UfM
Strategic Urban Development Action Plan 2040

Axis of Intervention 1 Housing Action Plan
Colophon

UfM Strategic Urban Development Action Plan 2040
for sustainable, resilient and inclusive cities and communities in the Mediterranean

Axis of Intervention 1: Affordable and Sustainable Housing

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1. Axis of Intervention 1: Affordable and Sustainable Housing

The UfM Strategic Urban Development Action Plan 2040 for sustainable, resilient and inclusive cities and communities in the Mediterranean is composed by a number of intersectoral axes of intervention. This document details the first Axis of Intervention: Affordable and Sustainable Housing as a vector for inclusive, integrated and sustainable urban development and regeneration.

The UfM Strategic Urban Development Action Plan 2040 for sustainable, resilient and inclusive cities and communities in the Euro-Mediterranean, henceforth the UfM Strategic Action Plan, is based on SIX COMPREHENSIVE ACTIONS:

1. TO COORDINATE & ENHANCE COHESION
2. TO EDUCATE & STRENGTHEN CAPACITY
3. TO ENVISION & GOVERN TOGETHER
4. TO INTEGRATE & PROTECT
5. TO IMPLEMENT & MANAGE
6. TO MONITOR & COMMUNICATE

ACTION 5 addresses the integration of the ideas and frameworks contained in this Action Plan into strategic projects aiming at enhancing integrated territorial development. These integrated projects are organised in a set of priority thematic axes of intervention, listed below. Action 5 is further subdivided in 8 PRIORITY AXES OF INTERVENTION. The latter are thematic areas of intervention presented here to guide the strategic priorities and projects. The axes of intervention are thematic areas of intervention in which a number of actors come together to address a salient issue of urban development through spatial interventions connected to integrative spatial visions and strategies. They provide for an integrated, rather than sectoral, approach.

These projects must be integrated, trans-sectorially formulated with public participation and aligned with a set of priority thematic axes of action, listed below. These thematic axes have emerged from consultation and consensus among UfM stakeholders regarding the priorities in the EU-Mediterranean region, through discussions promoted in the framework of the UfM Working Groups on Affordable and Sustainable Housing, and Urban Regeneration. The axes of intervention are:

(i) **Adequate, sustainable and affordable housing** as a vector for inclusive, integrated and sustainable urban development and regeneration. This axis of intervention is detailed in this document.

(ii) **Forelands, port-areas, port-cities and their hinterlands**, as drivers of sustainable and resilient economic prosperity.

(iii) **Blue and green infrastructure** regeneration and implementation, re-naturalization, preservation and enhancement, in tandem with the EU Strategy on Green Infrastructures (European Commission, 2013a, 2013b), the European Green Deal...
(European Commission, 2019d), and the EU Biodiversity Strategy for 2030 (European Commission, 2020c).

(iv) **Heritage and tourism** as drivers of economic prosperity, including regeneration of old city cores and historic sites, based on the recognition of the shared history of the region.

(v) **Informal settlements and deprived neighbourhoods** as focal points for the creation of inclusive cities and communities, and in relation to affordable and sustainable housing provision (Axis 1).

(vi) **Brownfields, former railway sites and abandoned or underused buildings** as focal points for urban regeneration and area redevelopment (ESPON, 2020; European Commission, 2018a).

(vii) **Urban infrastructures**, climate-smart urban mobility, mobility nodes and mobility hubs as carriers and distributors of improved life chances and economic opportunity.

(viii) **Public and shared spaces regeneration** as vectors for sustainable urbanisation, safety, public life and democracy building (European Commission, 2019e).

(ix) **New towns, urban extensions and new neighbourhoods** as drivers of responsible, inclusive, economically, socially and environmentally sustainable urbanization.

Figure 1: Integrated Action in this Action Plan.
2. Axis 1 Introduction and Scope: Integrated Sustainable Housing as a trajectory for inclusive and sustainable urban development and regeneration

Access to dignified housing is recognised in a number of human rights fundamental texts, as well as in several national constitutions. Article 25 of the Universal Declaration of Human Rights states that “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control” (UN, 1948, art. 25). According to the UN Special Rapporteur on the Right to Housing, “The right to housing does not mean that everyone is entitled to a government provided home immediately. It means governments must ensure that everyone, particularly the most disadvantaged groups, should have access to housing that is adequate. Housing is only adequate if it is affordable, if it has potable water, sanitation facilities, electricity and other basic services and if it is close to schools, health services and employment opportunities. The right to housing is interdependent with other socio-economic human rights such as rights to health, education, and employment. It is also integrally connected to rights to non-discrimination and equality. And, because adequate housing is crucial to the social conditions necessary for human dignity, it is intimately connected to the right to life” (UN, 2019).

In line with this position, the Council of Europe New Strategy and Action Plan for Social Cohesion aims to “promote the development of social links, networking and solidarity as tools for the creation of decent jobs” and to “promote families’ stability, well-being and autonomy, which are critical for the quality of life and the prevention of poverty”, and aims to “ensure that everyone has access to housing of an adequate standard while helping people in vulnerable situations to avoid excessive debt” (Council of Europe, 2010).

Further, the Charter of Fundamental Rights of the European Union sets out the right to social assistance and social housing to ensure a decent existence for all those who lack sufficient resources and combat social exclusion and poverty. The European Pillar of Social Rights (European Commission, 2017) refers to the provision of housing support in-kind, namely social housing, or housing assistance. Social housing is “housing stock that is targeted at low-income sections of a population, and may be produced by the state, the private sector or other organisations” (UN, 2017). Affordable housing, on the other hand, is “housing of an acceptable minimum standard that can be obtained and retained leaving sufficient income to meet essential non-housing expenditure” (the “residual income” concept) (Bergenstråle, 2018, p. 1(6)). “Sufficient income to meet essential non-housing expenditure is often called minimum income standard. Affordability (and lack of affordability) is not an inherent characteristic of a housing unit (in itself) —it is a relationship between housing and people. For some people, all housing is affordable, no matter how expensive; for others, no housing is affordable unless it is free” (Bergenstråle, 2018, p. 1(6)).

“Comprising over 70% of land use in most cities, housing is evidently central to future cities and urban development (...). The complexity of housing policy is born of various aspects particular to housing itself. These include the fact that unlike any other commodity it is not moveable, and it requires land on which to be built, entailing tenure rights and land ownership. Furthermore, housing demand cannot be predicted to a high degree of certainty. However, interventions have to be made over the medium to long term in order to meet future demand” (UN, 2017, p. 7).
“Housing is central to the achievement of Sustainable Development Goal 11: ‘Make cities and human settlements inclusive, safe, resilient and sustainable’. Indeed, SDG 11’s target 11.1 states “By 2030, [to] ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.” It is clear that governments that have a prime role within urban development and government policies will, to a large extent, determine the achievement of SDG 11 and its targets” (UN, 2017, p. 8).

Against this background, the UfM Action Plan for Housing regards access to sustainable integrated housing as a central element for the full realisation of cities’ and communities’ social functions, and citizens’ right to a dignified, safe and healthy life, “without discrimination, with universal access to safe and affordable drinking water and sanitation, as well as equal access to all public goods and quality services in areas such as food security and nutrition, health, education, infrastructure, mobility and transportation, energy, air quality and livelihoods” (NUA,UN-Habitat, 2016, p. 5). Through access to sustainable, integrated, safe and affordable housing, citizens can enjoy access to the public goods created by society and access to increased life chances, boosting their opportunities to achieve their full human potential. The central role of housing in ensuring that citizens can access core services and public goods has been highlighted by the Covid-19 crisis. This could lead urban planners to re-think urban development and the core relationship between housing and improved access to public services (OECD, 2020e).

In this context, the UfM Action Plan for Housing recognises the diversity of housing aspirations across and within UfM countries and supports a continuum of options in promoting access to decent, affordable and secure housing, across a range of housing tenures that reflect local cultural aspirations and capacities. Furthermore, the UfM Action Plan for Housing recognises that affordable housing, and particularly social housing, is a form of infrastructure, which contributes to social and economic well-being. As with any form of essential infrastructure, it requires a needs-based planning, securing and allocating of funds and the design of appropriate policies and programmes to ensure good implementation in diverse contexts (Lawson, 2019b). Stakeholder engagement and public participation is vital and can be inspired by the Charter for Multilevel Governance for Europe (European Committee of the Regions, 2014) and ideas about public participation contained in the Guidance Document 8 “Public Participation in Relation to the Water Framework Directive” (European Commission, 2003).

A home is not an isolated island but rests in a historical context. It is part of a wider housing system that is also connected to traditions and norms of housing consumption, as well as the operation of broader land, finance and labour markets (Lawson, 2010). The UfM Action Plan for Housing recognises the diversity of housing systems across UfM countries, that generate diverse locally bound housing trajectories and conditions, and influence housing opportunities available to different citizens. In this respect, it focuses on key relationships that shape potential and appropriate actions that impact housing provision, including the impacts of land supply and value, investment and consumption conditions and asset management models.

Thus, the present axis of intervention lays out thematic policy guidelines, encourages UfM countries to identify implementation and financing gaps and proposes an integrated sustainable urban development approach that guarantees coherence in terms of policy and implementation of sustainable and integrated housing. Sustainable integrated housing provision should be explicitly addressed in National Urban Policies (NUPs) and Integrated City Development Strategies (ICDSs) in coordination with the UfM Action Plan for Housing (henceforth the Housing Action Plan). Sustainable integrated housing projects must therefore be part of wider strategic spatial development plans that enhance integration with other axes of intervention listed in this Action Plan.
In summary, the UfM Action Plan recognises the multi-faceted role housing policy can play in addressing general social, economic and environmental sustainability concerns and the Sustainable Development Goals in particular, across the diversity of UfM Member States. It follows work done by the UfM Thematic Working Group on Affordable and Sustainable Housing, which concluded that housing must be adequate, sustainable, affordable, integrated, culture-specific, context dependent, connected to transport systems, with access to sustainable, healthy and inclusive urban environments. It draws upon “The Housing Partnership Action Plan of the Urban Agenda for the EU”, which focuses on three main areas of action: (i) Better regulation, (ii) Better knowledge and governance and (iii) Better funding (European Commission, 2018b).

**BOX 1: The nature of housing and its role in social-economic and environmental well-being (Lawson, 2019b)**

- Housing is a resource that can provide a sense of security, well-being, health and social stability. Barriers to its distribution influence human flourishing and social equality.
- Housing is more than just accommodation; it is a home that is also an oasis, refuge and steppingstone to education, recreation and employment opportunities. How safe and secure our housing is influences opportunities for human flourishing and social development.
- Housing is not only integral to social well-being, but also to economic development and achievement of environmental objectives. Recognising and articulating this broader role also improves traction in government policy and budget prioritisation.
- Housing is not only important to community well-being and cohesion, but also to economic stability. Housing has a very important role to play in living costs, wage demands, demand for employment and providing for economic stability and security.
- Housing assets are increasingly prioritised as investment goods, with access influencing the distribution of wealth across society. Barriers and incentives to investment in new or existing real estate (via land policies, taxation incentives, regulatory systems and direct subsidies) influence the accumulation and distribution of wealth via housing assets and can exacerbate social inequality.
- Governments should not only address market failures, together with private sector and civil society, but also shape better market outcomes. By using policy tools to shape fairer markets and drive innovation, they can maximise social, economic and environmental well-being.
- Better housing markets can avoid the significant costs associated with inadequate, insecure and unaffordable housing. These costs not only affect individuals but also their governments across diverse public budgets (health, criminal justice, lack of educational attainment etc.).
- Well located, affordable homes reduce housing and transport costs and relieve pressure on other inputs such as wages, social assistance, urban infrastructure and reducing energy use and carbon emissions.

Safe, secure, affordable, and social housing can be considered as a form of infrastructure that increases well-being, addresses inequality, shapes markets, and avoids the cost of homelessness (Lawson, 2019b).
BOX 2: What’s adequate housing?

For housing to be adequate, it must, at a minimum, meet the following criteria:

- Security of tenure: housing is not adequate if its occupants do not have a degree of tenure security which guarantees legal protection against forced evictions, harassment and other threats.
- Availability of services, materials, facilities and infrastructure: housing is not adequate if its occupants do not have safe drinking water, adequate sanitation, energy for cooking, heating, lighting, food storage or refuse disposal.
- Affordability: housing is not adequate if its cost threatens or compromises the occupants’ enjoyment of other human rights.
- Habitability: housing is not adequate if it does not guarantee physical safety or provide adequate space, as well as protection against the cold, damp, heat, rain, wind, other threats to health and structural hazards.
- Accessibility: housing is not adequate if the specific needs of disadvantaged and marginalized groups are not taken into account.
- Location: housing is not adequate if it is cut off from employment opportunities, health-care services, schools, childcare centres and other social facilities, or if located in polluted or dangerous areas.
- Cultural adequacy: housing is not adequate if it does not respect and take into account the expression of cultural identity. Source: (UN-Habitat, 2009)

BOX 3: Defining and measuring adequate housing

The International Covenant on Economic, Social and Cultural Rights (UN, 1966) recognizes the right to adequate housing, which ought to be understood as the right to live in security, peace and dignity (Eerd & Banerjee, 2013). Contemporary housing policies seek to ensure that the general population enjoys adequate housing. What exactly constitutes ‘adequate’ housing has varied historically and across specific cultural and geographical contexts. A widely accepted contemporary definition of the term is provided by the United Nations Human Rights Office (UN Committee on Economic, 1991), which focuses on seven elements:

(i) legal security of tenure,
(ii) availability of services, materials, facilities and infrastructure;
(iii) affordability;
(iv) habitability;
(v) accessibility;
(vi) location; and
(vii) cultural adequacy.

Housing policies take the shape of legislation and regulations that seek to redress the imbalances in adequate housing provision if the market is left to operate freely (Angel, 2000; UN-Habitat, 2010). Historically, diverse policy approaches have emerged across the world, which respond to specific socio-political and economic circumstances.

Indicators and statistics

In the European Union, Eurostat collects statistics on housing quality, which provides a summary of living conditions in Europe, based on the European Union’s (EU’s) statistics on income and living conditions (EU-SILC). This survey is conducted across EU Member States, as well as the United Kingdom and most of the EFTA and candidate countries. More specifically, statistics on housing in the European Union (EU), the United Kingdom, three of the EFTA countries and four candidate countries focus on dwelling types, tenure status (owning or renting a property), housing quality and affordability.

At international level, the UN Habitat factsheet on The Right to Adequate Housing (UN-Habitat, 2009) refers to key criteria and indicators that can help to measure the right to adequate housing. While no comprehensive and unified database exists at international level, this document proposes a framework of indicators for an assessment of steps taken by a State in addressing its obligations in terms of human rights, including the right to adequate housing. These indicators range from the acceptance of international human rights standards (structural indicators) to its efforts to meet the obligations that flow from the standards (process indicators), and on to the results of those efforts from the perspective of the affected population (outcome indicators).

Text by Dr Darinka Czischke, Delft University of Technology
The UfM Thematic Working Group on Affordable and Sustainable Housing identified a great variety of challenges for sustainable integrated housing across the region. These challenges are connected to spatial planning, affordability and finance, insufficient housing supply, ecological sustainability of solutions and deficient legislation. These challenges are summarised in Table 1 (UfM, 2019a). These challenges are multidimensional in nature, differ substantially between and within different UfM countries and significantly affect the prospects of sustainable development in the region.

### a) Challenges concerning regional and urban planning, infrastructure and building land:
- Depopulation of rural areas.
- Development of urban agglomerations from massive uncoordinated growth to shrinking cities.
- Urban sprawl, inefficient land use, excessive use of natural resources.
- Informal settlements, informal housing.
- Scarcity of building land.
- Insufficient or overaged technical infrastructure, insufficient social infrastructure, deficient public traffic.
- Unattractive non-inclusionary public space.
- Insufficient urban planning skills and tools.

### b) Challenges in affordability and finance:
- Price inflation of building land, construction materials, construction services, utility costs.
- Excessive increase of house prices and rents.
- Insufficient financing products for rental and owner-occupied housing.
- Insufficiently designed and funded subsidy systems.
- Insufficient engagement of international financial institutions.
- Hidden subsidies which limit public activities in measures directly targeting housing (e.g. for utility providers).
- Insufficient tools to regulate markets and make them more innovative, efficient and productive.
- Role of financialisation of housing in the increase in house prices.
- Demand-side challenges, e.g. stagnating wages especially for low-income households.

### c) Insufficient housing supply:
- Shortage in affordable supply.
- Quality problems.
- Lack of rental housing.
- Insufficient supply of social housing.
- Incentives for housing occupation (Vacant housing has been identified as an important challenge in many OECD countries, even where housing supply is insufficient).

### d) Ecological shortcomings:
- Massive energy consumption in the building sector.
- Massive “grey” energy in construction products, lack of construction and demolition waste management, lack of circularity principles throughout the lifecycle of buildings (European Commission, 2020a)
- Loss of traditional construction techniques.
- Loss of landscape through urban sprawl and soil sealing (European Commission, 2012).

- Loss of agricultural land.

e) Deficient legislation and institutional setting:

- Insufficient consumer protection vs. over-protected tenants.

- Insufficient regulations on maintenance and refurbishment of multi-apartment buildings.

- Insufficient skills in different housing sectors (private, municipal, third sector) and of service providers (planners, crafts, energy auditors, prefab-industry etc.).

- Lack of organisations to provide for affordable housing (cooperatives, housing associations).

- Deficient audit and control.

Table 1: Challenges to sustainable integrated housing identified by the UfM Working Group on Affordable and Sustainable Housing
4. Overall Objectives

Given the multidimensional nature of housing challenges in the region, and their impact on multiple aspects of sustainable development, and following the principles set forth in this Housing Action Plan, this axis of intervention seeks to PROMOTE:

OBJECTIVE 1: COORDINATION and INTEGRATION I: Integration of housing into strategic territorial planning at regional and local levels, across sectors and levels of government, in harmony with this Action Plan and the Agenda 2030, the New Urban Agenda, the Union for the Mediterranean Urban Agenda, the Pact of Amsterdam, the New Leipzig Charter, the Paris Agreement, the Sendai Framework for Disaster Risk Reduction 2015-2030, and other policy frameworks to which this Housing Action Plan subscribes;

OBJECTIVE 2: COORDINATION and INTEGRATION II: Coordination and cohesion of housing policy in National Urban Policies (NUPs), especially concerning alignment of strategic visions, purpose of public policies and their instruments, across all aspects of housing (e.g. basic definitions of the right to housing, adequate housing, affordable housing, social housing, and other connected terminology, as well as mechanisms dealing with financing, land supply and value capture, investment and consumption conditions and asset management models), with the desirable creation of National Housing Policies (NHPs);

OBJECTIVE 3: COORDINATION and INTEGRATION III: Integration of National Housing Policies into City Development Strategies (CDSs), in view of the importance of capable, adequately resourced and effective local governments, being as close as possible to citizens, in ensuring the delivery of decent quality, affordable and accessible housing. Special attention to citizens should be given for the creation of liveable places in which housing is spatially integrated with urban services and amenities, so as to provide citizens with easy access to renewable energy, safe drinking water and sanitation, green/blue infrastructures, jobs, and commercial, educational, medical and cultural facilities, with a focus on walkability and slow mobility, and Transit Oriented Development (TOD) schemes (Guerra & Kirschen, 2016; Ruijven, Verstraten, & Zwaneveld, 2019; Salat & Olivier, 2017);

OBJECTIVE 4: REMEDIATION OF REGULATORY & SYSTEMIC BARRIERS: Identification and remediation of regulatory and systemic barriers to the production of affordable housing in countries across the region, and design of regulation and incentives to encourage good process and ensure appropriate outcomes, promoting housing systems that rely on mission focused investment, and that address the growing housing deficit in most countries across the region;

OBJECTIVE 5: AFFORDABLE HOUSING AS INFRASTRUCTURE: The recognition of affordable housing as a form of infrastructure that requires needs-based capital investment, allocation of adequate resources and design of appropriate policies and programmes to ensure good implementation and monitoring. Good national policy for sustainable affordable housing must tackle high costs all along the value-chain, and address bottlenecks in terms of land, building codes, construction, mortgage, administrative costs and more. Regulation and building codes need to adapt to the evolving needs of urban residents, especially following the COVID-19 crisis. Moreover, sustainable affordable housing needs sustainable and flexible financing schemes, both demand-side and offer-side oriented, in which the public sector plays the role of enabler, with for instance mortgage guarantee schemes and sound public-private partnership (PPPs) (Burnett, 2018; ECA, 2018; KS, Chowdhury, Sharma, & Platz, 2016; OECD, 2012).

OBJECTIVE 6: LAND VALUE AND AVAILABILITY: Land policy is a mechanism for influencing urban development processes. It is potentially a more effective means to promote affordable and inclusive housing development (Lawson & Ruanovaara, 2020). Through special land management, innovative
zoning, land value capture tools, progressive land banking, as well as the identification and exploration of alternative forms of tenure, including community land trusts and cooperatives, more inclusive and sustainable housing in better locations can be delivered;

**OBJECTIVE 7: REGENERATION & TRANSFORMATION OF DEPRIVED AREAS:** In line with Axis of Intervention FIVE “Informal settlements and deprived neighbourhoods as focal points for the creation of inclusive cities and communities, and in relation to affordable and sustainable housing provision” in the Strategic Action Plan, housing provision, renewal, and upgrading is a crucial element for neighbourhood regeneration;

**OBJECTIVE 8: INFORMAL HOUSING:** The recognition of slum and informal settlement dwellers as bearers of civil rights opens paths for legalization and innovation in land tenure and slum upgrading strategies, including support to incremental housing and self-build schemes. Self-building schemes are among the main contributors to new housing in many countries of the Mediterranean region, which calls for further analysis and further regulation of this sector, as well as improvement of skills of the service providers in this sector, in line with the Davos Declaration (Swiss Confederation, 2018);

**OBJECTIVE 9: CITIZEN ENGAGEMENT:** Citizen engagement in the elaboration of integrated housing policy, in order to provide for and facilitate greater housing variety to respond to the growing diversity of households, to achieve social mix and to support labour market needs, increasing the social sustainability of solutions;

**OBJECTIVE 10: NETWORKED CAPACITY BUILDING & PEER-TO-PEER LEARNING:** Capacity building in housing policy implementation and governmental leadership in guiding national and local strategies, tackling capacity in its multiple dimensions (resource management capacity, organisational capacity, industry specific capacity, networking capacity, political capacity and monitoring capacity) through peer-to-peer learning, city-to-city partnerships and networked learning;

**OBJECTIVE 11: CLIMATE ADAPTATION, URBAN RESILIENCE AND ENERGY TRANSITION:** Planning and design of energy-efficient, thermally-adapted housing that is well embedded in natural landscapes and climatic conditions, and whose implementation is sensitive to natural systems through the design and implementation of green-blue infrastructures (European Commission, 2018a). Housing and neighbourhood design should address rising temperatures, increasing droughts and rising sea levels across the region, based on “ecosystem-based approaches in line with the Sendai Framework for Disaster Risk Reduction 2015-2030 and by mainstreaming holistic and data-informed disaster risk reduction and management at all levels to reduce vulnerabilities and risk, especially in risk-prone areas of formal and informal settlements” (article 77 NUA). Special attention should be given to the circularity of constructions materials (see also Box 22);

**OBJECTIVE 12: ECONOMIC EMBEDDEDNESS:** Planning and design of housing developments and housing typologies that respond to the economic needs and aspirations of citizens, both in terms of location, accessibility and available job opportunities, and in connection to their livelihoods and economic needs and practices;

**OBJECTIVE 13: CULTURAL EMBEDDEDNESS:** Planning and design of culturally embedded housing typologies that respond to the cultural aspirations and needs of citizens, taking into account traditional livelihoods, as well as the heritage of Mediterranean cities. By integrating traditional forms of housing and land holding into public policy, local governments can achieve better results because of the cultural embeddedness of solutions;

**OBJECTIVE 14: SPATIAL JUSTICE:** Planning and design of affordable, sustainable and disaster-resilient housing that is spatially just and that caters for all citizens, with emphasis on the most vulnerable:
housing that is gender sensitive, child-friendly, elderly-friendly, accessible to people with disabilities and that is affordable, and of good quality;

**OBJECTIVE 15: MONITORING, PEER AND INSTITUTIONAL LEARNING:** Monitoring and benchmarking of housing provision across the region, accompanied by peer- and institutional learning that improves the capacity of governments to respond to housing challenges in informed, networked ways.
5. ACTIONS

ACTION 1: TO COORDINATE & ENHANCE COHESION in Sustainable and Affordable Housing Provision

1.1. KEY OBJECTIVES 1, 2, 3, 4, 5, 6, 9, 14

Recognizing that national housing systems are culture-specific, context dependent and take different forms across the Euro-Mediterranean region, this Housing Action Plan adopts definitions from the Urban Agenda for the EU Partnership on Housing (European Commission, 2018b) and encourages governments across the region to promote integration of National Housing Strategies into Integrated City Development Strategies (ICDSs), through incentives and capacity building exercises (O3).

It also encourages national governments to regularly review and evaluate national housing policies, carrying out specific analysis of major urban laws and regulations and the identification of gaps in regulation concerning the challenges identified at regional level on the basis of an evidence-based gap analysis (O1, O2), identifying systemic barriers to housing access (O4), with the objective to deliver National Housing Strategies (NHSs) that are integrated, trans-sectoral, inclusive, climate sensitive and sustainable, economically, environmentally and socially, as well as culturally grounded, disaster-resilient and future-proof.

NHSs must define operational guidelines, identifying implementation and financing gaps on the basis of an evidence-based gap analysis. NHSs must identify financing mechanisms that describe affordable housing as an infrastructure subject to needs-based capital investment (O5), and must identify mechanisms that address land availability in cities (O6), with an emphasis on the governance of land use, while assessing the quality of existing housing stock, its locational challenges and opportunities, its historical and heritage value, and future development potential.

1.2. KEY TOOLS

(i) National housing strategies and Local housing strategies in line with the UfM ACTION PLAN.
(ii) National housing strategies incorporated in updated National Housing Policies and National Urban Policies (NUPs).
(iii) Local housing strategies incorporated in Integrated City Development Strategies (ICDSs).
(iv) Emphasis on governance of land policy, including (i) land administration coordination, including introduction of innovative forms of land tenure (e.g. community land trusts, cooperative land tenure, social rent, etc.), (ii) coordination of fiscal instruments to influence land use and land availability for development, including progressive taxation and land value capture instruments to generate funds for social housing schemes, (iii) policy coordination between relevant ministries, particularly between those in charge of housing, urban development, land administration, environment, public works, energy, transport, health, education, culture, social policies, and emergency management, through NUPs and ICDSs and this Housing Action Plan, (iv) an assessment of existing historic and heritage values with potential to propel conservation, reuse renovation and development, and a plethora of other relevant policies for a sound housing system.
(v) Adoption of a set of common key indicators to measure the quality of housing provision, based on the indicators used by Eurostat (EUROSTAT, 2020), namely: household investment (as % of gross disposable income), house prices (% change compared to...
previous year), people owning their home (as % of the total population), people renting their home (as % of the total population), people for whom housing costs are an overburden (as % of the total population). A number of region-specific indicators can be added, namely: People living in substandard housing, including informal settlements (as % of the total population), People with access to basic services: running water, electricity and sanitation (as % of the total population), People with access to green areas within walking distance of their homes (as % of the total population). As indicators become more refined, difficulties in data collection and standardisation arise. What constitutes substandard housing varies across countries and regions (Howe, 2012) and further work on shared definitions must be carried out in the framework of the actions proposed in this Plan.

1.3. KEY ACTORS (TBD)

(i) National Ministries,
(ii) Local authorities,
(iii) Universities,
(iv) NGOs, housing associations, housing networks and social movements concerned with housing,
(v) Developers and other private sector actors concerned with housing,
(vi) UN-Habitat,
(vii) UNESCO,
(viii) Donors,
(ix) National Mapping Agencies (e.g. Norwegian Mapping Authority).

1.4. RELEVANT TECHNICAL ASSISTANCE PROJECTS

The promotion of National Housing Co-Investment Funds to be developed at national level: The Fund supports the new and revitalization construction of mixed-income, mixed-tenure, mixed-use affordable housing. This funding model prioritizes partnerships between governments, non-profit organisations, private sector, among others and provides low-cost loans and/or financial contributions. The focus of this type of fund is to develop energy efficient, accessible and socially inclusive housing for mixed-income, mixed-tenure and mixed-use affordable housing uses.

A variety of funding and financial instruments can be used to promote more affordable, inclusive and sustainable housing and these are listed below. (Vivienne Milligan, Gurran, Lawson, Phibbs, & Phillips, 2009, p. 28).
Created in 2004, FOGARIM (Guarantee Fund for Irregular and Modest Earners) targets primarily low-income households with irregular earnings. It provides guarantees covering 70 percent of losses on mortgage loans. Because of the type of income of the borrowers, the main selection criteria are prices (limited to US$25,000) and the level of monthly instalments, capped at about the equivalent of US$200 (at the upper-income threshold) and 40 percent of the households’ income (at the lower threshold). Guarantee can be enforced after nine months in arrears, once the foreclosure process has been initiated. After an initial phase where guarantees were granted for free, FOGARIM switched to a risk-linked premium system, where the amount of premiums is inversely linked to the size of the down payment. In 2009, FOGARIM was merged with another guarantee fund that targeted the moderate-income civil servants, middle-class independent workers, and non-resident Moroccans buying or building houses worth to US$100,000. The consolidated fund, Damane Assakane, was guaranteeing DH 9.3 billion at the end of 2010 (US$1.2 billion), while its own funds amounted to DH 0.95 billion. (Beck & Maimbo, 2013, p. 144).

According to Morocco’s Ministry of Urban Planning, Housing and City Policy, Moroccan policy regarding housing finance mechanisms has enabled banks to have the necessary guarantees which facilitate access to credit by households with undocumented income, thanks to the establishment of a dedicated fund – the Damane Assakane Fund – being able to make households struggling for access to decent housing solvent through the housing solidarity and urban integration fund, a fund mainly focused on subsidizing programmes to combat substandard housing. These financing mechanisms operate at two main levels, namely the material support for low-cost construction (FSHIU) and assistance to people with low incomes to access credit. These financial support tools have enabled the programmes implemented by the State to reduce the housing deficit from 1.2 million units in 2002 to almost 400,000 units in 2020.
<table>
<thead>
<tr>
<th>Financing mechanism</th>
<th>Brief outline</th>
<th>Illustrative example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>Able to directly influence housing supply, but limited to available funds and political commitment to housing. Often used to lever and secure other sources of funds.</td>
<td>UK, Austria</td>
</tr>
<tr>
<td>Discounted land price</td>
<td>Traditionally, a key vehicle to manage urban development outcomes, where governments are major land holders. Can be applied specifically to affordable housing goals. Subject to land availability and market conditions.</td>
<td>The Netherlands, Austria, France, Switzerland, UK, USA states</td>
</tr>
<tr>
<td>Public loans</td>
<td>Traditionally, the primary financing strategy for social / affordable housing programs. Cost-effective fund raising. Revolving liquidity (through loan repayments) can offer longer term reinvestment potential. Recently, curtailed by public sector borrowing limits and the attractiveness of low private mortgage rates. As so-called ‘soft’ loans, public loans may not require the same security or repayment conditions as required for private finance.</td>
<td>Austria, as part of a package of structured finance, some USA states</td>
</tr>
<tr>
<td>Protected circuits of savings for specified investments</td>
<td>Used to achieve a dedicated flow of affordable credit for affordable housing programs. Sustained in some countries, while others have dismantled them to improve competitiveness of local banks amidst foreign competition.</td>
<td>France (Caisse des Depot)</td>
</tr>
<tr>
<td>Private loans</td>
<td>Increasingly these play a role in financing affordable housing, either partially or entirely. Vulnerable to changing financial conditions and alternative investments. National approaches vary in cost-effectiveness and the appropriateness of the fund raising and distribution mechanisms that are used.</td>
<td>The Netherlands, Austria, UK</td>
</tr>
<tr>
<td>Interest rate subsidies</td>
<td>Useful in the early phase of a mortgage to reduce higher relative costs. Containing the cost to government over time relies on steadily rising wages and house prices and stable interest rates.</td>
<td>Widespread until late 1980s</td>
</tr>
<tr>
<td>Tax privileged private investment</td>
<td>Used to channel investment towards affordable housing and to compensate investors for lower rates of return and profit restrictions.</td>
<td>Austria, as part of a package, Australia (NRAS), USA</td>
</tr>
<tr>
<td>Government secured private investment</td>
<td>Government backed guarantees to reduce risks to financial institutions investing in affordable housing, passed on in lower cost of finance.</td>
<td>The Netherlands, Switzerland</td>
</tr>
<tr>
<td>Tax privileges for providers of affordable housing</td>
<td>Many countries provide a variety of tax privileges to registered organisations, for example, income and investment deductions, depreciation allowances, reduced sales and property taxes, exemptions from capital gains tax. These allowances compensate the efforts of the preferred providers towards achieving the social policy objectives of governments.</td>
<td>Widespread</td>
</tr>
<tr>
<td>Use of own reserves and surpluses</td>
<td>Mature housing organisations can leverage their balance sheets, reserves and surpluses to invest in additional housing. Funds raised may be pooled to support weaker organisations or to promote innovation and competition.</td>
<td>The Netherlands, Austria, Switzerland, France, UK</td>
</tr>
<tr>
<td>Use of tenants’ equity</td>
<td>Some funding models incorporate a small tenant equity contribution. Governments may assist low income tenants to make this contribution. Larger contributions may lead ultimately to tenant purchase of dwellings.</td>
<td>Austria</td>
</tr>
</tbody>
</table>

Table 2: Financing Mechanisms for Affordable Housing.

Source: Innovation in affordable housing in Australia: bringing policy and practice for not-for-profit housing organisations together (Vivienne Milligan et al., 2009, p. 28).
FURTHER FINANCING FRAMEWORKS: IFIs’ and other donors’ programmes and initiatives (to be identified) and EU programmes and initiatives, indicatively: EU Bilateral Cooperation, COST Actions, TAIEX-Twinning, IMOLA project on land registers launched with EULIS, the Colegio de Registradores de la Propiedad, Mercantiles y Bienes Muebles de España and the Dutch Kadaster.

1.5. KEY REFERENCE FRAMEWORKS

(i) (2004) Housing and Development Act of Singapore, Revised Edition 2004 (Government of Singapore, 2004), and Subsidiary Legislation,
(iv) (2007) INSPIRE DIRECTIVE (European Commission, 2007),
(vii) (2016) UNECE Working Party on Land Administration (UNCE, 2016),
(viii) (2018) Canada National Housing Strategy (Canada, 2018),
(ix) (2018) The WHO Housing and health guidelines (WHO, 2018),
(x) (2018) Urban Agenda for the EU Partnership on Housing (European Commission, 2018b),
(xi) (2019) EU Housing Europe: Housing Evolution Hub (Housing Europe, 2019b),
(xii) (2019) OECD Key Characteristics of Social Rental Housing (OECD, 2019c),
(xiv) (2020) Better data and policies to fight homelessness in the OECD (OECD, 2020a),
(xv) (2020) Social housing: A key part of past and future housing policy”, OECD Policy Briefs on Affordable Housing (OECD, 2020d),

1.6. TIME FRAME
Mid- to long-term.

1.7. PROPOSED ACTIONS AND INDICATIVE LIST OF IMPLEMENTORS:

(i) Invite and encourage National Ministries to set up housing policy development taskforces to analyse gaps in instruments of housing policy, with due emphasis on access to affordable housing by all who need it, healthy housing, climate change action and mitigation, disaster risk reduction, and heritage conservation and reuse, under this Action Plan.
(ii) Invite and encourage National Ministries to set up National Urban Policies (NUPs) to prepare and integrate National Housing Strategies, in close collaboration with local authorities, housing federations, civil society, including popular housing movements, and the private sector, through organisation of partnerships and consultancy.
(iii) Encourage National Ministries to assess the state of the existing housing stock, with attention to health and safety standards of habitation (UK Government, 2006), climate adaptation, sustainable and circular reuse of abandoned or underused spaces and buildings, access to water and sanitation, disaster resilience, fire and earthquake safety and connectivity (European Commission, ARCO, & Prato, 2019).
(iv) Encourage National Ministries to assess the state of the existing housing stock with a focus on heritage with the potential for regeneration, reuse and development, using UNESCO Recommendation on the Historic Urban Landscape.
(v) Encourage National Ministries to establish Housing Observatories and policy labs to help define national housing strategies in line with UN-Habitat’s Guide for Conducting Housing
Profiles (UN-Habitat, 2011), in close collaboration with local authorities, housing federations, civil society and private sector, with emphasis on governance of land use, and historic urban landscapes, including:

- land administration coordination, the introduction of innovative forms of land tenure (community land trusts, cooperative land tenure, social rent, etc.),
- coordination of fiscal instruments to influence land use and land availability for development, including progressive taxation and land value capture instruments to generate funds for social housing scheme, and
- policy coordination between relevant ministries, particularly between those in charge of housing, urban development, land administration, environment, public works, energy, transport, health, education, culture, social policies, and emergency management, through NUPs and ICDSSs.

(vi) Encourage local authorities to incorporate National Housing Strategies into Integrated City Development Strategies (ICDSSs) and to seek partnerships for further local capacity building in this area, via policy labs mentioned above.

(vii) Set up a Mediterranean Housing Knowledge Hub in the model of the European Federation of Public, Cooperative and Social Housing (Housing Europe), in partnership with Housing Europe and its Observatory, and/or OECD, subject to further agreement, in order to facilitate policy transfer and institutional learning (Housing Europe, 2019b), and in close collaboration with local authorities, housing federations, civil society (including popular housing movements), and private sector.

1.8. MODEL FOR IMPLEMENTATION

Various models of implementation are available, including:

(i) Finland Housing First Approach (Kangas & Kalliomaa-Puha, 2019; Lawson, Pawson, L. Troy, Nouwelant, & Hamilton, 2018; Pleace, 2016).
(ii) Canada National Housing Strategy (Canada, 2018),

1.9. CRITERIA OF SUCCESS

(i) Countries produce reports on housing, land and fiscal policy gaps.
(ii) Countries produce reports on the state of the existing housing stock, with attention to energy efficiency, climate adaptation, sustainable and circular reuse of abandoned or underused spaces and buildings, access to water and sanitation, disaster resilience, fire and earthquake safety and connectivity.
(iii) Countries produce reports on the state of existing housing stock, with attention to housing traditions trajectories, and heritage with the potential for regeneration, reuse and development, using UNESCO Recommendation on the Historic Urban Landscape.
(iv) Policy labs to help define national housing strategies are held (in line with IMMEDIATE ACTION 5).
(v) Countries draw up workforces to amend legislation, in close collaboration with housing federations, civil society (including popular housing movements), and private sector.
(vi) Institutionalised Report Cards for achievement of housing related goals. Public investments are channelled towards achievement of housing policy goals and accountability in budget reporting and reviews.

(vii) Countries adopt an adequacy of investment pathway and establish property registers, cadastral maps, prepare address registers and geographic information, in line with SDG indicators, NUA and UNECE guidelines.

(viii) A significant number of countries across the region have NUPs with housing policy provisions.

(ix) A significant number of countries across the region have National Housing Strategies.

(x) A Mediterranean Housing Knowledge Hub is established at a local university in partnership with Housing Europe (or at JRC/OECD), in close collaboration with universities, housing federations, civil society (including popular housing movements), and private sector.
ACTION 2: TO EDUCATE & STRENGTHEN CAPACITY in Sustainable and Affordable Housing Provision

2.1. KEY OBJECTIVES 9, 10, 13, 14, 15

Recognizing that national housing systems are culture-specific, context dependent and take different forms across the Euro-Mediterranean region, and that the extensive building stock exists with diverse levels of historic relevance and potential for redevelopment, this Housing Action Plan encourages governments across the region to engage and promote NETWORKED CAPACITY BUILDING & PEER-TO-PEER LEARNING in housing policy design, implementation and to develop governmental leadership in guiding national and integrated local strategies. It encourages UfM countries to tackle capacity in housing provision in its multiple dimensions (community engagement, strategic planning, land management, housing investment, resource management capacity, organisational capacity, industry specific capacity, networking capacity, political capacity and monitoring capacity) (Lawson, Legacy, & Parkinson, 2016, p. 13), notably through (i) living labs, (ii) peer-to-peer learning, (iii) city-to-city partnerships, (iv) on-the-job short training and (v) networked learning.

In support of ACTION 1 (TO COORDINATE & ENHANCE COHESION) of the UfM Strategic Action Plan, this action is anchored on a science-policy interface as a key dimension for capacity and vision building. In this sense, Universities across the Mediterranean region are seen as catalysts of action, providing on-the-job innovative training to planning professionals and educating the next generation of urban planners, designers, managers and implementers. Local universities must build bridges between science and research on the one hand, and spatial policies, the historic urban landscape and urban interventions on the other. Consequently, an important aspect of this axis of intervention is the coordination of Spatial Planning and Architecture Schools’ curriculums, including curriculum convergence in terms of planning and design for sustainable, resilient, and integrated housing provision, using the frameworks mentioned in this Housing Action Plan, and UNESCO’s Historic Urban Landscape approach, respecting the traditions and specialization of each university.

BOX 5: What are Living Labs?

Living Labs (LLs) are places of experimentation in real-life contexts, which have been popularised in the past decade. The European Network of Living Labs (ENoLL) defines living labs as “user-centred, open innovation ecosystems based on a systematic user co-creation approach, integrating research and innovation processes in real life communities and settings” (European Commission, 2016). LLs have been widely employed as Transition Management Tools (Wirth, Fuenfschilling, Frantzeskaki, & Coenen, 2018). Transitioning to a sustainable, just, and stable society is necessary on an unprecedented scale and speed. Methods to do that have been developed over the last decades from research, demonstration, to innovation, to transitioning and transformative approaches. In the spectrum of those methods, Living Labs are increasingly used in many innovation projects, scientific programmes and municipal institutions, because of their capacity to promote learning, experimentation and innovation based on co-creation of solutions with stakeholders and citizens. Living Labs are implemented in many cities in Europe and have achieved good results, as illustrated by those set up by the AMS Institute in Amsterdam (Steen & Bueren, 2017b). Living Lab approaches have some common features: they are aimed at complex urgent societal challenges; therefore, they make use of iterative/learning approaches, done by co-creation with stakeholders involved. LLs are all about innovation and learning; they include co-creation, distribute decision power and encourage feedback and iteration steps; involving all relevant participants: public actors, private actors, users (civil society) and knowledge institutes (Steen & Bueren, 2017a).
Table 3: Key dimensions of capacity to deliver social policy housing objectives

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Examples at organisation level</th>
<th>Examples at industry level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource capacity</td>
<td>• Long-term operating support and funding agreements</td>
<td>• Durability of government subsidy programs</td>
</tr>
<tr>
<td></td>
<td>• Resources for consolidation, capacity building and expansion</td>
<td>• Durability of relations with private funders</td>
</tr>
<tr>
<td></td>
<td>• Development capital</td>
<td>• Resource providers and brokers: e.g. peaks, industry groups, consultants, and training providers</td>
</tr>
<tr>
<td></td>
<td>• Access to funders</td>
<td></td>
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<tr>
<td></td>
<td>• Reasonable borrowing limits</td>
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<tr>
<td></td>
<td>• Balanced portfolio risk</td>
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</tr>
<tr>
<td></td>
<td>• Internal cash flows</td>
<td></td>
</tr>
<tr>
<td>Organisational</td>
<td>• Commitment to a clear vision</td>
<td>Capacity of non-provider organisations: e.g. regulators, funders, developers, peaks,</td>
</tr>
<tr>
<td>capacity</td>
<td>• Definition of roles</td>
<td>consultants, training and other resource providers, and client service partners.</td>
</tr>
<tr>
<td></td>
<td>• Effectiveness of executive director</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Staff competence and stability</td>
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</tr>
<tr>
<td></td>
<td>• Board development and leadership</td>
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<tr>
<td></td>
<td>• Fiscal management</td>
<td></td>
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<tr>
<td></td>
<td>• Information technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Project management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Evaluation</td>
<td></td>
</tr>
<tr>
<td>Industry specific</td>
<td>Specialist knowledge and skills in housing and cognate fields: tenancy management, tenant</td>
<td>Programs, strategies, incentives, procedures and regulations for outcomes in housing and</td>
</tr>
<tr>
<td>capacity</td>
<td>participation, client referral and support, asset management, housing development and</td>
<td>cognate fields: e.g. affordability, accessibility, health, environmental sustainability</td>
</tr>
<tr>
<td></td>
<td>place-making</td>
<td>and energy efficiency.</td>
</tr>
<tr>
<td>Networking capacity</td>
<td>• Relationships with regulators, funders, peaks, industry groups, peers</td>
<td>• Legibility of industry networks</td>
</tr>
<tr>
<td></td>
<td>• Partnerships with other client service providers</td>
<td>• Effectiveness of peaks and industry groups</td>
</tr>
<tr>
<td></td>
<td>• Access to non-financial resources</td>
<td>• Balance of competition and collaboration</td>
</tr>
<tr>
<td>Political capacity</td>
<td>• Community participation and alliances</td>
<td>• Education of constituents and partners</td>
</tr>
<tr>
<td></td>
<td>• Conflict management</td>
<td>• Political leverage</td>
</tr>
<tr>
<td></td>
<td>• Media management</td>
<td>• Conflict management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Ability to frame problems and link to influential agendas</td>
</tr>
</tbody>
</table>

Source: (V. Milligan et al., 2016)

2.2. **KEY TOOLS**

(i) Encouraging the update and coordination of the region’s Spatial Planning and Architecture Schools’ curriculums in regard to housing policy, design and implementation, in tandem with Action 2 TO EDUCATE & STRENGTHEN CAPACITY.

(ii) Living Labs: Multi-stakeholder real-life experimentation environments for policy design and implementation, coordinated by national and local authorities in partnership with local universities. Focus: ministerial and municipal policy makers, planners and designers,
experts on historical urban landscapes, business leaders, civil associations, citizens, especially vulnerable groups.

(iii) Peer-to-peer learning: Peer-to-peer learning exercises consist of periodical workshops with national and local planning authorities, in which policy-makers from UfM countries discuss problems and solutions actively, in tandem with the EU Urban Agenda Housing Partnership Action Plan (European Commission, 2018b). Such workshops will include different kinds of stakeholders, in particular international and local organizations and universities. Focus: ministerial and municipal policy makers, planners and urban designers.

(iv) City-to-city partnerships: City-to-city partnerships across the Mediterranean region consist of periodical workshops organised by cities paired-up in terms of their shared and/or complementary challenges, expertise and institutional knowledge. An example of such partnerships can be found in the work of the International Branch of Dutch Municipalities Association (VNG International). Focus: ministerial and municipal policy makers, spatial planners and urban designers.

(v) On-the-job short trainings: Short training courses organised by local universities on topics of housing policy, design and implementation, housing management, land management, new construction with traditional materials, traditional and new techniques for restoration of the built heritage, with the application of UNESCO’s Historic Urban Landscape approach, and innovative approaches to traditional housing design, and more. Focus: ministerial and municipal policy makers, planners and designers.

(vi) Networked learning: In order to form a community of future planners, designers and managers of sustainable integrated housing who “speak the same language”, a number of short learning experiences (summer schools and short courses) for students from all UfM countries are organised periodically. Networked learning refers both to on-line education and to a network of universities, local and national authorities, business and academics. Focus: undergraduate students who are likely to become policymakers.

### BOX 6: VNG International: the international branch of the Dutch Municipalities Association

VNG International are experts in strengthening democratic local government in developing countries and countries in transition. Local governments play a key role in the provision of basic services including water, waste management, health care and housing. They have a profound impact on areas such as safety, food security, rule of law and women’s rights. This is how our projects contribute in a sustainable way to better futures for people, communities and countries. VNG International designs and implements projects to strengthen local governments in their various fields of competence (VNG-International, 2019).

2.3. **KEY ACTORS (TBD)**

(i) National Ministries,
(ii) Local authorities,
(iii) Universities,
(iv) European Network of Living Labs (ENoLL),
(v) UNESCO,
(vi) Universities and research institutes (e.g. IHS Erasmus Rotterdam, Lincoln Institute),
(vii) OECD,
(viii) UN-Habitat Capacity Building Unit,
(ix) VGN International.
2.4. **RELEVANT ONGOING TECHNICAL ASSISTANCE PROJECTS**

IFIs’ and other donors’ programmes and initiatives (to be identified) and EU programmes and initiatives, indicatively: COST Actions, TAIEX-Twinning, Erasmus+, Marie Skłodowska-Curie Actions (MSCA), Creative Europe, Skills for Youth Employability programme,

2.5. **KEY REFERENCE FRAMEWORKS**


2.6. **TIME FRAME**

Short to mid-term

2.7. **PROPOSED ACTIONS AND INDICATIVE LIST OF IMPLEMENTORS:**

(i) Partnerships are established between UfM and local and key universities with capacity for housing policy and planning, as well as other capacity building organisations across the Euro-Mediterranean region.

(ii) Universities’ partnership and ministries set living labs in a small number of pilot cities with European Network of Living Labs and VGN.

(iii) Universities’ partnership sets short on-the-job training courses.

(iv) Universities’ partnership sets summer school for students from across the Euro-Mediterranean region.

(v) Universities’ partnership/vocational training institutions/Ministries/donors promote jobs and develop skills related to the construction with traditional materials and/or traditional and new techniques for the restoration of the built heritage.

2.8. **MODEL FOR IMPLEMENTATION**

(i) UfM Strategic Action Plan ACTION 2 TO EDUCATE & STRENGTHEN CAPACITY (see main document for details),

(ii) European Network of Living Labs (ENoLL),

(iii) VGN International.

2.9. **CRITERIA OF SUCCESS**

(i) A number of Living Labs on Housing are organised across the Euro-Mediterranean region.

(ii) A number of on the job short training courses are set in universities and professional schools across the Euro-Mediterranean region.
A curriculum analysis shows significant updating across universities in the Euro-Mediterranean region, following the frameworks cited in this Action Plan.

An impact analysis by UfM shows significant changes in housing planning and design practices across the Euro-Mediterranean region, with adopted benchmarks defining the nature and form of expert and capable housing systems, the level of engagement of stakeholders and their openness for learning, the level of political engagement and stakeholder empowerment.

**ACTION 3: TO ENVISION & GOVERN TOGETHER** Sustainable and Affordable Housing Provision

**3.1. KEY OBJECTIVES 3, 8, 9, 10, 13**

Polycentric, multi-level Governance is a core tenet of good policymaking (O3). This centrality comes from the growing need to work in partnerships to tackle complex common challenges, the growing economic, environmental and political interdependence between regions and countries, the need for increased accountability, transparency and inclusivity in democratic multi-actor decision-making processes (O8, O12) and from the requirement for an adherence to principles of subsidiarity, which places decisions at the most effective level and as close as possible to societal actors, with a focus on citizen engagement and participation (O8, O11).

Furthermore, principles of polycentric, multi-level governance in sustainable, integrated housing development and neighbourhood regeneration are likely to increase overall social sustainability, improve policy suitability, adherence and support, and deliver spatial justice (O12)(Golubchikov & Badyina, 2012; Tosics, 2004). Additionally, participatory housing experiments through Living Labs or Urban Labs can foster better cultural embeddedness of solutions and harness the energy of citizens in bottom-up initiatives, including innovative approaches to traditional housing design that is more culturally and climatically embedded. This has consequences for how we address slum upgrading and informal urbanisation (O7, O11). “Participatory housing design experiments can fuel innovations. While limited in their scope for use, they can help re-examine existing practices and models in urban planning and point the way forward. The hybridization of participatory approaches and more conventional processes could hold the key to a broader transformation” (Saujot & Zimmer, 2016).

**BOX 7: Further Polycentric Governance**

"Polycentricity is a fundamental concept in commons scholarship that connotes a complex form of governance with multiple centres of semi-autonomous decision-making. If the decision-making centres take each other into account in competitive and cooperative relationships and have recourse to conflict resolution mechanisms, they may be regarded as a polycentric governance system. In the context of natural resource governance, commons scholars have ascribed a number of advantages to polycentric governance systems, most notably enhanced adaptive capacity, provision of good institutional fit for natural resource systems, and mitigation of risk on account of redundant governance actors and institutions’ (Carlisle & Gruby, 2019, p. 927)."
BOX 8: Multi-level Governance

“\nIn an increasingly globalised and rapidly changing world, decision-making processes associated with the development, implementation and monitoring of public policies are becoming increasingly complex. Individual governments or government departments now rarely have all the power, resources and governance structures that are required to adequately respond to public policy challenges under their responsibility and effectively govern their constituencies. This means that they are required to work with, or seek the aid of, others from the public, private, non-government organisation or community spheres, and often across a range of sectors, to achieve their objectives. Understanding and managing the issues associated with governing across a range of boundaries are thus paramount to achieving positive public policy outcomes in today’s environment” (Daniell & Kay, 2017).

BOX 9: Multi-level governance in the European union: The Charter for Multi-level Governance for Europe

“Given that many competences and responsibilities are shared between the various levels of governance in the European Union, we recognise the need TO WORK TOGETHER IN PARTNERSHIP to achieve greater economic, social and territorial cohesion in Europe. No single level can deal with the challenges we face alone. We can solve citizens’ problems on the ground by COOPERATING better and running JOINT PROJECTS to tackle the common challenges ahead of us. We stand for a multilevel-governance Europe "based on coordinated action by the European Union, the Member States and regional and local authorities according to the principles of subsidiarity, proportionality and partnership, taking the form of operational and institutional cooperation in the drawing up and implementation of the European Union’s policies". In this endeavour, we fully respect the equal legitimacy and accountability of each level within their respective competences and the principle of loyal cooperation. Aware of our INTERDEPENDENCE and ever seeking greater EFFICIENCY, we believe that great opportunities exist to further strengthen innovative and efficient political and administrative cooperation between our authorities based on their respective competences and responsibilities. The objective of this Charter, drawn up by the Committee of the Regions of the European Union, is to connect regions and cities across Europe, whilst promoting MULTI-ACTORSHIP with societal actors such as the social partners, universities, NGOs and representative civil society groupings. In line with the SUBSIDIARITY principle which places decisions at the most effective level and as close as possible to the citizens, we attach great importance to co-creating policy solutions that reflect the needs of citizens. It is precisely through our commitment to the fundamental VALUES, PRINCIPLES and PROCESSES underpinning multilevel governance that we believe new modes of DIALOGUE and partnership will emerge across public authorities in the European Union and beyond. Multilevel governance strengthens openness, participation, COORDINATION and JOINT COMMITMENT to delivering targeted solutions. It allows us to harness Europe’s diversity as a driver for capitalising on the assets of our local areas. Making full use of digital solutions, we are committed to increasing TRANSPARENCY and offering quality public services easily accessible to the citizens we represent. MULTILEVEL GOVERNANCE helps us to learn from each other, experiment with innovative policy solutions, SHARE BEST PRACTICES and further develop PARTICIPATORY DEMOCRACY, bringing the European Union closer to the citizens. We believe that embracing multilevel governance contributes to deeper EU integration by further strengthening the ties between our territories, and overcoming the administrative hurdles in regulation and policy implementation and the geographical frontiers that separate us.” (European Committee of the Regions, 2014).

3.2. KEY TOOLS

(i) Housing Living Labs (see ACTION 2 TO EDUCATE & STRENGTHEN CAPACITY).
(ii) City design workshops based on the CITY LABS methodology developed by URBACT [subject to negotiation and agreement with URBACT]: Plenary, (intro/scene setting); ‘stars and bars’ exercise; fishbowl session, parallel workshops focused on a specific theme and build-up around case studies, allowing for triangulation with partners from the larger international network. (see ACTION 5 TO IMPLEMENT & MANAGE).
(iii) Planning by Design Workshops based on UN-Habitat Urban Labs methodology. (see ACTION 5 TO IMPLEMENT & MANAGE).
(iv) Citizen & Stakeholder Assemblies at functional urban regional level, based on participatory methodology for River Basin Committees (integrated in NUPs and promoted by local governments).
(v) Citizen & Stakeholder Assemblies at Local Level (integrated in ICDSs).

**BOX 10: Participatory Housing in France**

The “Réseau National des Collectivités pour l’Habitat Participatif” (National Network of Communities for Participatory Housing - RNCHP) was created in 2010 in order to bring together communities (municipalities, inter-municipal authorities, regions, etc.), through citizen initiatives in this area, pooling together their experiences on the subject. It is both a platform for exchange, committed to making participatory housing a component of public policies, but also a lever for national inquiry. The Network became an association in January 2014. Thanks to the creation of this Network, Participatory Housing has taken a new step by becoming an integral part of the public policies of these communities. This approach is at the convergence of four challenges:

1. the challenge of the right to housing for all;
2. the urban question in the way that we build the city;
3. a challenge for the sharing economy, in its integration between public housing and private property;
4. a challenge for citizenship, in the ability of residents to collectively lead a project to live together in the city.

This reflects a shared desire to make this form of housing accessible to the greatest number, including families with modest incomes. To date, the RNCHP brings together nearly thirty members or associated communities (municipalities, departments, regions, PNR)(RNCHP, 2016).
BOX 11: The European Union (EU) Water Framework Directive (WFD) as a model for participatory planning

“The European Union (EU) Water Framework Directive (WFD), with its aim to protect and restore the European water environment via participatory and integrative river basin management, is widely regarded as the most ambitious and comprehensive piece of EU environmental legislation to date. Adopted by the European Parliament and Council in 2000, the WFD (Directive 2000/60/EC) sought to harmonize EU water policy, which was until then highly compartmentalized and had failed to safeguard aquatic ecosystems and water quality within the EU. The WFD, one of a “new generation” of EU environmental directives, was seen by the European Commission and commentators alike as destined to transform the European water sector. The Directive introduced the concept of “good status” (ecological and chemical for surface waters, and chemical and quantitative for groundwater), requiring that all water bodies reach good status by the end of 2015. To this end, the WFD set ambitious procedural requirements and means by which its goals should be achieved. Among other innovations, it requires that planning and implementation be carried out: (1) at the scale of hydrologically defined river basin districts (RBDs); and (2) in a participatory manner, encouraging the active involvement of “all interested parties” — including water users, other stakeholders, and the wider public. Together, these requirements have necessitated widespread institutional redesign and adaptation (albeit to differing degrees) among the member states, and thus resulted in a wide variety of experiences across the EU” (…)

“The Directive stipulates timeframes and procedures for the provision of information and for consultation at key stages of the planning process, and requires that member states “encourage the active involvement of all interested parties in the implementation of this Directive, in particular in the production, review and updating of the river basin management plans” (WFD Art. 14 (1)) (…) The WFD provisions for participatory planning can be seen in terms of a codification and institutionalization of what has been labelled a “shift from government to governance” in the management of resources and the environment in Europe and beyond (…). This process has been driven both from “below” as citizens have demanded more say in the decisions that affect them, and from “above” as authorities have sought to realize certain benefits of involving stakeholders and the public in decision-making. In this sense, the rationale behind the statutory obligation for participation in the WFD is clearly a pragmatic and instrumental one, as the CIS (Common Implementation Strategy) guidance document on public participation spells out: “Public participation is not an end in itself but a tool to achieve the environmental objectives of the Water Framework Directive” (Jager et al., 2016).

3.3. KEY ACTORS

(i) National Ministries  
(ii) Local authorities  
(iii) Local universities (Living Labs/ Urban Labs)  
(iv) Mediterranean Housing Knowledge Hub  
(v) Donors and regional stakeholders

3.4. RELEVANT ONGOING TECHNICAL ASSISTANCE PROJECTS

(i) IFIs’ and other donors’ programmes and initiatives  
(ii) EU programmes and initiatives, indicatively: COST Actions, TAIEX-Twinning, Erasmus+, Marie-Skłodowska-Curie Actions (MSCA), Creative Europe, Skills for Youth Employability programme.

3.5. KEY REFERENCE FRAMEWORKS

(ii) UN-Habitat Urban Design Labs [subject to agreement with UN-Habitat].

(iii) URBACT City Labs [subject to agreement with URBACT].


(v) UNESCO Results-Based Programming, Budgeting, Management, Monitoring and Reporting (RBM) approach as applied at UNESCO Guiding Principles (UNESCO, 2019).


3.6. TIME FRAME
Mid- to long-term.

3.7. PROPOSED ACTIONS AND INDICATIVE LIST OF IMPLEMENTORS:

(i) NUPs and National Housing Plans across the region adopt principles of stakeholder engagement and citizen participation in housing policy design and implementation, including principles of participatory housing design, in line with ACTION 1 TO COORDinate and ENHANCE COHESION.

(ii) A number of municipalities set up housing living labs in partnership with local universities.

(iii) National governments are encouraged to set up Housing Observatories at the national level.

(iv) A Mediterranean Housing Knowledge Hub is established in one of UfM partner universities.

(v) Living Labs and Housing Urban Design Labs are established in a number of municipalities around the Mediterranean, in line with ACTION 2 TO EDUCATE & STRENGTHEN CAPACITY.

3.8. MODEL FOR IMPLEMENTATION

(i) UN-Habitat Urban Design Labs.

(ii) URBACT City Labs.

(iii) Housing Europe: European Federation of Public, Cooperative and Social Housing.

3.9. CRITERIA OF SUCCESS

(i) NUPs, NHPs and CDSs across the region adopt principles of stakeholder engagement and citizen participation in housing policy design and implementation, including principles of participatory housing design, and heritage conservation, reuse and development.

(ii) A Euro-Mediterranean Housing Knowledge Hub is established in one of the partner universities.

(iii) Living Labs and Housing Urban Design Labs are established in a number of municipalities around the Mediterranean.

(iv) Housing observatories at country level are established.
Civil society organisations, including housing social movements, are involved in decision making, implementation, monitoring and reporting.
ACTION 4: TO INTEGRATE & PROTECT Sustainable and Affordable Housing Provision

4.1. KEY OBJECTIVES 7, 8, 11, 12, 14

Access to decent, well connected, healthy housing is a human right. It is also a strategic security issue. Housing security means that populations are more resilient to natural disasters, extreme climate events, health emergencies and economic crises. Many countries “recognise the role of cities or subnational governments for building national resilience in the national policy frameworks on resilience”. However, housing is not yet explicitly recognised as a crucial component of most national resilience plans in OECD countries (OECD, 2019d). A multi-dimensional understanding of the role of housing in resilience plans could include forms of housing and embeddedness in urban form, issues of social inclusion and environmental sustainability, management and use of land for housing, the design quality and density of housing forms, their connections to opportunities via differing modes of mobility and allocation of life chances (van Kempen, 1994).

Among the many public challenges faced by countries everywhere, climate change causing rising temperatures, rising sea levels and frequent extreme climate events is among the most pressing. The effects of climate change on communities around the Mediterranean is bound to be severe (Giorgi, 2006), with the Mediterranean Basin warming up 20% faster than the global average (UfM, 2019b, p. 24). The multiple ways to address climate change (prevention, mitigation and adaptation) have multiple implications for the housing sector. Spatial planning, urban design, construction technology and architecture play a central role in preventing further rise in temperatures, and to adapt to and mitigate ever more frequent extreme climate events (Carter et al., 2015). Furthermore, decision-makers must be made aware of the central role of the construction sector for climate change adaptation strategies (Roders, Straub, & Visscher, 2013), including the role of circular approaches in construction and demolition, re-using of materials and re-purposing of buildings, and the concepts of urban metabolism and urban ecology. Circular approaches to construction and demolition are further connected to durability, adaptability, fire safety, and resistance to earthquakes.
This approach requires integrative trans-sectoral policy and regulation on climate science, environmental spatial planning, urban design, building and architectural standards for housing, and attention to affordable housing schemes. It also requires integrated strategic spatial planning that connects living areas via transport planning (e.g. City of Vienna, 2014).

On a par with climate change, infectious disease outbreaks are global events that demand immediate action, as the interconnectedness of our socio-technical systems means any health hazard can spread with unmatched velocity around the world. Exposure and resistance to infectious diseases have much to do with how and where we live. One of the defining characteristics of the COVID-19 outbreak was the necessity to slow down contagion by encouraging citizens to wash their hands frequently, keep social distance and to self-isolate. These measures are impossible to implement in urban environments where people live in too close proximity to each-other, where they do not have access to running water and sanitation, and where the quality of housing is so poor that health hazards cannot be effectively addressed or contained. Moreover, general public health is bound to be very poor in places where a significant part of the population lives in slums or where the rate of homelessness is substantial. The homeless have no protection against health and natural hazards whatsoever, unless firm public action is taken.

Housing security means a wide range of measures must be undertaken to guarantee that a vast majority of citizens have access to dignified, connected and salubrious housing at all times. These measures include affordable housing programmes, ample and easy access to social housing for vulnerable citizens, and measures that cover security of tenure, security against excessive rent increases, maintenance, service charges, etc. In some countries, social housing tenants on low incomes are entitled to housing benefits if their rent is too high relative to the household combined income.

Housing security also includes the idea of asset-based welfare, or the “idea that households should be encouraged to invest in assets that accrue over the lifetime to be drawn upon when needed (usually later in life)” (Ronald, Lennartz, & Kadi, 2015). This idea has been challenged by scarcity of access to affordable housing in most places. This is fuelled by lack of access to mortgages, as a by-product of flexible and often insecure work contracts, combined with rising house prices due to speculation or insufficient offer. These circumstances have a disproportionate impact on vulnerable citizens and on younger people starting in the housing market, who are unable to access mortgages or who are at risk of falling into excessive debt to buy a home, especially after the 2008 global financial crisis and the

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**BOX 12: The importance of housing for climate change mitigation, adaptation and transition**

“Housing is closely related to the production of urban fabric. As such, housing determines both the density of cities and their level of functionality. It is recognized that these are prime factors in the overall energy efficiency of cities (Salat, Bourdic, & Labbe, 2013). Therefore, housing types determine to a large extent the carbon footprint of cities. Beyond adaptation issues, the residential sector is one of the most significant contributors to greenhouse gas emissions. In fact the buildings and construction sector accounted for 36% of final energy use and 39% of energy and process-related carbon dioxide (CO2) emissions in 2018 (IEA, 2019). The housing sector is therefore also an essential part of the solution to reduce the carbon footprint through bolder and more enforced thermal regulations, improved building standards and capacity building in the construction sector. A qualitative shift in the construction sector is needed, especially the use of local material to decrease the grey energy component. Finally, a powerful tool to curb urban sprawl and reduce the carbon footprint of cities is the rehabilitation of decaying and more generally substandard housing stock in city-centres, as well as urban renewal projects taken in a broader sense (for instance conversion of urban wasteland, such as industrial sites, into residential areas)”. Text by Olga Koukoui, Housing Expert and Task Team Leader, AFD, Agence Française de Développement.
2020 Covid-19 recession. These factors have fuelled an “intergenerational housing wealth polarization, expanding the private rental sector and landlord numbers whilst undermining the homeownership base” in many places (Ronald et al., 2015, p. 2). Furthermore, cities as providers of employment and services attract workers but also migrants. These populations are not always in search for homeownership but for a qualitative rental offer. Providing incentives to landlords to improve the rental offer also often goes hand in hand with city-centre regeneration.

The choice between strategies to promote home ownership, especially by the most vulnerable in society, and the promotion of publicly or privately steered social rental is largely rooted in context, path dependency and culture. While home ownership is an aspiration in many societies, and a tool for building intergenerational wealth, other societies accept and are more comfortable with social rental, as it allows for closer control of the social housing stock as a public infrastructure and better control of access by vulnerable groups and individuals in need of urgent housing. However, publicly regulated social rental demands increased coordination and management by public agencies. There are numerous models of public and private social rental and control of public housing stocks. Promotion of home ownership can co-exist with well-regulated social rental schemes, as cases in Austria, Germany and The Netherlands seem to demonstrate. Further, home ownership and rental housing respond to different needs and different stages of life: the needs of students, young couples, migrant workers and more generally of economically mobile populations in terms of housing correspond rather to a qualitative rental offer (often very scarce). Therefore, housing rental and ownership are articulated and inscribed in the residential trajectories of individuals and households. Countries and cities are encouraged to learn from one another through a shared platform and via the living labs proposed in this Action Plan.

The emphasis given by governments to spatial planning and environmental planning to combat and mitigate climate change often overlooks the role of architecture, building materials and technology. Traditional forms of architecture and traditional construction materials are likely to be more climate-adaptive and geography-sensitive, favouring passive design strategies. In this type of strategy, “the design of construction and shape of the building itself, as opposed to its servicing, play major roles in capturing, storing and distributing wind and solar energy, normally with the aim of displacing fossil fuels” (Loonen, Trčka, Cóstola, & Hensen, 2013). This perspective puts in evidence the need to “design from heritage” (Kuipers & Jonge, 2017), dealing with the conservation, reuse and development of built heritage.

Finally, housing as a strategic security issue cannot be divorced from an integral cross-sectoral approach in which housing is seen as an integral part of sustainable and resilient urban development.
**BOX 13: What is the Circular Economy and why it matters for housing strategies**

In 2020, the European Commission published a new Action Plan on Circular Economy as part of the EU Green Deal. This Action Plan brings together principles of the circular economy and sustainable urban development and has an impact on how housing policy can be conceived in order to cater for circularity, significantly offsetting the negative environmental impacts of construction, demolition and building maintenance in the housing sector.

A new comprehensive Strategy for a Sustainable Built Environment will be published in 2021 and will contain the revision of the Construction Product Regulation, which lays down harmonised rules for the marketing of construction products in the EU (European Commission, 2011) including the possible introduction of recycled content requirements for certain construction products, taking into account their safety and functionality. It will also contain a revision of material recovery targets set in EU legislation for construction and demolition waste and its material-specific fractions, a possible revision of the public procurement rules, in order to include requirements to use green public procurement tools (European Commission, 2020d) and life-cycle costing/assessment. The European Commission will further support EU-wide market for secondary raw materials, procurement for low carbon construction and insulation materials, the creation of local supply chains for the re-use of building materials coming from demolition, setting up ecosystems for reversible/circular buildings design, and finally will provide funding.

Examples of projects are Houseful (HOUSEFUL, 2020) and Drive Zero (European Commission, 2020b), whose aims are to promote new business models and new building concepts (adapted from Housing Europe, 2020).

“Looking beyond the current take-make-waste extractive industrial model, a circular economy aims to redefine growth, focusing on positive society-wide benefits. [A circular economy] entails gradually decoupling economic activity from the consumption of finite resources and designing waste out of the system. Underpinned by a transition to renewable energy sources, the circular model builds economic, natural, and social capital. It is based on three principles:

- Design out waste and pollution,
- Keep products and materials in use,
- Regenerate natural systems.

In a circular economy, economic activity builds and rebuilds overall system health. The concept recognises the importance of the economy needing to work effectively at all scales – for large and small businesses, for organisations and individuals, globally and locally. Transitioning to a circular economy does not only amount to adjustments aimed at reducing the negative impacts of the linear economy. Rather, it represents a systemic shift that builds long-term resilience, generates business and economic opportunities, and provides environmental and societal benefits” (Ellen MacArthur Foundation, 2017).

“The built environment sector is a major consumer of natural resources. It recognises the need to fundamentally evolve the processes, components and systems it utilises to obviate waste and increase efficiency. (p.9) (...) The built environment comprises the man-made elements of our surroundings such as buildings as well as infrastructure including transportation, telecommunications, energy, water and waste systems. Design, planning, and construction contribute to the quality of the built environment, which has a significant impact on human health, well-being and productivity. Minimising negative externalities is a core aim of the circular economy. In the built environment these include climate change, water, soil, noise and air pollution. They also include less tangible impacts on human and animal welfare, health, employment and social equality” (ARUP, 2016, p. 11).

“The built environment has a significant impact on many sectors of the economy, on local jobs and quality of life. It requires vast amounts of resources and accounts for about 50% of all extracted material. The construction sector is responsible for over 35% of the EU’s total waste generation. Greenhouse gas emissions from material extraction, manufacturing of construction products, construction and renovation of buildings are estimated at 5-12% of total national GHG emissions. Greater material efficiency could save 80% of those emissions” (...). “The ‘Renovation Wave’ initiative announced in the European Green Deal to lead to significant improvements in energy efficiency in the EU will be implemented in line with circular economy principles, notably optimised lifecycle performance, and longer life expectancy of built assets. As part of the revision of the recovery targets for construction and demolition waste, the Commission will pay special attention to insulation materials, which generate a growing waste stream.” (European Commission, 2020a, p. 14)"
BOX 14: What is Urban Metabolism?

“UM describes the continuous flows of energy, resources, waste, information and people into, out of, and within any given metropolitan area. It considers the area as interacting subsystems, permanently adapting to political, economic and natural environments. The UM concept has inter alia been used as an analytical tool to examine the energy and material exchanges ‘between cities and the rest of the world’ (Fischer-Kowalski, 2002). In other words, UM is a framework for modelling complex urban systems’ material and energy streams as if the city were an ecosystem. Using this framework enables studying the dynamics of cities in relation to scarcity, carrying capacity, and conservation of mass and energy (Newman et al., 2009)” (REPAiR, 2016).

“Through the notions of flow and circulation, the concept of urban metabolism links material flows with ecological and social processes, and the potential for change to sustainable patterns of consumption and production (Broto et al., 2012). Therefore, UM should be understood in the context of a (stocks and) flow model. Wegener (2004) and Dijst (2013) have identified different types of urban processes which vary in their pace of change: the very slow processes of changing physical transport, communication and utility infrastructures and distribution of land uses; the long life cycle of housing, workplaces and other non-residential buildings; the relatively fast change in employment and household composition; and the very fast daily mobility flows of people and goods. (...) Besides these largely social and economic spatio-temporal processes, there are also natural spatio-temporal processes in the earth system—the geosphere, the biosphere, the atmosphere, and the hydrosphere—which differ in their speed of change. Climate change, water, energy and nutrient flows, erosion and other (human induced) natural processes in turn influence social and economic processes in urban systems. Within this flow perspective on cities, we need to understand the drivers that affect the flows—and vice versa—to better understand the UM” (Dijst et al., 2018, p. 190).

4.2. KEY TOOLS

(ii) Houseful: Innovative circular solutions and services for the housing sector (HOUSEFUL, 2020).
(iii) DRIVE 0 project: offering efficient solutions concerning energy, materials and costs, within innovative consumer-centred circular renovation processes (European Commission, 2020b).
(v) EU Green Procurement Tools (European Commission, 2020d).
(vii) Handbook on Sustainable Circular Re-use of Spaces & Buildings (European Commission et al., 2019).
(ix) OECD Programme on the Circular Economy in Cities and Regions (OECD, 2020b)
(x) Urban Innovative Actions UIA Knowledge Labs.
(xi) Climate-fit city (scientific urban climate data and relevant information for public and private end-users operating in cities across a range of different sectors) (Climate-fit-city, 2020)

4.3. KEY ACTORS (TBD)

(i) National Ministries
(ii) Local authorities
(iii) UIA Knowledge Lab
4.4. RELEVANT ONGOING TECHNICAL ASSISTANCE PROJECTS

National Ministries, IFIs’ and other donors’ programmes and initiatives such as Programme for Energy Efficiency in Buildings (PEEB), and EU programmes and initiatives, indicatively: COST Actions, TAIEX-Twinning, Erasmus+, Marie Skłodowska-Curie Actions (MSCA), MeetMedCreative Europe, Skills for Youth Employability programme, EU Bilateral Cooperation, Global Covenant of Mayors, CLIMA-MED project.

4.5. KEY REFERENCE FRAMEWORKS

(i) Urban Innovative Actions (UIA, 2020), and the UIA Knowledge Lab.
(ii) OECD Programme on the Circular Economy in Cities and Regions (OECD, 2020b).
(iv) EcoCities, University of Manchester’s School of Environment and Development (EcoCities, 2019).

4.6. TIME FRAME
Short to mid-term.

4.7. PROPOSED ACTIONS AND INDICATIVE LIST OF IMPLEMENTORS

(i) Support National Ministries and/or regional authorities in including the concept of housing security in NUPs and NHPs.
(ii) National Ministries review National Urban Polices and NHPs for gaps in environmental spatial planning in design and implementation of housing development, using concepts of urban metabolism, aided by REPAiR.
(iii) National Ministries review NUPs and NHPs for gaps in sustainable building and materials regulation, using concepts of circular economy.
(iv) National Ministries review NUPs and NHPs for gaps in heritage reuse and redevelopment, using UNESCO’s Recommendation on the Historic Urban Landscape.
(v) National Ministries review housing policy to include the concept of housing security attached to asset-based welfare strategies, incorporating the idea of social housing as infrastructure.

4.8. MODELS FOR IMPLEMENTATION

(i) Urban Innovative Actions (UIA, 2020), and the UIA Knowledge Lab
(ii) European Circular Economy Stakeholder Platform (European Commission, 2019b)
(iii) EcoCities, University of Manchester’s School of Environment and Development (EcoCities, 2019)
(iv) REPAiR: Resource Management in Peri-urban Areas: Going Beyond Urban Metabolism Concept and Approach (REPAiR, 2016)
4.9. CRITERIA OF SUCCESS

(i) A significant number of citizens in UfM countries (>75%) have access to sustainable, accessible, circular, safe, climate-resilient, disaster-resilient, culturally situated housing by 2040.

(ii) National Ministries, regional and local authorities have developed capacity and frameworks to measure and assess housing quality, sustainability, accessibility, circularity, safety, resilience and situatedness.

(iii) National Ministries, regional and local authorities have included specific provisions in NUPs addressing housing security, including measures towards financing and tenure (See ACTION 6 IMPLEMENT & MANAGE).

(vi) National Ministries or regional authorities have included environmental planning in design and implementation of housing development in NUPs.

(vii) National Ministries or regional authorities have included sustainable building and materials regulation in NUPs, using concepts of circular economy.

(viii) National Ministries or regional authorities have included heritage reuse and redevelopment in NUPs, using UNESCO’s Recommendation on the Historic Urban Landscape.
ACTION 5: TO IMPLEMENT & MANAGE Sustainable and Affordable Housing Provision

5.1. KEY OBJECTIVES 1,2,3,4,5,6,7,8,10,11,12, 14

Implementation of sustainable and affordable housing strategies, with the aim to guarantee a dignified life for all citizens, is a multi-dimensional endeavour that touches all aspects of territorial and urban development. The multi-faceted nature of housing does not allow for single-issue approaches but demand instead integration between multiple spatial and institutional scales and sectoral policies and actions (O1, O2, O3).

This presents policymakers with a number of challenges connected to the sustainability, durability, resilience, financing and justice of housing provision. There are a number of specific challenges to implementation. This item focuses on drawing attention to six policy challenges for implementation & management of sustainable and affordable integrated housing in view of (i) integration of policies into NUPs and CDSs, and (ii) inclusion of projects into a UfM portfolio of labelled projects. The objective is to raise awareness of national and local authorities to these issues, to encourage inclusion of these issues in National Urban Policies, National Housing Policies as well as Integrated City Development Strategies (O2, O3), and to establish benchmarks for project evaluation. Challenges must be met by national governments and local authorities according to their capacity, priorities, and track-record, with respect to the local culture, heritage and the historic urban landscape.

The six policy challenges are:

A. AFFORDABILITY, AVAILABILITY and ACCESS
B. EFFECTIVE LAND ADMINISTRATION
C. EFFECTIVE FINANCING & TENURE
D. SUSTAINABLE, ACCESSIBLE & RESILIENT DESIGN
E. INFORMAL URBANISATION UPGRADING
F. UPGRADING, MAINTENANCE AND MANAGEMENT OF THE EXISTING HOUSING STOCK
A. AFFORDABILITY, AVAILABILITY and ACCESS

Towards tailored definitions of affordable housing in National Housing Plans (NHPs)

Affordable housing is generally defined as that which is adequate in quality and location and is not so expensive that it prohibits its occupants from meeting other basic living costs or threatens their enjoyments of basic Human Rights. Housing affordability is affected by many factors including capital variables such as land, infrastructure and building materials; and occupational variables such as land leases, service costs and interest rates.

The World Bank and UN-Habitat have defined a cut-off point at which owner-occupied or rental housing is deemed unaffordable, which has been used for tracking housing affordability over time as part of the agency’s Urban Indicators Programme. Housing is generally deemed affordable when a household spends less than 30 per cent of their income on housing-related expenses, such as mortgage repayments (owners), rent payments (renters), and direct operational expenses such as taxes, insurance and service payments.

When it comes to measuring affordability there are two common measures, which should be looked at together with adequacy and quality. These two common measures fall into two components: housing costs and household income. These measures are:

(i) House price-to-income ratio, which is calculated by dividing the median house price by the median household income. This measure shows the number of annual median salaries it takes to buy a median priced house. Countries with high land prices and construction costs tend to have high house price-to-income ratios, but also low-income countries with high housing market distortions.

(ii) Median annual rent to median annual renter household income.

(iii) Other relevant affordability ratios include the “housing cost overburden rate”, which measures the proportion of households or population that spend more than 40 per cent of their disposable income on housing costs (in line with Eurostat methodology) (OECD, 2019b).
For the Cambridge Centre for Housing and Planning Research, “there are a couple of more detailed ways of measuring affordability such as establishing the income required to purchase a home, looking at a household’s ‘residual income’ or the income that remains once housing costs have been met and whether an individual or household has access to finance in order to purchase a house. What measure is used depends on the purpose. When looking at the impact of additional housing supply on affordability within a district, for example, it is common to use house price to income ratios, and this has the advantage that it enables comparisons between districts. (...). However, when making decisions about the proportion of new homes that need to be affordable, it is more usual to look at whether housing is affordable for an individual household rather than broad price to income ratios, and here the common approach is to establish the number of households unable to afford market housing, given that housing costs should not exceed a certain proportion of income” (Whitehead, Monk, Clarke, Holmans, & Markkanen, 2008).

Table 4: Selection of affordability measures in OECD countries

<table>
<thead>
<tr>
<th>Type of measure</th>
<th>Examples of indicators</th>
<th>Advantages</th>
<th>Limits</th>
<th>Examples of usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price-to-income ratios</td>
<td>House-price-to-income ratio</td>
<td>Relatively straightforward, intuitive</td>
<td>Does not provide any indication of the distribution of housing costs and housing affordability (e.g. who has/does not have access to affordable housing)</td>
<td>Australia (Australian Bureau of Statistics)</td>
</tr>
<tr>
<td></td>
<td>Rent-price-to-income ratio</td>
<td>Relies on data that are generally readily available in most countries</td>
<td>Does not provide any indication of housing quality (e.g. what households are paying for)</td>
<td>Ireland (Ireland Housing Agency)</td>
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<td>Shows, at aggregate level, how the association between prices and income varies over time and/or across markets, such as across countries</td>
<td>Doesn't take into account borrowing costs</td>
<td>United Kingdom (Office of National Statistics)</td>
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<td>OECD</td>
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<p>| Housing expenditure-to-income ratios | Housing cost burden | Relatively straightforward, intuitive | “Overburden” threshold is set at an arbitrary level that remains fixed, regardless of household characteristics of their position in the income distribution | Australia (Australian Bureau of Statistics) |
| | Housing cost overburden rate (often defined as the share of households spending more than 40% of disposable household income on housing costs) | Relies on data that are generally readily available in most countries | Does not provide any indication of housing quality (e.g. what households are paying for) | Canada (Statistics Canada) |
| | | Can be disaggregated to measure actual housing spending at household level | | Ireland (Ireland Housing Agency) |
| | | | | The Netherlands (Statistics Netherlands) |
| | | | | New Zealand (Stats NZ Tatauranga Aotearoa) |
| | | | | Switzerland (Federal Statistical Office) |
| | | | | United States (Dept. Housing and Urban Development) |
| | | | | OECD |
| | | | | Eurostat |
| | | | | Housing Europe |</p>
<table>
<thead>
<tr>
<th>Residual income measures</th>
<th>Shelter poverty</th>
<th>Housing-induced poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Captures the level of income a household has left after paying for housing costs, to assess the extent to which households have sufficient income left for non-housing expenses after paying for housing.</td>
<td>Can require extensive additional data collection on the cost of the minimum basket of non-housing expenses.</td>
<td>Arbitrariness with respect to what constitutes the minimum income a household needs for non-housing expenses.</td>
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<tr>
<td>Can be useful to measure affordability among vulnerable low- and middle-income households.</td>
<td>Can be useful to measure affordability among vulnerable low- and middle-income households.</td>
<td>Does not provide any indication of housing quality (e.g. what households are paying for).</td>
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<tr>
<td>Residual income measures can misdiagnose general cost-of-living problems as cost of housing problems.</td>
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<thead>
<tr>
<th>Housing quality measures</th>
<th>Rooms per person</th>
<th>Overcrowding rate</th>
<th>Housing deprivation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overcrowding rate can be assessed based on a very simple (or more complex) definition.</td>
<td>Provides insights into a key dimension of housing affordability; e.g. what households are paying for.</td>
<td>There can be trade-offs between social and environmental objectives when interpreting indicators relating to dwelling size.</td>
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<tr>
<td>Cross-country/cultural differences in what characteristics are most relevant to assess quality.</td>
<td>Metrics relating to technical quality require up-to-date data on technical characteristics of dwellings, which may not be readily available in all countries.</td>
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Source: (Rosenfeld, 2017); OECD QuASH 2019; national statistical office websites; relevant national housing ministry/department/agency websites, from (OECD, 2020c)

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**Figure 3: The housing continuum.** Adapted from: (European Commission, 2018b).
This figure does not address cooperative housing and other innovative forms of housing tenure, which can be understood as affordable housing.

Towards tailored definitions of social housing in National Housing Plans

Social housing is a form of tenure embedded in a housing system, which contributes to non-commercial housing according to locally determined needs rather than according to capacity to pay and market demand. It also sets rents to promote tenant affordability, recover costs and reinvest surpluses rather than maximising rents for profit. It is typically rental housing that is provided and/or managed by government or non-government organisations, including municipalities, not-for-profit associations and co-operatives. There are many varieties of social housing systems, including several forms of municipal, regional or national programmes of public housing, including systems with income-based rents and cost-based rents covering maintenance and renovation, which usually demand state intervention in the form of public investment in affordable housing, rental subsidies and other forms of social welfare mechanisms.

The motivation for social housing systems are many and have changed over time. They include forms of municipal, regional or national programmes of public housing, including systems with income-based rents, lease ending in ownership and cost-based rents covering maintenance and renovation. Social housing models differ considerably across countries, but in general the OECD advises governments to invest more in social housing provision, particularly in light of structural deficiencies unveiled by the COVID-19 pandemic, especially the structural housing affordability gap across several countries (OECD, 2020d).

State intervention is anchored on the idea of access to housing as a basic human right: “The EU and its Member States have an obligation towards citizens to ensure their universal access to decent, affordable housing in accordance with fundamental rights, such as Articles 16, 30 and 31 of the European Social Charter. (…) To ensure and improve the standard of living for all EU citizens in urban areas and to create jobs, local investment in social and affordable housing is crucial” (European Commission, 2018b).

Article 19 of the EU Pillar of Social Rights ensures “housing and assistance for the homeless”: a. Access to social housing or housing assistance of good quality shall be provided for those in need. b. Vulnerable people have the right to appropriate assistance and protection against forced eviction. c. Adequate shelter and services shall be provided to the homeless in order to promote their social inclusion (European Commission, 2017). These provisions have acquired special significance in light of the 2020 pandemic.

For Housing Europe, “if people do not have a roof over their head and a degree of certainty about their future, an income, assurance of safety in their neighbourhood as well as affordable and quality social services and education, there is no confidence and no sustainable growth” (Housing Europe, 2016).

Social housing is a social infrastructure because it has the potential to dramatically create and improve public goods. This Housing Action Plan sees social housing as infrastructure, given that:

(i) Housing has a foundational role in health, security, stability, educational attainment and community inclusion.
(ii) Social Housing boosts social equity, as fairer assistance allocation builds individual capacity and social cohesion.

(iii) Social housing helps shape better markets, by driving innovation to maximise social, economic and environmental outcomes.

(iv) Social housing avoids costs, as inadequate, insecure and unaffordable housing costs households and governments dearly (Lawson, 2019a).

Social housing provision increasingly relies on private financing with rent revenue supplemented by housing allowances. However, UK and Australian evidence suggests direct public investment (needs-based capital investment) can be far more efficient and effective (Lawson et al., 2018).

A legal definition of social housing has momentous implications for investment, financing and for the role of the State in affordable housing provision across the Euro-Mediterranean region.

“Social housing in the European Union is characterised by the wide diversity of national housing situations, conceptions and policies across member states. (...) Affordability and the existence of rules for the allocation of dwellings (i.e. allocation by administrative means, as opposed to market mechanisms) constitute the core common features of social housing in the EU” (Pittini & Laino, 2011, p. 22).

According to the European Parliament’s Directorate-General for Internal Policies, there are three elements common across European social housing sectors:

- a mission of general interest,
- the objective of increasing the supply of affordable housing, and
- the identification of specific targets defined in terms of socio-economic status or the presence of vulnerabilities (Braga & Palvarini, 2013).
BOX 15: Social Housing in the EU

“The literature review conducted indicates that no common definition of social housing is available at the EU level, with different States adopting different definitions that translate into varying levels of public intervention within the sector. Consequently, the degree of housing services greatly varies across the EU. In general, four dimensions characterise (and differentiate) social housing models and policies: the tenure, provider of the service, beneficiaries and funding arrangements. Nevertheless, the current study identifies three elements common across European social housing sectors: a mission of general interest, the objective of increasing the supply of affordable housing, and the identification of specific targets defined in terms of socio-economic status or the presence of vulnerabilities. Available evidence suggests that the European social housing model can be classified as universalistic, targeted, generalist or residual. Universalistic models consider housing to be a primary public responsibility and thus to hold the objective of providing the whole population with decent quality housing at an affordable price. Targeted models consider the market to be in charge of allocating housing resources to individuals, and therefore the objective is to satisfy only the excess of housing demand not satisfied by the market. Targeted models can be generalist, if housing is allocated according to the income level, or residual, if allocated according to a set of vulnerability indicators. Data indicates a clear inverse correlation between two features of EU social housing sectors: the targeting level and dimension. While more targeted housing systems have a relatively small dimension, the opposite is true for less targeted housing systems. Accordingly, the universalist models are characterised by a large share of social housing stock, the majority of the generalist are large or medium size, and residual models are small or very small” (Braga & Palvarini, 2013).
The Revised European Social Charter (Council of Europe, 1996) gives special emphasis to the housing problems of vulnerable social groups. This emphasis is reinforced by the Revised Strategy for Social Cohesion, followed by a decision by the European Committee for Social Cohesion (CDCS) to “extend its work on access to housing, with a particular concentration on those member states where housing problems are especially acute” (CDCS, 2014), followed by the creation of a Group of Specialists on Housing Policies for Social Cohesion (CS-HO), especially tasked with working on improving access to housing for vulnerable groups, with focus on:

(i) Increasing the supply of decent and affordable housing,
(ii) Facilitating access to housing finance for vulnerable groups, and
(iii) Making effective use of housing allowances.

Given the varying degrees of prevalence and seriousness of housing deficits in UfM countries, and the nature and causes of this deficit, as well as issues connected to the large number of migrants and refugees circulating in the Euro-Mediterranean region, urgent policy attention should be given to:

(i) Enabling transitional housing strategies for migrants, internally displaced persons (IDPs) and persons in situation of extreme vulnerability,
(ii) Enabling temporary shelter strategies for refugees,
(iii) Eliminating homelessness.
These issues, as stressed previously, have acquired special significance in light of the 2020 COVID-19 pandemic.

B. EFFECTIVE LAND POLICY and LAND ADMINISTRATION

‘Land policy’ involves a suite of mechanisms for influencing urban development processes and their impacts on social and economic well-being and the environment. Land policy design is embedded in local-state-market-citizen relationships, expressed in terms of rights of ownership and usage, and influenced by a range of stakeholders with varying power and resources, which includes policy makers (Lawson & Ruanovaara, 2020). The most common vehicle for explicit land policy is the practice of regulatory and strategic urban planning. An example of this mechanism is France’s EPFL (Etablissement Public Foncier Local) local land administration tools, which is at the nexus of urban projects and housing provision (ASSO-EPFL, 2019).

‘Land administration’ is “the process of determining, recording and disseminating information about ownership, value and use of land, when implementing land management policies”. Support to land administration systems has the potential to improve land tenure security, regulation of the land markets, implementation of urban and rural land use planning, development and maintenance and provision of a base for land taxation (Molen, 2006).

Although many countries across the Mediterranean have advanced land administration systems, there is a challenge to coordinate land administration and housing provision (OECD, 2017), including:

(i) land administration coordination, including introduction of innovative land policy tools (e.g. public land banking, public land leasing, private land re-adjustment, land value recapture, land use zoning and regulated planning obligations, neighbourhood planning, anti-speculation measures and community land trusts) (Lawson & Ruonavaara, 2019),

(ii) coordination of fiscal instruments to influence land use and land availability for development, including progressive taxation and land value capture instruments to generate funds for social housing schemes,

(iii) policy coordination between environment, transport and housing, including coordination in neighbourhood renewal programmes, city extensions and new town development (City of Vienna, 2014).
A recent report on international best practice by the Finnish University of Turku concerning land policy features the following land policy instruments and provides detailed illustrations, as summarised in the table below.

<table>
<thead>
<tr>
<th>Land policy instrument</th>
<th>Illustrations</th>
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<td>Public land banking</td>
<td>• Singapore land banking and release for public housing sales program</td>
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<td></td>
<td>• Vienna’s land banking via Wohnfond - strategic sites for affordable rental</td>
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<td></td>
<td>and key worker housing</td>
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<td>• Dutch municipal land companies and their collaboration with affordable</td>
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<td>housing providers</td>
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<td>• Australian land bankers and the best practice of West Australian Land</td>
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<td>Corporation</td>
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<td></td>
<td>• Chinese municipal land banking as growth engines and public rental</td>
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<td>housing promoters</td>
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<tr>
<td>Public land leasing</td>
<td>• Helsinki leasing of land for right to occupy and social housing - keeping</td>
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<td>development feasible and housing accessible</td>
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<td></td>
<td>• Stockholm and municipal land leasing - a powerful history of effective and</td>
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<td>efficient collaboration</td>
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<td></td>
<td>• Community land trusts - their promise and limitations</td>
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<tr>
<td>Land re-adjustment</td>
<td>• German land re-adjustment and co-operation</td>
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<td></td>
<td>• Korean land re-adjustment and its transformative role in the development of</td>
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<td>Seoul’s housing outcomes</td>
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<tr>
<td>Land value recapture</td>
<td>• China Land Value Capture and Re-investment</td>
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<td></td>
<td>• UK planning contributions and the Community Infrastructure Levy</td>
</tr>
<tr>
<td></td>
<td>• US Tax and Increment Financing</td>
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<tr>
<td>Regulating planning</td>
<td>• National Law on Urban Inclusion and Anti-speculation Charter of the City of</td>
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<td></td>
<td>Paris</td>
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<td></td>
<td>• England’s and Scotland’s planning contributions to provide sites for</td>
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<td></td>
<td>affordable housing</td>
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<tr>
<td></td>
<td>• US inclusionary zoning and density bonus schemes</td>
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<tr>
<td>Comprehensive neighbourhood</td>
<td>• Finnish Land, Housing and Transport Agreements</td>
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<tr>
<td>planning</td>
<td>• Berlin Social City neighbourhood investment</td>
</tr>
<tr>
<td>Addressing real estate</td>
<td>• Regulating impact of short term letting</td>
</tr>
<tr>
<td>platform economy</td>
<td>• Local responses to global real estate invest trusts REITs and Built to Rent</td>
</tr>
</tbody>
</table>

**Source:** (Lawson & Ruanovaara, 2020)
C. EFFECTIVE FINANCING & TENURE

Direct public investment can be less expensive, is easier to administer and has greater potential for more progressive outcomes than complex and customised public private partnerships (PPPs). Additional costs (legal, management fees, administering and regulating compliance) of commercial financing and private equity magnify the funding gap. Needs-based, mission-focused investment brings better funding via innovation driving public equity, and regulated not-for-profit providers, combined with purposeful land policies. Examples of co-investment worthy of further investigation include those in Austria, Finland, France, the Netherlands, Scotland, Australia, Canada, China, and Singapore (Lawson, 2019a).

Further policy focus is necessary on rental housing market regulation, cooperative housing and innovative forms of land tenure and documentation (See Lawson & Ruanovaara, 2020; Lengoiboni, Richter, & Zevenbergen, 2019; UNECE, 2015; Whitehead et al., 2008).

D. SUSTAINABLE, RESILIENT AND ACCESSIBLE DESIGN

The potential for sustainable building design and clean construction technologies are underestimated in policymaking, but there is room for improvement in affordable and social housing delivery connected to issues of building design, construction, materials, as well as circularity of building materials. Further, circularity principles should be applied during material production, building design, construction, use, re-use and maintenance of buildings, in tandem with the new EU Circular Economy Action Plan (European Commission, 2020a). Advantages can also be obtained from urbanisation that seeks to make sustainable use of blue and green infrastructures and nature-based solutions. This adds to more commonly known issues of compactness, density, mixed-used and Transit Oriented Development solutions (TOD) that help make cities more sustainable, vibrant and accessible, including accessibility for people with reduced mobility. The respect of the rights of people with disabilities is crucial for the realisation of inclusive urban environments. Article 9 of the UN Convention on the Rights of Persons with Disabilities (CRPD) states that “State Parties shall take appropriate measures to ensure to persons with disabilities access, on an equal basis with others, to the physical environment, to

BOX 17: Land value capture

“Land value capture is a policy approach that enables communities to recover and reinvest land value increases that result from public investment and other government actions. Also known as “value sharing,” it’s rooted in the notion that public action should generate public benefit. (...) The public sector contributes greatly to urban land value through public-works projects, zoning changes, and other interventions. Land value capture ensures that communities can recover this land value and reinvest it in public goods such as infrastructure, affordable housing, and economic development. The property tax, one of many tools for land value capture, is the bedrock of municipal fiscal health and a stable, ongoing revenue source that enables the long-term provision of essential services. Common land value capture tools include transferable development rights, betterment contributions, public land leasing, inclusionary housing and zoning, linkage or impact fees, business improvement districts, and certain applications of the property tax. These tools can help finance transit and infrastructure improvements, affordable housing, parks and open spaces, utility upgrades, and other critical services. With this additional funding, local and regional governments can more sustainably advance municipal fiscal health, enable infrastructure investment, and address the challenges of sustainable urbanisation” (Lincoln Institute, 2019). Land value capture can occur through a range of tools including active public banking. An example of a very effective land banker for social housing can be found in Vienna (WohFonds-Wien) and Helsinki.
transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in urban and in rural areas”, including accessible housing facilities (UN, 2016).

Affordable and social housing cannot be dissociated from those ideas, but policy makers must seek to bridge policymaking and building sustainability. These areas are typically connected to industrial innovation and architectural and urban design, but should also be related to historical knowledge, expertise and investigation. The use of peer-to-peer learning and collection of good practices has the potential to help bridge that gap.

**BOX 18: World Habitat Award for Sustainable Building Practices and Peer Exchanges**

World Habitat promotes an award for innovative sustainable construction and organises Peer Exchanges connected to this award “in order to encourage the dissemination of innovative housing practices around the world and to facilitate the transfer of knowledge and experience (…) The purpose of the exchanges is to provide a practical, in-depth understanding of the technical, social and financial aspects of each award-winning programme. Intensive site visits form a major part of the exchange, providing an opportunity for participants to meet with residents and others responsible for the programme’s success. After each peer exchange we work with the hosts and participants to produce interactive reports or videos including information about the housing project or organisation we have visited, participants’ perspectives, photo galleries and additional resources” (World Habitat, 2019).

**E. INFORMAL URBANISATION UPGRADING**

Slums fulfil many of the needs of newly arrived urban dwellers in many Mediterranean cities, including shelter that allows access to jobs and services. But there is an enormous rights deficit in the appearance and endurance of slums, which is further aggravated by illegality and insecurity of tenure: citizens are deprived of access to the same socio-economic opportunities enjoyed by other citizens in the formal city. Lack of access to credit, for instance, means that deprived citizens are not able to access housing in the formal market. In many cases, access to public services such as electricity, clean water, and sanitation are limited or non-existent, and residents of slums may end up paying more for private alternatives. More often than not, informal settlements are located within or close to risk areas, where environmental conditions are hazardous, including settlements that are encroached on industrial or port areas that are heavily polluted. In order to solve the housing deficit, many governments have implemented national social housing programmes with strong emphasis on homeownership and slum clearance. However, the accumulated experience in Latin America and South-East Asia and the most recent experience in Africa has shown that large-scale and market-driven production of new housing units is deficient, and in some countries, insufficient to cater for the enormous demand. It is widely recognised that, while slums are suboptimal forms of inhabitation in the city, they are also providers of a sense of community, solidarity networks and access to jobs and basic services. Slums are a reality in many Mediterranean cities, and instead of promoting slum eradication that ignores the pleas and needs of vulnerable citizens, national and local governments should work together with citizens to find solutions that are beneficial to all, that promote spatial justice (the fair distribution of burdens and benefits of urban development and the inclusion of
vulnerable groups) and increase long-term sustainability, especially in view of the current climate crisis.

Solutions may vary according to the values, practices, culture and expectations of citizens, but once citizens are an active voice in planning processes, the likelihood of just and sustainable solutions significantly increases (Imparato & Ruster, 2003; Isoda, Neves, Kawachi, & Alliance for Research on North Africa, 2015; UN-Habitat, 2014, 2015).

Slum Prevention Policies should focus on the underlying causes for lack of access to dignified housing and leave behind old fashioned attitudes that criminalise slum dwellers or ignore the very existence of slums, focusing instead on slum upgrading strategies and informal housing supply systems (Harris, 2018).

F. UPGRADE, MAINTENANCE AND MANAGEMENT OF THE EXISTING HOUSING STOCK

While sustainable and affordable housing delivery and access are at the core of this Axis of Intervention, the upgrading, maintenance and management of the existing building stock is equally important, in view of the impact demolition and new construction have on the environment and the potential for preservation and use of heritage in housing solutions (including “recent heritage”, such as retrofitting of post-war modernist housing estates).

Energy efficiency is a key issue in this policy challenge, and the governance of upgrading and retrofitting existing housing stock is a point of attention for housing policy design. The governance of upgrading and retrofitting is contentious because the legal architecture around ownership and rental contracts impedes necessary effective massive public action, especially in old historic centres.

Renovation of existing building stock should lead to significant improvements in energy efficiency and should be implemented in line with circular economy principles, notably optimised lifecycle performance, longer life expectancy of built assets and reduction of construction waste. For buildings undergoing major renovations, high-efficiency alternative systems, if technically, functionally and economically feasible, should be encouraged, while also addressing the issue of healthy indoor climate conditions. Fire safety and risks related to intense seismic activity, in accordance with domestic safety regulations, which affect energy efficiency renovations and the lifetime of buildings should also be addressed (European Commission, 2019a, 2020a).

On the other side of the spectrum, in Europe and parts of the Middle East, “modern heritage, particularly post-war social housing estates, is struggling with negative perceptions” (Havinga, Colenbrander, & Schellen, 2020), as well as physical decay, energy inefficiency and social stigma. Densification and retrofitting of former modernist/post-war housing developments is highly desirable, as modernist housing estates offer unique opportunities for regeneration, thanks to generous public spaces, good location and low densities.
5.2. KEY TOOLS

(i) National Urban Policies (NUPs).
(ii) Integrated City Development Strategies (ICDSs).
(iii) National Housing Policies.
(iv) Land administration systems.
(v) House Retrofitting Programs (where existing).
(vi) Slum Upgrading Programs (where existing).
(vii) OECD work programme on energy efficiency in housing.

5.3. KEY ACTORS

(i) National ministries
(ii) Local authorities
(iii) EC (JRC)
(iv) OECD
(v) UN-Habitat
(vi) UNECE Working Party on Land Administration & several UNECE guidelines
(vii) Lincoln Institute
(viii) Donors

5.4. RELEVANT ONGOING TECHNICAL ASSISTANCE PROJECTS

IFIs’ and other donors’ programmes and initiatives such as UPFI-ERI, MeetMEED or PEEB, and EU programmes and initiatives, indicatively: COST Actions, TAIEX-Twinning, Creative Europe, Skills for
Youth Employability programme, EU Bilateral Cooperation, Global Covenant of Mayors, CLIMA-MED project; Neighbourhood Investment Platform, EU Bilateral Cooperation, Skills for Youth Employability Programme.

5.5. KEY REFERENCE FRAMEWORKS

European Green Deal
UFM Urban Agenda
Urban Agenda of the EU
OECD work programme on energy efficiency in housing
African Continental Qualifications Framework
France’s EPFL (Établissement Public Foncier Local) local land administration tools for urban projects and housing provision
Morroco Damane Assakane Funds

5.6. TIME FRAME

Mid-to-long term

5.7. PROPOSED ACTIONS AND INDICATIVE LIST OF IMPLEMENTORS

A programme of Policy Labs and national Housing Observatories is set up to discuss the topics mentioned in this chapter, facilitate policy transfer, and support Member States in integrating the relevant concepts in their policy instruments and in implementing action programmes (1.1.4 Immediate Actions V).

(i) A gathering of Euro-Mediterranean housing cooperatives is organized.
(ii) National Urban Policies (NUPs) are reviewed by the Universities Network for identification of gaps, including gaps in land administration, financing and tenure of land.
(iii) Integrated City Development Strategies (ICDSs) are reviewed by local authorities for identification of gaps, including gaps in land administration, financing and tenure of land.
(iv) National Housing Plans are updated to reflect this Housing Action Plan.
(v) Land administration systems are set up by National Ministries where non-existent.
(vi) House Retrofitting Programmes are set-up by National Ministries and/or local authorities where non-existent, including energy efficiency measures (improvement of building codes, implementation of natural cooling systems, retrofitting and energy renovation programmes, and energy poverty alleviation measures), as well as resilience measures (fire safety and risks related to intense seismic activity).
(vii) Slum Upgrading Programmes are set-up where non-existent.
(viii) NUPs and ICDSs are updated to address the housing needs of the elderly, young, vulnerable and disabled people.
(ix) NUPs and ICDSs are updated to reflect building requirements in earthquake-prone areas and areas where climate action is immediately needed.
(x) NUPs and ICDSs are updated to reflect heritage preservation in the housing sector, including valorisation of traditional local building materials and traditional building methods and techniques, as well as traditional or informal institutions and ways of living together, including intangible heritage, in line with UNESCO’s Recommendation on the Historic Urban Landscape and current ideas on social sustainability. Regional programmes are put in place to support this objective, where applicable.
5.8. MODEL FOR IMPLEMENTATION

[to be developed]

5.9. CRITERIA OF SUCCESS

(i) National Urban Policies (NUPs) are reviewed for identification of gaps.
(ii) Integrated City Development Strategies (ICDSs) are reviewed for identification of gaps.
(iii) National Housing Policies are updated.
(iv) Land administration systems ensure concepts are put in place.
(v) House Retrofitting Programmes ensure old housing stock is upgraded.
(vi) Slum Upgrading Programmes ensure slums are urbanised and provided with basic services.
(vii) Implementation of UNESCO’s Historic Urban Landscape approach where non-existent.
ACTION 6: TO MONITOR & COMMUNICATE Sustainable and Affordable Housing Provision

6.1. KEY OBJECTIVES: 13, 14, 15

Monitoring and communication are key aspects of this Housing Action Plan (O13), and support the idea of polycentric, multi-level governance (O8, O9), in which a wide range of stakeholders have access to information and knowledge necessary for sound decision-making and can positively influence design and implementation, leading to improved coordination and better vision and strategy making (O1).

Crucial for the success of this action is the alignment with the Sustainable Developments Goals and the New Urban Agenda.

Production, storage, crunching and analysis of data and information are key aspects of this Action. This Housing Action Plan proposes:

1. The creation of a Mediterranean Housing Knowledge Hub in one of the local partner universities.
2. A possible partnership with the European Commission’s Joint Research Centre (JRC) connected to a strategy for data, inspired in the European Data Strategy (European Commission, 2019c), which aims at empowering citizens and other stakeholders for sound decision-making.
3. The UfM Permanent Working Group on Evaluation, Monitoring and Reporting Systems will work with National Statistical Offices, (also with JRC/OECD, if possible) to help improve evaluation, monitoring and reporting systems on housing at local level in the Euro-Mediterranean region.
4. The UfM Permanent Working Group for Evaluation, Monitoring and Reporting Systems, in partnership with the Mediterranean Housing Knowledge Hub and Universities Systems, will also establish a communication and reporting strategy that goes beyond technical reports, and produces materials for a wider range of stakeholders, including citizens, businesses, and academics.
5. The UfM Permanent Working Group for Evaluation, Monitoring and Reporting, UfM-IFIs Urban Project Committee and the Mediterranean Housing Knowledge Hub will seek synergies and ensure continuative exchange on substantive issues, in particular focusing on the identification of the financing gaps and funding opportunities.
6. There is scope to extend the OECD Questionnaire on Affordable and Social Housing (QuASH) to UfM countries that are currently not covered. The aim of the QuASH is to assess the main challenges faced by households in accessing good-quality affordable housing and summarise housing policies in countries. This tool could be extended to other countries as a means to document and track housing policy objectives, measures and outcomes over time.
6.2. KEY TOOLS

(i) Mediterranean Housing Knowledge Hub
(ii) JRC Data collection, analysis and reporting
(iii) OECD Affordable Housing Database and the OECD Questionnaire on Affordable and Social Housing (QuASH)
(iv) UfM Permanent Working Group for Evaluation, Monitoring and Reporting Systems
(v) UfM-IFIs Urban Project Committee

6.3. KEY ACTORS (TBD)

(i) National Ministries
(ii) National statistical offices
(iii) Universities Network
(iv) JRC [if agreed]
(v) The Housing Europe Observatory
(vi) IFIs (e.g. European Investment Bank, National Investment Banks)
(vii) OECD
(viii) UNECE

6.4. RELEVANT ONGOING TECHNICAL ASSISTANCE PROJECTS

[In development]

6.5. KEY REFERENCE FRAMEWORKS

(i) Housing Europe Observatory (Housing Europe, 2019a)
(ii) CECODHAS Housing Europe – the European Federation of Public, Cooperative and Social Housing
(iii) European Data Strategy (European Commission, 2019c)
(iv) OECD Housing Strategy (OECD, 2019a)
(v) UK Housing Observatory, University of Lancaster (University of Lancaster, 2019)
(vi) UN-Habitat Housing Policy Sector (UN-Habitat, 2018)
(vii) Observatorio de la Vivienda y Suelo (Gobierno de España, 2018)

BOX 20: The European Data Strategy

The European data strategy aims to make the EU a leader in a data-driven society. Creating a single market for data will allow it to flow freely within the EU and across sectors for the benefit of businesses, researchers and public administrations. People, businesses and organisations should be empowered to make better decisions based on insights from non-personal data, which should be available to all. Data is at the core of digital transformation. It shapes the way we produce, consume and live. Access to ever-growing volume of data and the ability to use it are essential for innovation and growth. Data-driven innovation can bring major and concrete benefits to the citizens – through, for example, personalised medicine or improved mobility – and to the European economy, from enabling better policymaking to upgrading public services (European Commission, 2019c).

Specific relevant data strategies can be found in yearly Employment and Social Developments in Europe (ESDE) review, European Union Statistics on Income and Living Conditions (EU-SILC), OECD Affordable Housing Data Base, the UNECE Country Housing Profiles, the Housing Europe State of Housing Reports and the European Federation of National Organisations Working with the Homeless (FEANTSA) review, etc.
6.6. TIME FRAME
Mid- to long term

6.7. PROPOSED ACTIONS AND INDICATIVE LIST OF IMPLEMENTORS

(i) Extension of the OECD QuASH questionnaire to non-OECD member UfM countries as a tool to document & monitor housing policies across countries (pending resources/further agreements with OECD). OECD could also cooperate with UfM in knowledge-sharing workshops and conferences, bringing together experts and practitioners from different countries to discuss specific housing affordability challenges (pending resources, further agreements with OECD).

(ii) A Mediterranean Housing Knowledge Hub is set up as of 2021 [to be discussed: possibly in partnership with or under the auspices of Housing Europe].

(iii) (UFM/JRC/OECD) Data collection, analysis and reporting starts in 2021, with a tailored list of indicators, commonly agreed definitions and collection methodologies to be further detailed.

(iv) Support countries in establishing property registers, cadastral maps, prepare address registers and geographic information, for the purposes of effective land management, including property rights, development control, strategic urban planning and revenue raising (UNECE, 2005b, 2016).

(v) Housing indicators, as defined by EUROSTAT (EUROSTAT, 2020) and further agreed by UfM countries, significantly improve in the region by 2040.

6.8. MODEL FOR IMPLEMENTATION

Housing Europe Observatory (Housing Europe, 2019a)/ UNECE/

6.9. CRITERIA OF SUCCESS

(i) A Mediterranean Housing Knowledge Hub is created at one of the partner universities in partnership with Housing Europe [to be agreed] and produces regular assessments of housing systems in the region, based on criteria listed in this Action Plan.

(ii) (UfM/Housing Europe/JRC/OECD) start collecting data on housing systematically from non-EU UfM countries and make data available through one of its existing platforms.
7. References


8. Annex A: Canada Mortgage and Housing Corporation
National Housing Strategy


Canada’s first-ever National Housing Strategy (NHS) will help drive the success of Canada’s housing sector by giving more Canadians affordable homes.

Through the NHS, the federal government is bringing together the public, private and non-profit sectors to re-engage in affordable housing. Using a mix of funding, grants and loans, the strategy will create affordable, stable and liveable communities. These communities will be located near amenities and transportation – and have the opportunities needed to succeed. Ultimately, communities where families thrive.

The goal is to ensure Canadians across the country have access to housing that meets their needs and is affordable. To achieve this, the strategy will first focus on the most vulnerable Canadians.

The NHS will spearhead innovative new housing research, data and demonstration projects. This will fill gaps in our knowledge, share the best ideas and shape the future of housing policy in Canada. It will also create new opportunities for the federal government to innovate through partnerships with the community housing sector, co-operative movement, private sector, and research community. The end result will:

- strengthen the middle class
- cut chronic homelessness in half
- build up to 125,000 new homes
- fuel our economy
- create a new generation of housing in Canada

Ultimately, the National Housing Strategy will promote diverse communities and create a new generation of housing that is mixed-income, mixed-use, accessible and sustainable.

National Housing Strategy is a national project, built by and for Canadians.
Its success requires collaboration from many partners. People working together to build better lives, create stronger communities and lend a helping hand to Canadians in need.

Common Prioritization Areas
The NHS also focuses on and prioritizes:

(i) the social sector, including the community housing sector with non-profit and co-operative housing providers
(ii) partnerships and collaboration between governments, non-profits, co-operatives, academics and the for-profit sector
(iii) housing that exceeds mandatory minimum requirements related to affordability, environmental efficiency, and accessibility

NHS priority areas for action include:
• Housing for those in greatest need - the vulnerable populations.
• Social housing sustainability
• Indigenous housing
• Northern housing
• Sustainable housing and communities
• A balanced supply of housing

The NHS prioritizes the most vulnerable Canadians

• women and children fleeing domestic violence
• seniors
• Indigenous peoples
• homeless people
• people with disabilities
• those dealing with mental health and addiction issues
• veterans
• young adults
• racialized groups
• newcomers

National Housing Targets

The NHS sets ambitious targets to ensure that unprecedented investments and new programming deliver results. This includes:

• cutting chronic homelessness by 50%
• removing 530,000 families from housing need
• renovating and modernizing 300,000 homes
• building 125,000 new homes
• Ultimately, the strategy will promote diverse communities and create a new generation of housing that is mixed-income, mixed-use, accessible and sustainable.

NHS Shared Outcomes

Overall, the NHS has 9 shared outcomes:

• Homelessness is reduced year-over-year
• Housing is affordable and in good condition
• Affordable housing promotes social and economic inclusion for individuals and families
• Housing outcomes in Canada’s territories are improved year-over-year
• The housing needs of Indigenous groups are identified and improved
• Affordable housing contributes to environmental sustainability
• The National Housing Strategy contributes to Canadian economic growth
• Partnerships are built, strengthened, and mobilized to achieve better outcomes
• Collaboration/alignment across the federal government results in more holistic responses to housing issues

CMHC’s Role

Canada Mortgage and Housing Corporation (CMHC) is leading and will deliver the NHS federal initiatives. Throughout the 10-years of the NHS, CMHC will score and prioritize applications, administer funding, and manage borrowing and appropriations.

In some cases, CMHC will work with other Federal Departments or agencies to deliver the programmes. For example, for Research Scholarships, CMHC is partnering with Social Sciences and Humanities Research Council
(SSHRC), Natural Sciences and Engineering Research Council (NSERC) and the Canadian Institutes of Health Research’s Institute of Population and Public Health (CIHR-IPPH). In some cases, services may be contracted out to third parties (e.g. Technical Resource Centre and Sector Transformation Fund).

Role of provinces and territories

Over a 12-year period, the federal investment in provincial and territorial housing programmes will reach approximately $20.5 billion. Provinces and territories will be required to cost match roughly half of this total investment.

The NHS also includes components that will be delivered by provinces and territories and include:

- Designated components under the Federal-Provincial-Territorial Partnership Framework
- Canada Community Housing Initiative – Phase 2
- Canada Housing Benefit

More information can be found in the November 2017 release of the National Housing Strategy public policy document.