

Dear Commissioner Reynders,
Dear Commissioner Schmit,

There is a housing crisis across Europe. In the topical debate on decent housing for all on 4 October in the European Parliament, Commissioner Schmit and MEPs from across the aisle recognised action is needed to tackle the issue of steeply increasing housing costs over the years in the EU, while incomes have been lagging behind.

The current cost of living crisis, with high inflation and soaring energy costs, has worsened the situation, for both lower-income households and the middle-class. For lower-income households, the current spike in prices has led to a further increase of the risks of housing exclusion and poverty. The number of homeless people at any given night is now estimated at 895.000, despite our shared European ambition to end homelessness by 2030. The share of the European population that is not able to keep its home adequately warm rose from 6.9% in 2021 to 9.3% in 2022.

A growing share of medium income households is struggling with the cost of living as well and needs to spend over 40% of their income on housing. Eurofound in its recent report *'Unaffordable and inadequate housing in Europe'* warned that this group falls between the cracks: they are not able to afford housing on the market but also often do not have access to social housing. The OECD found that house prices have grown three times as fast as their income over the last twenty years.

We need a coordinated approach to ensure decent and affordable housing at EU level, as the European Parliament called for in its Resolution of 21 January 2021 on the topic.

There are multiple areas where action is needed, but with this letter we specifically urge the Commission **to adapt the target group definition of social housing in the SGEI Decision (2012/21/EU)**. In the abovementioned resolution the European Parliament warned that *a narrow definition of social housing limiting it only to 'housing for disadvantaged citizens or socially less advantaged groups, which due to solvability constraints are unable to obtain housing at market conditions' is restrictive and hinders Members States' ability to define their SGEIs and services of general interest.*

In the same report the European Parliament already urged *the Commission to adapt the target group definition of social and publicly funded housing in the rules on SGEIs, so as to allow national, regional and local authorities to support housing for all groups whose needs for decent and affordable housing cannot be easily met under market conditions, while also ensuring that enough funding is allocated to the most disadvantaged*

So far, and despite of the ongoing fitness check on the SGEI Decision, the Commission did not act on this call of the European Parliament, whilst the need for more affordable housing has only increased. We want to underline that the SGEI decision limits Member States in their ability to provide affordable housing for all groups that do not have access to it. A revision of the SGEI decision is necessary to ensure decent and affordable housing for all within the EU. We are looking forward to receiving your answer and hearing which concrete actions will be taken with regards to the SGEI decision.

Kind regards,

Agnes Jongerius
Kim van Sparrentak
Esther de Lange
Samira Rafaela