

February 2013

## Joint UIPI and UEPC Position on the Draft Report on social housing in the European Union

UIPI Register of Interest Representatives identification number: **57946843667-42**

*The International Union of Property Owners (UIPI) is the largest network of private individual property owners in Europe. Through our 29 member associations, we represent more than 5 million owner-occupiers and landlords owning more than 20 million dwellings in 27 European countries.*

*The European Union of Developers and House Builders (UEPC), represents more than 30,000 developing and house building companies, affiliated with its 10 member federations. Directly or indirectly the activities of these developers and house builders represent 10% of gross national product and employment in Europe. Together, they annually build and develop several millions m<sup>2</sup> of offices and shopping centres as well as more than 1.000,000 new homes.*

We took note of the Draft Report *on social housing in the European Union* (2012/2293(INI)) prepared by MEP Karima Delli within the Committee on Employment and Social Affairs of the European Parliament.

We recognise the importance of social housing in Europe as well as the necessary coexistence and harmonious balance between the private and public housing stock to shelter the EU population. Therefore, we consider that this draft report on average correctly addresses the needs for decent and affordable housing for all.

However, it appears that some affirmations and considerations within this report need to be completed and reframed.

### SUGGESTIONS FOR AMENDMENTS

#### List of Legal References

Draft Report	Proposal for amendments
<ul style="list-style-type: none"> <li>- having regard to its resolution of 5 July 2011 on the future of Social Services of General Interest</li> </ul>	<ul style="list-style-type: none"> <li>- having regard to its resolution of 5 July 2011 on the future of Social Services of General Interest</li> <li>- <b><i>having regard to the Commission Decision of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State</i></b></li> </ul>

	<b><i>aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest</i></b>
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*Justification*

*It seems crucial to also mention the “Decision SGEI” since it defines the main conditions under which public services compensation granted to undertakings entrusted with the provision of social housing is compatible with the internal market and exempt from the obligation of prior notification.*

*This reference to the Commission’s decision is even more accurate that the draft report refers to the Parliament’s resolution on this issue as well as the Protocol 26 to the Treaty on the Functioning of the European Union, which precisely concerns services of general interest.*

**Paragraph 2**

<b>Draft Report</b>	<b>Proposal for amendments</b>
2. Points out that, under Protocol No 26 to the Treaty on the Functioning of the European Union, public authorities <b><i>are free</i></b> to determine how the social housing sector is organised and funded and what its target group is, with a view to meeting local needs; sees the intervention of public authorities here as a response to the shortcomings of the market, with the aim of ensuring universal access to decent, affordable housing;	2. Points out that, under Protocol No 26 to the Treaty on the Functioning of the European Union, public authorities <b><i>have a wide discretion</i></b> to determine how the social housing sector is organised <i>and</i> funded and what its target group is, with a view to meeting local needs; sees the intervention of public authorities here as a response to the shortcomings of the market, with the aim of ensuring universal access to decent, affordable housing;

*Justification*

*Protocol 26 refers to “services of general interest” and clearly differentiates concepts of “services of economic general interest” (SGEIs) and “non-economic services of general interest”. Whereas, it is true that in regards with “non-economic services of general interests” the provisions of the Treaties do not affect the competence of Member States, i.e. Member States are free to determine its provision, the same cannot be stated in regards with “the services of economic general interest”. **Social housing, if classified as services of general interest, cannot be considered as “non-economic services of general interests” as it is involved in economic activities. Therefore, public authorities, though having a wide discretion in providing, commissioning and organising SGEIs (in that case social housing) as closely as possible to the needs of the users, can only do so within the meaning of Article 14 of the Treaty on the Functioning of the EU and therefore without prejudice to the Treaty articles on competition and state aids rules referred to in Article 14 (notably articles 106 and 107).***

