EU Cohesion Policy should help Europe address the Housing Challenge

Joint position paper of FEANTSA and Housing Europe in reaction to the publication of the proposals for the European Cohesion Policy 2021 - 2027

On 29th May 2018, the European Commission published its proposal on Cohesion Policy for 2021-2027, in which it proposed a reduction of Cohesion Policy by 7%. FEANTSA and Housing Europe are concerned that this will impact the affordable housing sector negatively and lead to the EU budget not being able to support Member States to address growing levels of housing exclusion and homelessness.

The unique role of Cohesion Policy to face housing exclusion:

The positive socio-economic and environmental impact of the Cohesion Policy is undoubtable. Since 2009, the Structural Funds have contributed to the improvement of housing conditions, and therefore the quality of people’s lives. The Structural Funds have helped territories not only to improve the quality of life of households, but also to construct community centres, to revitalise deprived neighbourhoods and to organize trainings for social housing tenants. Overall, the Cohesion Policy has also created important opportunities for Member States to tackle homelessness. Very importantly, all of these actions have created jobs through direct or indirect employment.

EU funding is proving to be a lever for additional public and private investment in people-centred housing. Housing Europe’s recently published report on the implementation of Structural Funds on affordable housing, the first detailed analysis of this in Europe, finds that between 2014-2020, more than six billion euros of European Structural Funds will have been allocated to the affordable housing sector. This shows the great efforts Member States have made to invest more not only in energy efficiency but also in peoples’ social inclusion.

Access to good-quality, affordable housing is often a precondition for other societal challenges to be effectively addressed. Housing defines a person’s life as it is an integrative good, linked to health, economic and energy security, transport, education and employment. It also influences the profile of neighbourhoods and directly affects social cohesion.

The future EU Cohesion Policy must further support these positive experiences and help Europe respond to its housing and homelessness challenge so that all citizens can benefit from the positive impact of Cohesion Policy. For this, simplicity in accessing funds for those engaged on the ground will be key.

There is therefore an urgent need to shape the next European Multiannual Financial Framework in a way that will enable Member States to respond to challenges of inadequate housing, housing deprivation and increasing homelessness in Europe. As the FEANTSA and Fondation Abbé Pierre Third Overview of Housing Exclusion in Europe shows, homelessness is increasing all over Europe, except in Finland (-18% from 2009 to 2016), where the government has adopted a bold integrated and
decentralised strategy, setting measurable and reachable targets and time frame. The European Union could adopt a similar bold posture and present the EU budget as a lever to improve policies and services for the homeless, increase production of affordable housing solutions and encourage Member States to shift from “managing” to “ending” homelessness.

The necessary conditions for a fair Cohesion Policy:

1. It is essential that all EU countries can benefit from the Cohesion Policy, since even or (in fact, specifically) in countries or regions with a high GDP/capita, the lack of and demand for good quality and affordable services (including housing) require the support of Cohesion Policy.
2. The possibility to blend grants and loans (Structural Funds, EIB loans, Juncker Plan, etc.) is vital. We welcome the proposal of the InvestEU programme that will be a driver tool delivering strategic investment. As the experience with the Juncker Plan also shows, strategic investment in the affordable housing sector is a sustainable investment in peoples’ long-term well-being and sustainable neighbourhoods. Investment in social infrastructure requires both financial instruments and grants. Financial instruments are not suitable for all types of intervention such as social inclusion measures for social housing tenants. Therefore they should be complementary to grants. At the same time, for the most efficient use of the existing financial instruments, increased technical assistance is needed.
3. For a better implementation, the Partnership principle needs to be further strengthened. The full involvement of affordable housing providers is needed in the preparation process of the Partnership Agreement and of the Operational Programmes. Therefore, the code of conduct on the Partnership principle should be applied and enforced by the European Commission.
4. Monitoring should be focused on quality and impact delivery. Other indicators such as affordability, homelessness, housing deprivation, overcrowding rate, access to adequate and quality housing should serve as complementary indicators.
5. In order to sustain the impact of EU funding on employment, economic and social inclusion, holding up ex ante conditionality on non-discrimination, gender equality and disability under the relevant section of the Commission proposal for the CPR is crucial.
6. Measures supporting social inclusion of people in the most deprived situations, rather than just meeting their most basic needs, are essential to ensure no one is left behind. In the framework of FEAD support, the use of accompanying measures and the deployment of Operational Programmes entirely dedicated to social inclusion (known as OP2) have demonstrated that it is possible to generate significant impact by going beyond basic material assistance.

FEANTSA President, Ian Tilling, stresses that: “There is a need for an increased investment into tackling and preventing homelessness; and into the provision of sustainable housing solutions for the homeless. It means investing in policies and services which enable homeless people to access adequate and affordable housing, and which facilitate their full inclusion in society. There has been, overall, relatively little investment of EU funds in housing infrastructure to provide permanent solutions to homelessness. This can and this should change.”

Housing Europe President, Cédric Van Styvendael comes back to the global picture and reminds us: “The EU should make sure that the Cohesion Policy, one of the foundations keeping Member States together should be as inclusive as possible, delivering the means needed to address the major challenges with housing being undoubtedly among them. Therefore, we believe there is only one
scenario for the EU long-term budget based on three pillars: a) putting people first, b) caring for all shrinking and growing cities and regions across Europe and c) supporting evidence-based policies”.


FEANTSA Post 2020 MFF: call on the EU to stand up for homeless people