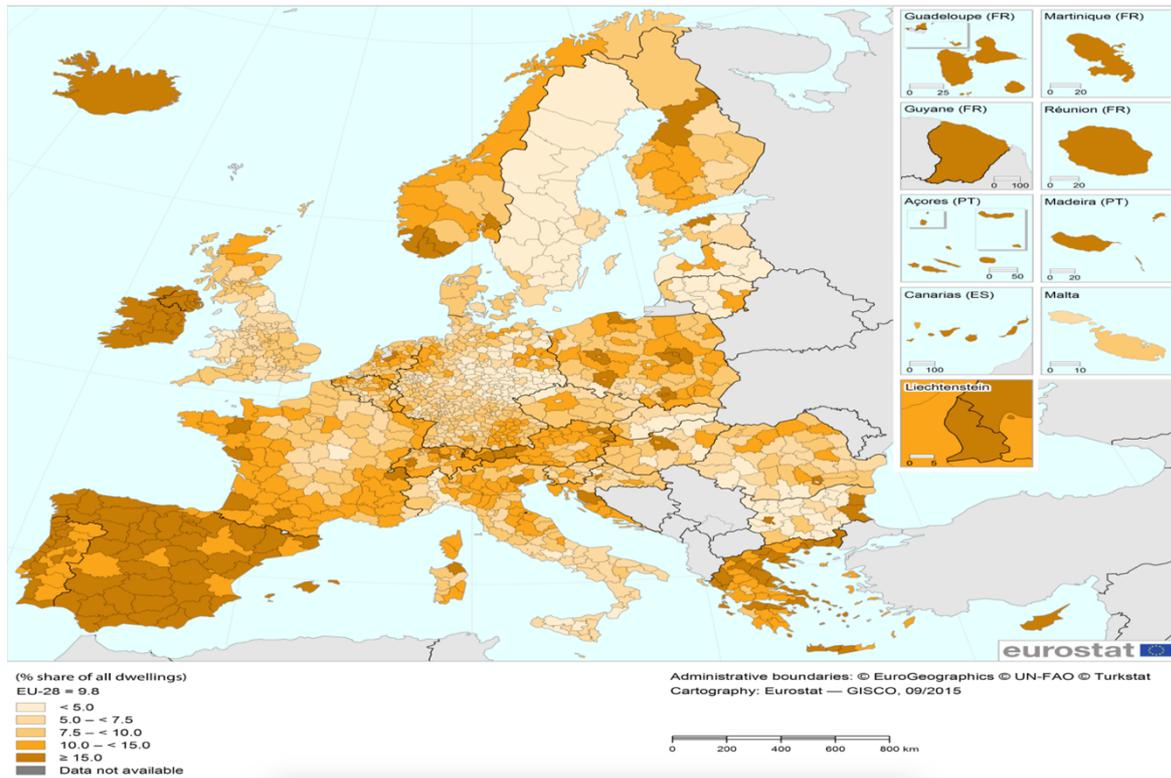
Greenhouse gas emissions from households for heating range from 39 kg per capita in Sweden to 1760 kg in Luxembourg

A part of greenhouse gas emissions come from households when burning fossil fuels for heating their homes, preparing warm water, cooking and air conditioning. This represented 716.3 kg per capita in the EU in 2018, down from 912.8 kg in 2010. In 2018, the largest values, of over 1,000 kg per capita, were observed in Luxembourg (1,761.5 kg per capita), Ireland (1,263.2), Belgium (1,148.4), Poland (1,044.0) and the Netherlands (1,009.2). On the other hand, the lowest value was found in Sweden (39.2), followed by values below 300 in Malta (114.3), Finland (231.9), Latvia (237.3), Bulgaria (250.0) and Estonia (269.4).

Age of Europe's Housing

Finally, the age of housing in Europe has an impact on quality and it is noticeable that Cyprus, Spain and Ireland have the highest proportion of housing built after 2000.

Dwellings built after 2000, by NUTS level 3 region, 2011
(% share of all dwellings)



Distribution of European population by Tenure Status, 2019 (EU SILC) (% share of total population)⁸⁷

	Owner with Mortgage	Owner without Loan or Mortgage	Tenant at Market Rent	Tenant below Market Rent or Rent Free
European Union 27	25	44.8	21.1	9.1
Euro Area	27.4	38.4	24.3	9.8
Belgium	42.6	28.7	20.4	8.4
Bulgaria	2.3	81.8	2.8	13.1
Czechia	21.9	56.8	16.1	5.3
Denmark	46.8	14	39.1	0
Germany	25.8	25.4	41.1	7.8
Estonia	22.8	58.9	4.5	13.8
Ireland	31.3	37.4	9	22.3
Greece	12.7	62.7	20	4.6
Spain	28.4	47.8	15.8	8
France	31.8	32.3	19.5	16.4
Croatia	7.4	82.3	1.2	9
Italy	13.7	58.6	19	8.7
Cyprus	18.5	49.4	15.6	16.5
Latvia	13.1	67.1	7.7	12
Lithuania	12.2	78.2	1.1	8.6
Luxembourg	41.8	29.1	22.7	6.3
Hungary	15.3	76.4	4.1	4.2
Malta	21.3	58.4	8.7	11.5
Netherlands	60.4	8.5	30.2	0.8
Austria	24.9	30.3	30.3	14.5
Poland	12.2	72	4.2	11.6
Portugal	36.2	37.6	13.2	12.9
Romania	1.1	94.7	1.3	2.9
Slovenia	12.7	62.2	5.9	19.3
Slovakia	20.6	70.3	7.7	1.4
Finland	41.5	29.5	14.3	14.7
Sweden	51.4	12.2	35.5	0.9

⁸⁷

https://ec.europa.eu/eurostat/databrowser/view/ILC_LVH002__custom_1250789/default/table?lang=en

Guide to the European Union

This is a publication by the European Commission on what the European Union is and what it does. Full publication available at: <https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter1>

1. The European Union in Brief

The European Union (EU) is a unique economic and political union between [27 European countries](#).

The predecessor of the EU was created in the aftermath of the Second World War. The first steps were to foster economic cooperation: the idea being that countries that trade with one another become economically interdependent and so more likely to avoid conflict. The result was the European Economic Community, created in 1958 with the initial aim of increasing economic cooperation between six countries: Belgium, Germany, France, Italy, Luxembourg and the Netherlands.

Since then, 22 more countries joined (and the United Kingdom left the EU in 2020) and a huge [single market](#) (also known as the 'internal' market) has been created and continues to develop towards its full potential.

What began as a purely economic union has evolved into an organisation spanning many different [policy areas](#), from climate, environment and health to external relations and security, justice and migration. A name change from the European Economic Community to the European Union in 1993 reflected this.

The EU has delivered more than half a century of peace, stability and prosperity, helped raise living standards and launched a single European currency: the [euro](#). More than 340 million EU citizens in 19 countries now use it as their currency and enjoy its benefits.

Thanks to the abolition of border controls between EU countries, people can travel freely throughout most of the continent. And it has become much easier to [live and work](#) in another country in Europe. All EU citizens have the right and freedom to choose in which EU country they want to study, work or retire. Every EU country must treat EU citizens in exactly the same way as its own citizens when it comes to matters of employment, social security and tax.

The EU's main economic engine is the single market. It enables most goods, services, money and people to move freely. The EU aims to develop this huge resource to other areas like energy, knowledge and capital markets to ensure that Europeans can draw the maximum benefit from it.

The EU remains focused on making its governing [institutions](#) more transparent and democratic. Decisions are taken as openly as possible and as closely as possible to the citizen. More powers have been given to the directly elected [European Parliament](#), while national parliaments play a greater role, working alongside the European institutions.

The EU is governed by the principle of representative democracy, with citizens directly represented at EU level in the [European Parliament](#) and Member States represented in the [European Council](#) and the [Council of the EU](#).

European citizens are encouraged to contribute to the democratic life of the EU by [giving their views](#) on EU policies during their development or by suggesting improvements to existing laws and policies. The [European Citizens' Initiative](#) empowers citizens to have a greater say on EU policies that affect their lives. Citizens can also submit [complaints](#) and enquiries concerning the [application of EU law](#).

As enshrined in the Treaty on European Union, 'the Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail'. These values are an integral part of the European way of life.

Human dignity must be respected, protected and constitutes the real basis of fundamental rights.

Being a European citizen also means enjoying political rights. Every adult EU citizen has the right to stand as a candidate and to vote in elections to the European Parliament, whether in their country of residence or country of origin.

Equality is about equal rights for all citizens before the law. The principle of equality between women and men underpins all European policies and is the basis for European integration. It applies in all areas.

The EU is based on the rule of law. Everything the EU does is founded on treaties, which are voluntarily and democratically agreed by its member countries. Law and justice are upheld by an independent judiciary. The EU countries have given final jurisdiction in matters of EU law to the European Court of Justice, whose judgments have to be respected by all.

Human rights are protected by the EU Charter of Fundamental Rights. These cover the right to be free from discrimination on the basis of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, the right to the protection of your personal data, and the right to get access to justice.

In 2012, the EU was awarded the [Nobel Peace Prize](#) for advancing the causes of peace, reconciliation, democracy and human rights in Europe.

EU Member States and institutions

At the core of the EU are the 27 Member States that belong to the EU, and their citizens. The unique feature of the EU is that, although the Member States all remain sovereign and independent states, they have decided to pool some of their 'sovereignty' in areas where it makes sense to work together.

In practice, this means that the Member States delegate some of their decision-making powers to the shared institutions they have created, so that decisions on specific matters of common interest can be made democratically at EU level.

Member States of the European Union in 2020

Several institutions are involved in making decisions at EU level, in particular: the [European Parliament](#), which represents the EU's citizens and is directly elected by them;

- The [European Council](#), which consists of the Heads of State or Government of the EU Member States;
- The [Council](#), (also called the Council of the European Union) which represents the governments of the EU Member States; and
- the [European Commission](#), which represents the interests of the EU as a whole.

The national parliaments of the Member States also play a role in taking decisions and making laws, as do two advisory bodies. These are the European Committee of the Regions, which consists of representatives of regional and local government, and the European Economic and Social Committee, comprising representatives of employees' and employers' organisations and stakeholders' groups.

Generally it is the European Commission that proposes new laws and the European Parliament and the Council that adopt them.

The advisory bodies (the European Economic and Social Committee and the European Committee of the Regions) as well as the national parliaments are involved in the process by providing their opinions on the proposals, mainly from the perspective of the principles of subsidiarity and proportionality. Subsidiarity means that, except in the areas where it has exclusive powers, the EU only acts where action will be more effective at EU level than at national level. Under the principle of proportionality, the EU's action must be limited to what is necessary to achieve the objectives of the EU treaties.

The Member States and the EU institution or institutions concerned then implement adopted EU laws. The third section of this publication contains more information on how the EU makes decisions, and how it implements them.

The EU treaties

Every action taken by the EU is founded on treaties that have been approved voluntarily and democratically by all EU countries. The treaties lay down the objectives of the European Union, and set out the rules for how the EU institutions operate, on how decisions are made and on the relationship between the EU and its Member States.

In certain specific cases, not all Member States participate in all areas of EU policy. For example, while the euro is the single currency of the EU as a whole, the euro area currently comprises only 19 Member States, while Denmark has an opt-out and the remaining countries do not yet meet the criteria for joining. 22 Member States are members of the Schengen area, which enables passport-free movement, with five maintaining their own border controls.

2. What the European Union does

The second part of this publication presents a summary of what the EU does in different policy areas, including useful links to more information.

Covid-19 Response:

The COVID-19 pandemic has led to human tragedy, lockdowns and economic slowdown. The EU rapidly took action to protect lives and livelihoods and developed a common European response to the public health and economic challenges.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_36

The European Green Deal:

The European Green Deal is the EU's action plan to make Europe the first climate-neutral continent. It is a growth strategy that aims to create, by 2050, a modern, resource-efficient and competitive European economy with no net emissions of greenhouse gases that leaves no one behind.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_37

Climate Action:

The EU is working hard to become the first climate-neutral continent by 2050. The European Green Deal is the plan to make this happen; by cutting greenhouse gas emissions, investing in green technologies and protecting our natural environment, while also addressing the unavoidable consequences of climate change.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_14

Environment:

The EU has some of the world's highest environmental standards, which protect nature and people's quality of life, green the economy and ensure careful use of natural resources.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_15

Energy:

The EU's energy policy aims to ensure a secure, competitive and affordable supply of energy, while meeting our climate targets.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_16

Employment and Social Affairs:

The EU contributes to the creation of more and better jobs across Europe, and aims for decent social standards for all its citizens, including through the €86.4 billion European Social Fund.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_7

Regional Policy:

Regional policy targets all regions and cities in the European Union in order to support job creation, business competitiveness, economic growth and sustainable development and to improve citizens' quality of life.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_10

Research and Innovation:

The €77 billion research and innovation programme Horizon 2020 is helping the EU to boost growth and jobs and tackle some of our biggest challenges.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_9

Economy, Finance and the Euro:

Economic and monetary union and the euro provide the common foundations for greater stability, growth and prosperity across Europe.

<https://op.europa.eu/webpub/com/eu-what-it-is/en/#economy>

Banking and financial Services:

The EU is working to ensure the financial system remains strong and secure and that the single market offers consumers and businesses the financial products they need.

<https://op.europa.eu/webpub/com/eu-what-it-is/en/#banking>

Single Market:

The single market is one of the EU's greatest achievements. It fuels growth and jobs and makes everyday life easier for people and businesses.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_5

Consumers:

EU consumer policy safeguards consumers' rights, ensures products are safe, helps people make informed choices when they buy goods and services, and offers tools to solve problems if something goes wrong.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_26

Competition:

EU competition rules aim to ensure that all companies compete fairly and equally in the single market to the benefit of consumers, businesses and the European economy as a whole.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_28

Taxation:

While national governments are responsible for setting tax rates and collecting taxes, the EU ensures that people or businesses from another Member State are not discriminated against and that taxes do not hinder the EU's single market.

<https://op.europa.eu/webpub/com/eu-what-it-is/en/#taxation>

International Partnerships:

Partnerships and development cooperation lie at the heart of the EU's foreign policy. The EU and its Member States are the world's largest provider of development aid.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_21

EU Neighbourhood and Enlargement:

The EU encourages stable democracies and economies in neighbouring countries by building tailor-made partnerships based on shared interests and cooperation at bilateral or regional level.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_18

Trade:

The EU champions free trade. 35 million European jobs are, directly or indirectly, supported by trade with countries outside the EU. The EU fights for open, rules-based markets, a level playing field and the highest international standards across the world.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_20

Humanitarian aid and Civil Protection:

The EU, together with its Member States, is the world's leading humanitarian aid donor, providing and coordinating relief assistance to people in areas hit by disasters in Europe and around the globe.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_22

Foreign Affairs and Security Policy:

The EU's foreign and security policy enables it to speak and act as one in world affairs, allowing the Member States to tackle challenges they cannot solve alone and ensuring the security and prosperity of EU citizens.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_17

Justice and Fundamental Rights:

The EU guarantees a range of fundamental rights for its citizens and protects them from discrimination, while the EU's common justice area helps solve cross-border legal problems for both citizens and businesses.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_23

Migration and Asylum:

The EU's common migration and asylum policy helps Europe deal with migration challenges in an effective manner.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_1

Borders and Security:

The European Union is working towards establishing a security union, making Europe more secure by fighting terrorism and serious crime and by strengthening Europe's external borders.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_2

Education and Training:

The EU helps improve the quality of education by encouraging cooperation between Member States and by complementing national actions. Erasmus+ provides opportunities for people of all ages and enables young people in particular to study, train, gain work experience or volunteer abroad.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_8

Youth:

Through its youth policies and programmes the EU aims to make sure young people can participate fully in all areas of society and to give them more opportunities in education and the job market.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_32

Culture and Media:

The EU works to preserve Europe's shared cultural heritage and make it accessible to all. It supports the arts and helps our cultural and creative industries to thrive, specifically through the Creative Europe programme.

https://op.europa.eu/webpub/com/eu-what-it-is/en/#chapter2_31

Budget:

The EU budget helps to deliver on the things that matter to Europeans. By pooling resources at EU level, Member States can achieve more than they could by acting alone.

<https://op.europa.eu/webpub/com/eu-what-it-is/en/#budget>

Fraud Prevention:

The European Anti-Fraud Office ensures taxpayers' money is put to the best possible use by investigating cases of fraud, corruption and illegal activities involving EU funds.

<https://op.europa.eu/webpub/com/eu-what-it-is/en/#fraudprevention>

Getting in touch with the EU

In Person: All over the European Union there are hundreds of Europe Direct information centres. You can find the address of the centre nearest you at: https://europa.eu/european-union/contact_en

On Phone or by Email: Europe Direct is a service that answers your questions about the European Union. You can contact this service:

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: 00 32 2 299 9696 or
- by email via: https://europa.eu/european-union/contact_en

Finding information about the EU

Online:

Information about the European Union in all the official languages of the EU is available on the Europa website at: https://europa.eu/european-union/index_en

EU PUBLICATIONS

You can download or order free and priced EU publications at: <https://op.europa.eu/en/publications>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see https://europa.eu/european-union/contact_en).

EU Law and Related Documents:

For access to legal information from the EU, including all EU law since 1952 in all the official language versions, go to EUR-Lex at: <http://eur-lex.europa.eu>

Open Data From EU:

The EU Open Data Portal (<http://data.europa.eu/euodp/en>) provides access to datasets from the EU. Data can be downloaded and reused for free, for both commercial and non-commercial purposes.

European Commission Representations:

The European Commission has offices (representations) in all the Member States of the European Union: https://ec.europa.eu/info/about-european-commission/contact/local-offices-eu-member-countries_en

European Parliament Liaison Office:

The European Parliament has a liaison office in every Member State of the European Union: <http://www.europarl.europa.eu/at-your-service/en/stay-informed/liaison-offices-in-your-country>

European Union Delegations:

The European Union also has delegations in other parts of the world: https://eeas.europa.eu/headquarters/headquarters-homepage/area/geo_en

THE IRISH TIMES

The housing crisis is Europe-wide – the EU must help fix it

Anne Barrington

Last Updated: Wednesday, December 22, 2021, 00:35

It is unusual to see “Europe” and “housing” in the same sentence. Except, perhaps, for mortgage interest rates and European Central Bank-inspired loan-to-value and loan-to-income limits on mortgage lending. The European Union does not provide housing. It has no plans to do so. Housing is really seen as a national competence. It is up to the governments of member states to define their housing policies and frame housing rules.

However, at a recent housing event at NUI Galway, the influence of EU macroeconomic policy on housing was made very clear. The event was held in the framework of the Conference on the Future of Europe and will feed into the final report, which will emerge as a joint European Commission, European Parliament and member state outcome next year.

What emerged was that there was a real opportunity for the European Union and its member states to reassess the relevant framework policies that have an impact on national housing policies. Already, it is clear that too many EU citizens cannot access or afford housing suited to their needs.

The legacy of the reckless lending on housing, and the risks it posed for the stability of the euro, still inform much EU policy-making. But many of us

remember 2015, when Mario Draghi, then governor of the European Central Bank, said that the bank would do “whatever it takes” to preserve the single currency. What happened? Historically low and zero mortgage interest rates were at first sight a gift for home-loan borrowers. But it just led to higher prices. Quantitative easing or the printing of money also had a significant and intended consequence. But with cheap and plentiful money rolling around the system, there were limited safe investments giving a good return.

The 'bank of mam and dad' is the only option for a lucky few. Meanwhile, rents spiral and mortgage opportunities dwindle

That’s where housing comes in. What better and safer return than investment in housing? This coincided with a period when many member states, to a significant extent, following the recession years after 2010 when there was significant underinvestment in housing, had allowed their local housing markets to be driven by investors. At first it seemed like a match made in heaven. Until you considered the consequences.

Priced out

More and more ordinary working people are priced out of the housing market in major cities round Europe. In Ireland, it is taking longer and longer for young people to find a decent place to live away from home. The recent National Longitudinal Study of Children indicated that 17- to 21-year-olds put housing as their number one concern. The labour market is distorted as housing costs deter movement.

Marriages and families are being delayed. The “bank of mam and dad” is the only option for a lucky few. Meanwhile, rents spiral and mortgage opportunities dwindle. Housing is the topic of our time.

What can be done?

Fundamentally, this is an issue concerning the welfare of all citizens across Europe. National and European central banks point out that the stability of the financial system is a priority. However, the financial system is there to serve people, and when central banks are supporting a financial system that is stacking the odds against our citizens and causing real hardship and despair, then it is time to reflect.

According to Stan Jourdan of Positive Money Europe, who spoke at the Conference on the Future of Europe Housing event, there are a number of things that the European Central Bank can do, including:

- Issue credit guidance policies that discourage bank lending for real estate speculation;
- Direct cash transfers to households and non-financial firms instead of quantitative easing and negative interest rates, and
- Co-ordinate with fiscal authorities to foster real (rather than speculative) economic activity, including the supply of affordable housing.

Irish lead

In addition, the EU can tackle the financialisation of housing – where housing is seen as a commodity and investment rather than as a home to be lived in – and encourage member

states to eliminate subsidies for international investors.

Housing unaffordability is not just an Irish issue. We have seen recently how it was critical to the formation of coalitions in Germany and the Netherlands

The EU can also support policies for affordable housing in a number of ways. At a time when states can borrow at zero interest, and EU fiscal rules have been suspended due to Covid-19, surely we need long-term investment in social housing. How can it be good for state budgets to be locked into long-term high-cost leasing arrangements for social housing, where these payments take priority in state budgets for the next 25 years, and there are no state asset acquired? How EU rules are being interpreted nationally requires serious reconsideration.

Housing unaffordability is not just an Irish issue. We have seen recently how it was critical to the formation of coalitions in Germany and the Netherlands. Denmark, Spain and France, among others, are suffering the effects of the financialisation of their housing markets too.

So it is possible that now is the right time to form a coalition of like-minded people who will tackle the housing challenge in a broader context. The Conference on the Future of Europe provides an opportunity for Ireland to take a lead. Housing for All has set the national agenda for housing. We can do something similar at EU level if we engage with others across Europe, recognise the common problems and develop sustainable solutions.

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THE IRISH TIMES

Letters: The ECB and housing policy

Last Updated: Monday, December 27, 2021, 00:09

Sir, – I would like to comment on the article “The housing crisis is Europe-wide – the EU must help fix it” (Anne Barrington, [Opinion & Analysis, December 22nd](#)).

Although well-intentioned and containing some noteworthy elements aimed at alleviating stubbornly high – and rising – housing accommodation costs, the principal theme of forcing the European Central Bank (ECB) to act on this important social dimension is frankly ludicrous.

The ECB mandate is prescribed along two objectives: euro area price stability which is inflation targeting of 2 per cent over the medium-term below but close to 2 per cent; and acting to support general economic policies in the euro area and the EU.

At no stage is there any eventuality to deal with unaffordable housing, be that purchase price for assets or private dwelling rental sector. It simply does not have competency to do so. I don't know of any central bank globally that has responsibility in that domain.

I'd be inclined to say that the officials in Frankfurt are disturbed by the property fiasco here and elsewhere but there is practically zero they can contribute in meaningful terms due to the confines of their remit.

Whilst it is true that ECB negative rates and ongoing quantitative easing have contributed to misallocation and concomitant overheating in domestic and transnational property markets,

this is a sad, unintended consequence of ECB attempts at stoking consumer price inflation in the “dis-inflationary” pre-Covid years especially.

Hence, finding a workable solution to the intractable problems of Ireland's endemic housing crisis starts – and ends – at these shores.

It is well accepted that much of the legislation and bureaucracy including taxation on homes, land and individuals involved in property transactions is woefully unfit for purpose and urgently needs sweeping revision by our political masters.

One vignette may help illuminate matters: a recent piece in your newspaper, pre-budget, indicated that under the Fair Deal scheme there are some 25,000 family homes which are lying vacant because the State is wrongheadedly levying a disproportionately high tax on those homes being rented out. Consequence: hardly anyone availing of this scheme does so!

Hence, the asset is tied up indefinitely, depending on the length of nursing home care term, which is impossible to determine ex ante.

There are many more examples of daft legislation which punishes investment, weakens buyer's market power and rewards land hoarding, misuse and regressive behaviours – all to the detriment of the general public wishing to buy or invest at a reasonable price.

Furthermore, rapidly escalating, even runaway, prices, underscored by so-called “flipping”, are a current trend stemming from the dysfunction. This

needs a tailored solution of its own and fast.

For instance, I know that in Austria there are strong rules which mitigate against property speculation and these have worked to stabilise the market pricing outcomes in a satisfactory way over the past 15 years.

In sum, the best way to tackle our property malaise is through a suite of domestic measures targeting supply constraints, taxation disincentives and non-cooperation.

Finally, it would be advisable for the Irish Central Bank to enable borrowers to have a little more leeway on some of the overly-tight limits for mortgage approvals, on a case-by-case basis depending on ratio of mortgage repayment to net incomes, rather than

crude simplistic loan-to-value ratios and loan-to-income limits solely.

This would facilitate borrowers to get started and ease pricing pressures more broadly.

The solving of the housing crisis is largely dependent on strong decisive political leadership on a cross-party, inclusive yet realistic basis. If the will is there it can be achieved.

But please leave the ECB to fight inflation.

That's more than enough for it to be tasked with! – Yours, etc,

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THE IRISH TIMES

Letters: ECB and housing policy

Last Updated: Wednesday, December 29, 2021, 00:11

Sir, – The letter on the ECB and housing policy ([December 27th](#)) seems to overlook the significant role of the ECB and other EU institutions in relation to housing. Since 2014, through the Single Supervisory Mechanism, the ECB exercises direct prudential supervision of all the significant euro zone banks and mortgage lenders – whose assets often depend on maintaining house prices.

It is also important to point out that, following consultation with EU citizens in 2020, the ECB is now taking steps to better reflect housing costs in the measurement of inflation. Unlike the current calculations, it is clear that housing amounts to more than 6 per cent of household costs, while annual housing inflation is more than 2 per cent in many member states.

To maintain price stability the ECB sets interest rates for the euro area, resulting in historically low mortgage interest rates – a significant factor in

house purchase prices. The impact of quantitative easing on EU property and housing prices has been well documented. The instability arising from young people's frustration in accessing secure and affordable housing in Europe's cities is a concern for all EU advocates.

Indeed, many are questioning blind faith in economic orthodoxies, with their "unintended consequences" causing social and economic hardship. In fact, through wide participation with EU citizens, we can avoid these financial and housing disasters.

Capable women, like Christine Lagarde at the ECB, are leading this debate.

It is not at all ludicrous for the ECB to be concerned about housing, given its impact on the housing situation of EU citizens. – Yours, etc,

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THE IRISH TIMES

Letters: The EU and housing crisis

Last Updated: Friday, December 31, 2021, 00:07

Sir, – It is entirely reasonable that the European Central Bank and other EU institutions should be more involved in relation to national as well as EU-wide housing policy, as suggested by Anne Barrington (“The housing crisis is Europe-wide – the EU must help fix it”, [Opinion, December 22nd](#)).

EU institutions cannot ignore escalating house prices and unaffordable rents in Ireland and in

other member states. They cannot continue to tolerate property speculation, together with the commodification and financialisation of housing which impact adversely on the welfare, especially of the young, throughout Europe. Anne Barrington is also rightly concerned about costly and long-term leasing arrangements for social housing with not a single home gained at the end of the leases, instead of long-term state investment in social housing. Our recent plan, Housing for All, will hopefully deal with some of these challenges but the EU and a “coalition of like-minded people” can also play a key role. – Yours, etc,

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