



# Is Slovenia ready for the first housing cooperative?

The context of EU policies in the field of housing

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## Intro: Vienna – a crisis-proof housing model

1. The situation in European cities and regions
2. Housing challenges in Europe
3. Links to the global agenda – Housing as a Human Right
4. The role of the European Union
5. Time to rethink housing policies

## Vienna - a crisis-proof housing model

- ✓ Two in three Viennese live in municipal, cooperative or publicly funded homes
- ✓ 220.000 municipal and 200.000 cooperative flats are homes all over the city for nearly half of our population
- ✓ Active planning and housing policy strategy of the city, clear rules in zoning law
- ✓ Definition and securing of quality criteria in housing construction
- ✓ Social policy component, promotion of a socially sustainable city
- ✓ No segregation or “renovictions” due to the “gentle urban renovation” programme
- ✓ Securing of more than 20,000 jobs
- ✓ Circular construction methods, digital planning tools
- ✓ Neighbourhood-based and participatory approaches as the default option



## What cities need

- Production of new affordable housing
- Renewal of existing housing stock
- Community-led urban development
- Land use and land for construction
- Setting up affordable housing schemes

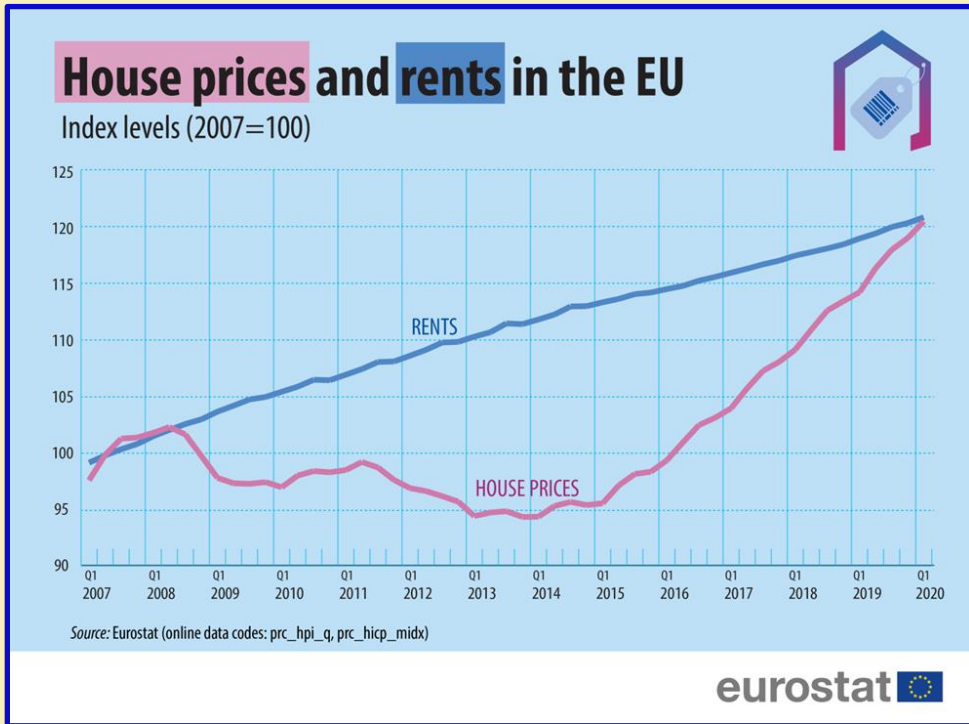


**Partnership with citizens – co-creation, co-management, co-ownership**

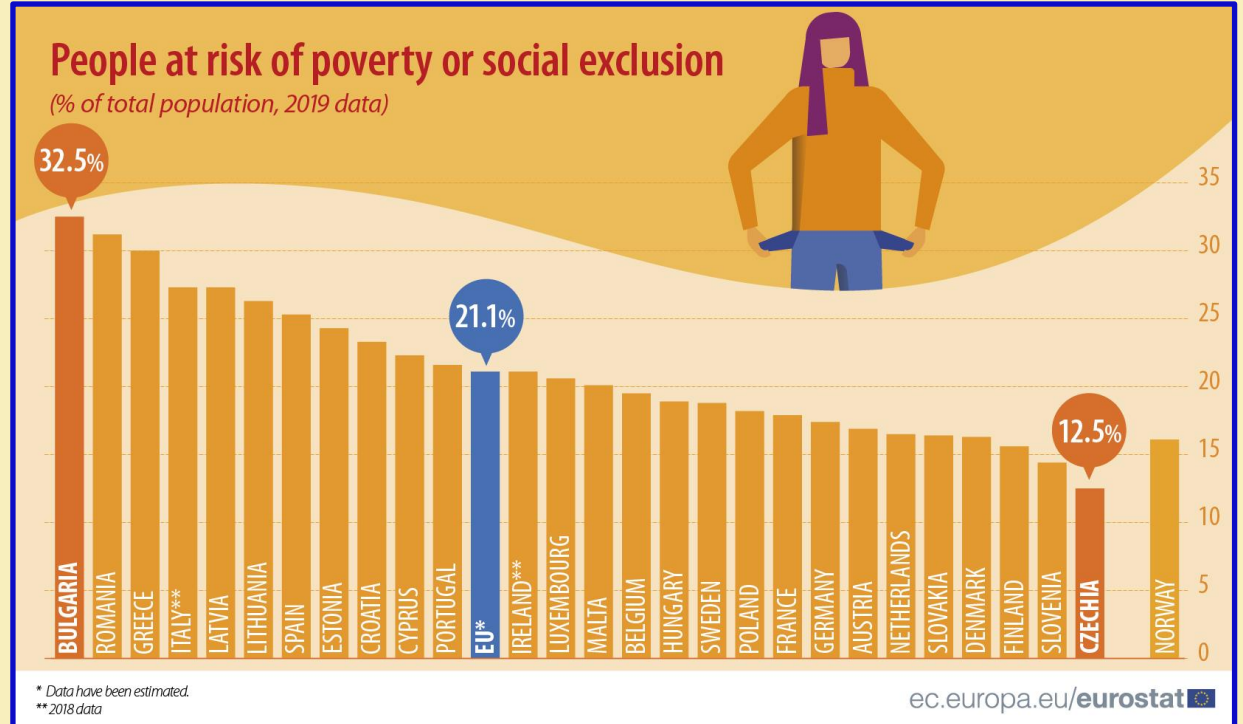
# 1. The situation in cities and regions in Europe

- There is a unique fabric of housing solutions accross European cities and regions
- Lack of investment in social and affordable housing
- High costs for construction and building ground, scarcity of land
- Low regulation and reluctant state intervention
- Gentrification, touristification and financialisation
- Housing markets characterized by failures, fragmentation and distortion
- Limited policy and governances responses on EU and MS level

## Rising housing costs...



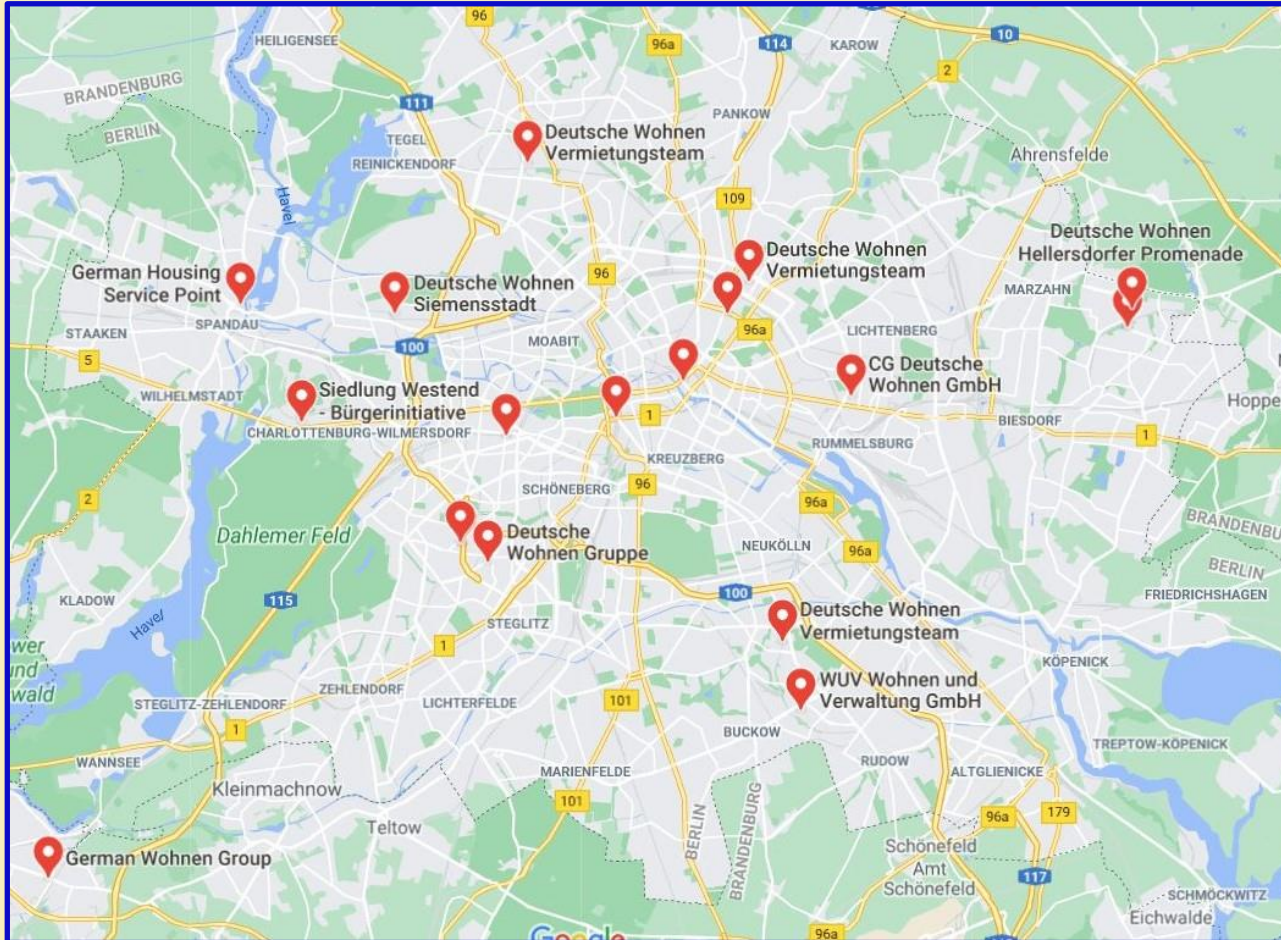
## ... increase risk of poverty.



## 2. Housing challenges in Europe

- The housing crisis hits the most vulnerable groups severely, but also reaches middle income groups since several years
- Investment gap in social, public and affordable housing at 60 bio. Euro per year since 2008
- Climate crisis risks to increase energy poverty severely
- Situation aggravated by gentrification, financialisation and touristication of housing markets
- EU and MS housing policies need to focus on cities and regions
- Policy reviews undertaken in the light of the Corona pandemic

## Berlin: Major shift in property structures



**Who owns the city?  
Exploratory research  
activity on the  
financialisation of  
housing in EU cities**

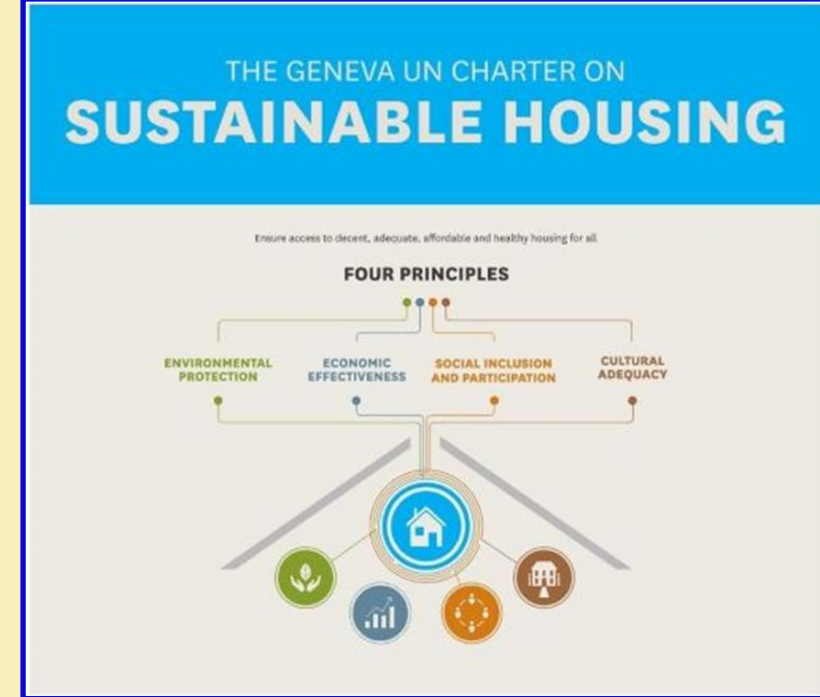
European Commission, Joint  
Research Center, 2020

### 3. Links to the global agenda: Housing as a Human Right

- Sustainable Development Goals and New Urban Agenda are setting the scene on global, EU, national and local level
- UN-Habitat and UNECE Committee on Housing and Land Management play key role to urban development and housing
- UN Special Rapporteur on Adequate Housing gives independent advice to UN bodies and agencies
- Clear shift towards a rights based approach in housing policy and governance
- Response of the EU to global urban agenda: Urban Agenda für the EU – Pact of Amsterdam, New Leipzig Charter

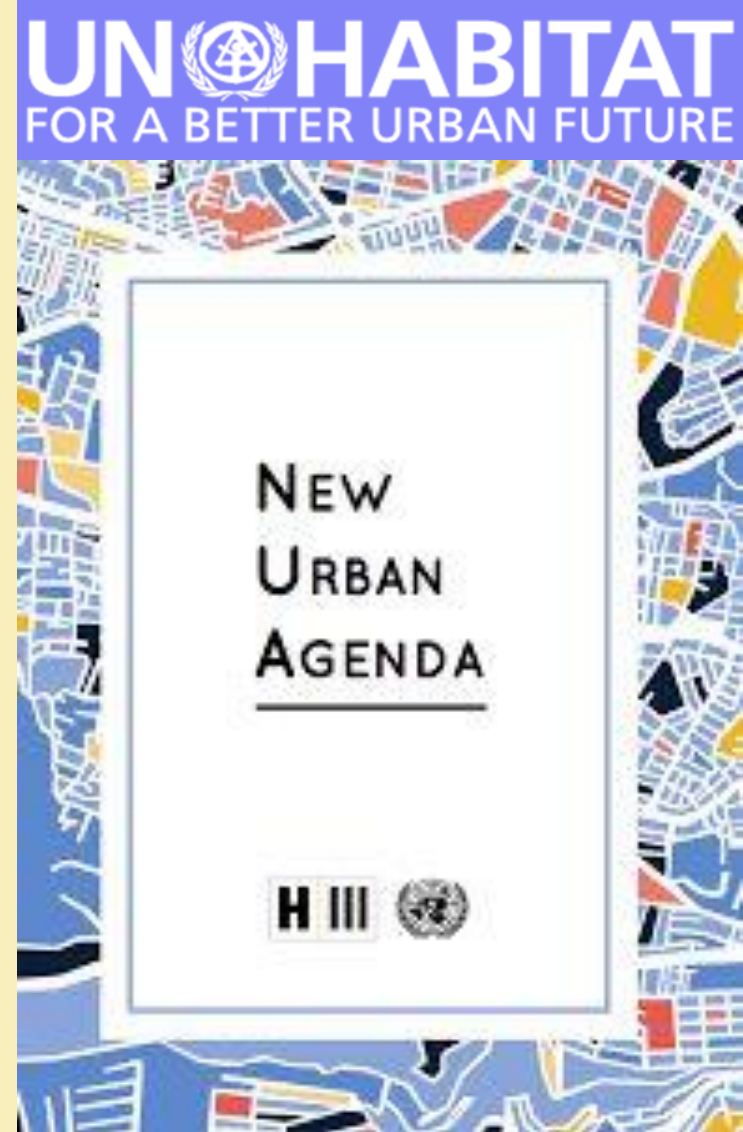
## Four principles:

- (1) Environmental protection
- (2) Economic effectiveness
- (3) Social inclusion and participation
- (4) Cultural adequacy



**Housing is considered adequate** if it fulfils the following criteria:

- (1) security of tenure
- (2) availability of services, materials, facilities and infrastructure
- (3) affordability
- (4) habitability
- (5) accessibility
- (6) location
- (7) cultural adequacy



## 4. The role of the European Union

- The EU does not have a direct mandate for housing
- But EU policies and legislation have a great impact on housing on local, regional and national level
- EU state aid rules, conditions of the Economic Governance, funding instruments limit the room for MS and cities to invest in social, public and affordable housing
- EU regulations on the platform economy and banking rules limit to ability to see into ownership structures of real estate
- EU data base does not reflect subnational housing situations

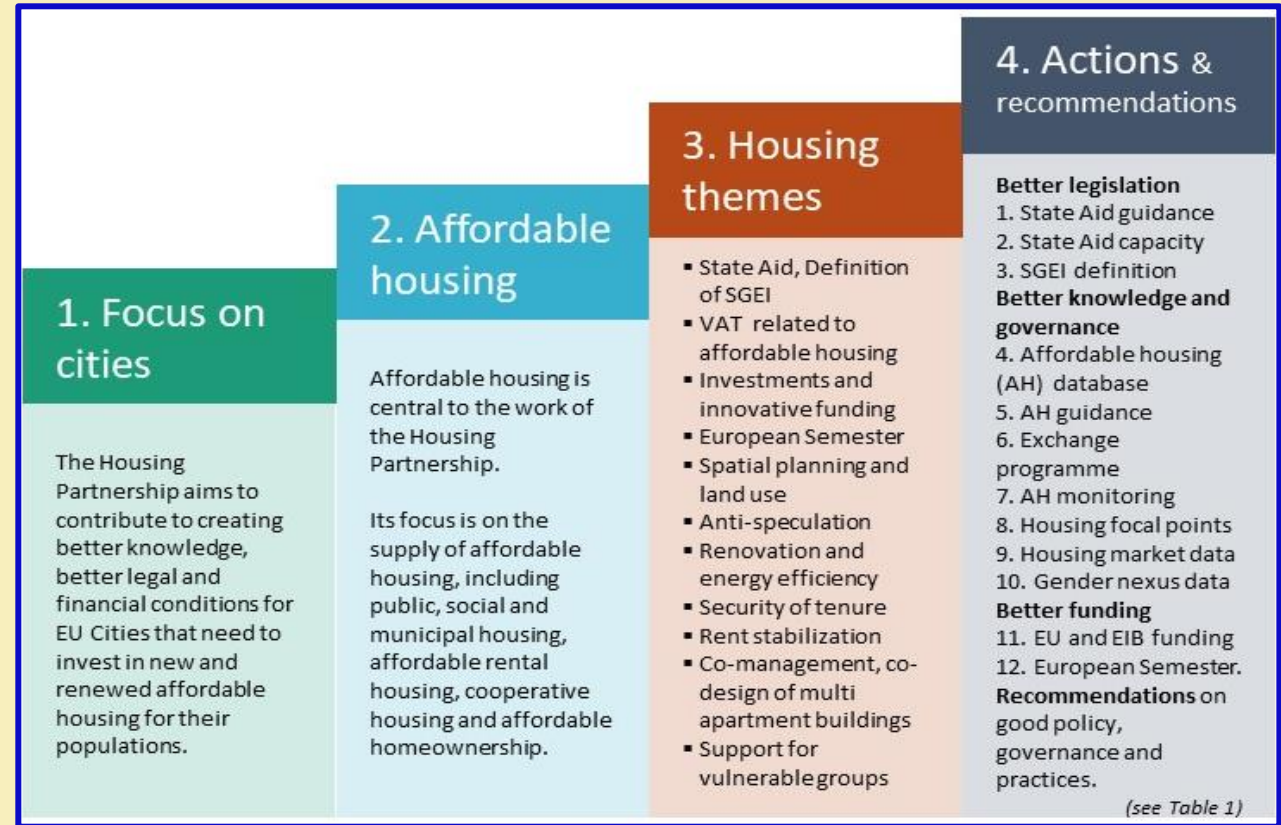
## An Urban Agenda for the European Union

- Long calls for an urban dimension in EU policies by European Committee of the Regions, Eurocities and CEMR
- Strong support by European Parliament URBAN Intergroup
- Pact of Amsterdam, 2016, established
  - 14 Multilevel Governance Partnerships
  - on themes of urban relevance
  - who delivered 155 recommendations for better regulation, better funding and better knowledge on EU level
  - taking into consideration cross-cutting issues like SDG's



## Pact of Amsterdam:

The Housing Partnership's objectives are *“to have affordable housing of good quality. The focus is on affordable public housing, state aid rules and general housing policy.”*



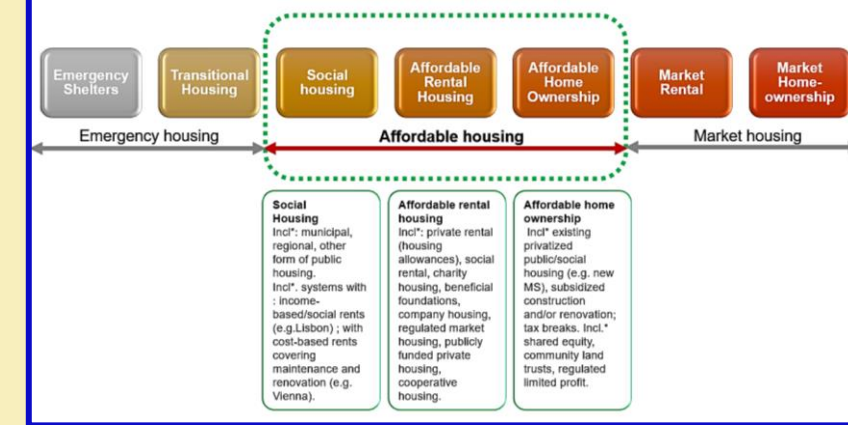
# Action Plan of the Urban Agenda EU Housing Partnership

## Action Plan 2018

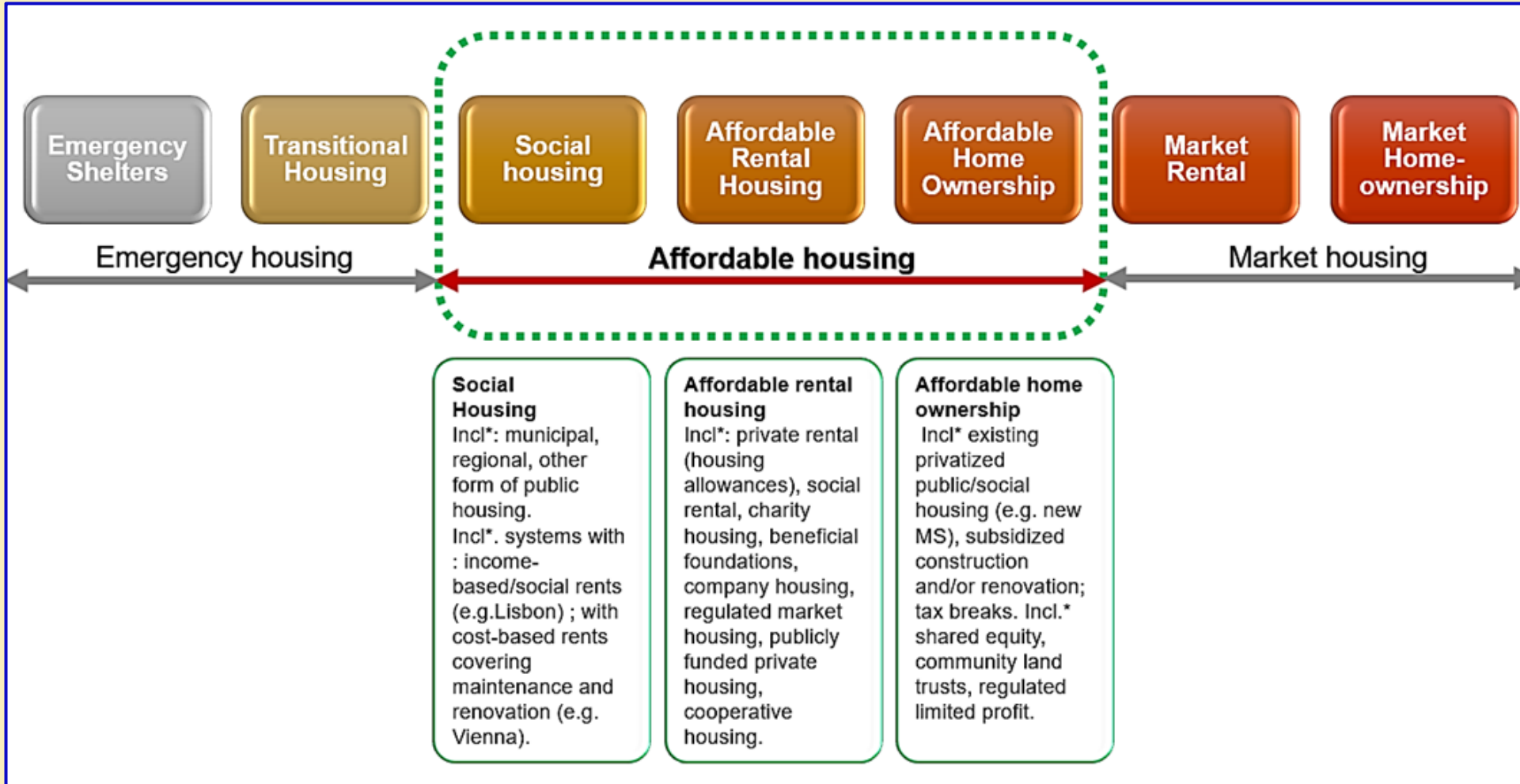
- Increase and de-block available investment and build capacity to take up funding and financing in various affordable housing options based on specific local market needs
- Better data and structural monitoring on EU and MS level to develop good housing policies on all levels
- Participatory and rights-based approach as integral parts of housing policies on all governance levels
- Protection of vulnerable groups and cities from speculation with a view to the social, climate and digital challenges, taking into account gender disparities

## 13 actions and recommendations

- ✓ Taken up by major EU institutions – CoR, EESC, EP, COM – and MS



# The Housing Continuum (Urban Agenda for the EU Housing Partnership)



## Advocacy & Achievements of the UA EU Housing Partnership 2019 to-date

- Working with the **European Parliament: 2020 INI report on housing** of MEP van Sparrentak, work with URBAN Intergroup, EMPL, ENVI, IMCO
- Continued engagement to **protect local housing systems from further touristification** (Digital Services Act) towards COM and EP
- Assessment of ongoing EU initiatives, as the **MFF and RRF, Renovation Wave Strategy, Action Plan of the European Pillar of Social Rights**
- Work on need to revise **EU state aid rules** and **European Semester procedures** create better investment conditions for social, public and affordable housing on local, regional and national level
- Liaising with **EU presidencies on housing policy monitoring** systems
- **Promotion of exchange**, e.g. International Social Housing Festival, URBACT-UIA Network on Housing as a Right, EU think tanks and research
- **Advocacy for housing funding and financing** in the new EU instruments and programming period

## A change in mindset on EU level?

### **EU Green Deal - Renovation Wave Strategy**

- Affordable Housing Initiative, New European Bauhaus, Horizon Europe – 100 climate friendly cities
- Energy Performance in Buildings Directive, Energy Poverty

### **Digital Europe**

- Digital Services Act, Digital Markets Act

### **European Pillar of Social Rights**

- EPSR Action Plan, European Platform to combat homelessness

### **Investment Framework**

- MFF & RRF, EIB financing, SAB, Economic Governance
- Taxonomy, ETS, Money Laundering

## 5. Time to rethink housing policies

- **Empower cities** to invest in social, public and affordable housing solutions
- **Good governance** is key: Housing policies must be inclusive, participatory and neighbourhood based
- Implement **housing for all as a right**
- Housing financing has to account for the **long-term nature of housing**
- Construction needs to be **circular**
- **Public funding in housing** must be conditioned to respect right for decent housing
- **A diversified, strong social, public, cooperative and affordable housing sector is crisis-proof.**

## The cooperative housing model is part of the solution

- System to provide affordable housing since more than 150 years
- Principles of self-help, self-determination and self-responsibility
- Broad variety of solutions and scales
- Connecting and building local communities
- Strong element of solidarity and shared responsibility
- Smart and sustainable financing models, reinvestment in the system
- Historically a „third“ option between rental housing and home-ownership
- Enabling new forms of housing in line with demographic change
- First European Housing Cooperative founded in 2018

Numerous benefits of cooperative housing models

### **Individual level**

- Life-long security of tenure
- Cost-based, transparent rents

### **Corporate level**

- Stable revenues allowing for maintenance and improvement
- Shared ownership increases transparency and control

### **Societal level**

- Diversification of housing solutions
- Self-sustaining housing model with less need for subsidies

# More information on housing in European cities:

**Urban Agenda for the EU – Housing Partnership**

<https://futurium.ec.europa.eu/en/urban-agenda/housing>

**Social Housing in Vienna**

<https://socialhousing.wien/>

**ERHIN – European Responsible Housing Initiative & Awards 2021**

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

**Housing Europe - European Federation of Public, Cooperative & Social Housing**

<https://www.housingeurope.eu/>

**Cooperative Housing International**

<https://www.housinginternational.coop>

**Living in Metropolises – 1<sup>st</sup> European Housing Cooperative**

<https://lim-coop.eu/en/>