



**European Committee  
of the Regions**

**SPEECH FOR COR MEMBER HICHAM IMANE**

**CAPACITY BUILDING WORKSHOP:**

**STATE AID AND AFFORDABLE HOUSING INVESTMENTS**

**23 MAY 2018, 09:00 - 17:00**

Ladies and Gentlemen,

It is with great pleasure and a certain pride that I welcome you to this capacity building workshop on State Aid and Affordable Housing Investments.

I welcome you here in my capacity as member of the Committee of the Regions, city councilor of Charleroi and rapporteur of the CoR opinion on "Towards a European housing agenda". I am also president of Sambrienne, the largest social housing entity in the Walloon region.

I would like to thank particularly the European Parliament, DG Competition, the European Investment Bank, the Coordinators and the members of the Housing Partnership for co-organizing this event.

Ladies and Gentlemen,

Allow me to open my short intervention on an observation: housing is a subject of top priority everywhere in Europe and not only in the Member States around the Mediterranean that we think are socially particularly fragile and exposed. For example, Germany's new housing minister, Mr Seehofer, has stated that in Germany "housing is THE social problem of the moment and for the future". The German federal government wants to spend an extra two billion euros and to build a million and a half houses by 2021. Meanwhile, in other Member states other housing issues dominate the news.

In Spain, housing remains the most serious social problem for a large part of Spanish society. Young people are the hardest hit. For some economic and financial actors have based the country's exit model of crisis on a revival of real estate speculation, and seek to restrict the citizens' rights such as those on the foreclosure system.

Another example is France, where we witness a scenario of "financialization" of social housing and a convergence of interests between the State, investors and certain social housing groups, which are keen to transfer funds from social housing to intermediate housing as a first step before privatization.

All this happens against the backdrop of 81.5 million European citizens currently 'overburdened' by housing costs.

These phenomena are also taking place without sufficient European convergence and this is why the fight of all the actors of the urban partnership on housing is so essential in the eyes of the European Committee of the Regions.

Indeed, housing is at the crossroads of a considerable number of policies which are of key concern for local and regional authorities at EU level: social rights, the energy transition, EU investment through Cohesion Policy and the European Fund for Strategic Investment, public services and competition policy.

For my part, I see two lines of action at European level directly related to the theme of our today's seminar:

1) Of course, Europe cannot do everything in the field of housing and the primary responsibility for resolving the challenges in this area lies with the Member States and local and regional authorities.

Nevertheless, Europe very often has a catalytic role to play, particularly through the Structural and Investment Funds but also for two years through the European Fund for Strategic Investments (EFSI). We therefore expect with extreme vigilance what the European Commission will propose on May 29th both in terms of geographical zoning - I say that I am very worried about the consideration of the regions currently qualified as "in transition" such as my own home region of Hainaut - and in terms of menu and eligibility, in particular in relation projects on energy efficiency in social housing under the ERDF. At the same time, it will be necessary to ensure that the social tier within the future InvestEU program contains openings for social housing.

2) I would like to reiterate the claim contained in the Opinion on an EU Agenda for Housing that I submitted last year on behalf of the Committee of the Regions. We would like the Commission to accept a revision of Decision 2012/21 / EU in the sense of widening access to social housing beyond the "most deprived persons or less advantaged social groups". Such an extension would be in accordance with the discretionary power of the Member States to provide, implement, finance and organize social housing services and confirm their autonomy to decide how they use housing policy as instrument aimed at introducing social diversity and thus avoiding ghettoisation.

In the same vein, the Housing Partnership of the Urban Agenda for the EU published last year a "Guidance Document on EU Regulation and Public Housing Assistance". In the guidance document, the Housing Partnership calls on the EU legislator to respect the principle of subsidiarity and to leave the definition of the target group of social housing at local and regional level.

However, I caution against the double-edged effect of the principle of subsidiarity. Indeed, this argument can also be used by DG Competition as a pretext for a form of disengagement from the housing subject.

I take as an illustration the problem about the calculation of the absence of over-compensation where, in the absence of sufficiently detailed rules, local authorities may be led to overzealousness and to propose higher standards of calculation than what may have been required in texts emanating from DG Competition.

Ladies and Gentlemen,

I hope that our seminar today will produce tangible results through your active participation to help unlock housing investment. We all keep in mind that for every € 3 we invest to improve housing conditions, the return on investment is € 2. Are there investments that are both as tangible and profitable? So let us continue to fight to anchor housing policy as a cross-cutting priority of EU policies. Housing deserves indeed its own European agenda!