



CECODHAS Housing Europe Symposium

26 September 2012, Madrid

Speech Kurt Eliasson, President of CECODHAS Housing Europe on the Fair Housing Transition Symposium reacting to Mr Vicente Leoz Arguelles, Head of Unit, presentation of the Communication 'Strategy for the Sustainable sector and its enterprises'

We welcome the approach of the European Commission in this newly published '*Strategy for the sustainable competitiveness of the Construction Sector and its enterprises*'. This initiative provides us with an excellent opportunity to take a step back to look at how we can improve the functioning of the construction sector so that it better answers societal needs while at the same time boosting local job creation and economic development.

The needs identified in the communication are related to climate change, scarcity of resources. From the perspective of

members of CECODHAS Housing Europe, society is in need of a steady supply of decent, affordable future -proofed housing. Ever-increasing waiting lists provide evidence of the shortage of social housing. The need/demand for social housing is expected to increase even more due to the crisis pushing more households into poverty, against the backdrop of reduced public budgets

We would like to help you to ensure that this strategy helps us to boost the quality and environmental performance of the housing we provide **without** having to drastically reduce the quantity due to high costs. This is a challenge we should meet if we are to continue to answer our society's housing needs.

I can speak from the Swedish experience, the experience of SABO which is the national Federation of Municipal Housing Companies which house 1 in 7 Swedes. In Sweden we are faced with unsustainable construction prices. We have established that the prices are 1/3 higher than the equivalent service in Finland. This is due to a number of factors, one of which is the bureaucratic procedures and another the lack of competition in the construction sector with only a small number of suppliers delivering most of the contracts. However as a federation we have decided to tackle this obstacle head-on.

SABO, the National Municipal Housing Federation is coordinating a competition among developers to come up with high-quality affordable and energy performant housing design to match needs (we first conducted a survey to identify the gaps) for a maximum cost of 1200 SEK per m² and can be built all over the country. This national template design will also serve to reduce investment costs for our members but not reduce the quality of the housing they deliver.

This problem is not specific to Sweden and other initiatives are also being undertaken around Europe. For example in Flanders an initiative has been undertaken by the Flemish government with involvement of the social housing federation called passive house at no extra cost ' to find ways to deliver low energy social housing more cheaply as the quotes they receive for passive housing were up to 70% above the price limit imposed for the delivery of social housing. In this case public procurement legislation is cited as being a key factor in keeping prices high.

In Germany cost is considered the major obstacle. It is estimated that passive house constructions currently cost 30% more than building housing conforming to the current German energy norms.

While the issue of affordability is not directly addressed in the recently published communication, many of the points in the action plan if implemented successfully will serve to address this question which, for us, is fundamental.

Research

While research into new techniques and technologies we would also like to stress the need for extensive evaluation of low energy buildings already in use. To evaluate the life-cycle costing of these buildings.

- Strengthening the capacity of SMEs to deliver refurbishment and construction services.
- Increase in the skills level within the sector

It is widely recognized that there is a need for more Socio-economic research into the role of behavior. We must keep in mind the lower the energy consumption of a building, the higher the impact of behavior and useage of the building.

Create the right framework and things will happen

The tax regime is fostering the development of green city initiatives such as those in Freiburg. They are proof that with the right framework actions will be triggered and maintained.

Financial Incentives needed to boost Refurbishment

Refurbishment is an issue which is close to the hearts of our network. The communication clearly addresses the need to boost the renovation rated via

Skills

We greatly welcome the high importance placed on skills in your communication however we see the need broaden the scope significantly. Skills and know-how are not only needed for those working within the building sector but are needed at all levels of planning and on the other side are needed for residents.

This brings me to the last point I would like to make today as I feel it is often an aspect which is left out of the conversation when we discuss refurbishment, that of the importance of behavior .

We would be happy to contribute to the high-level strategic forum and the thematic working groups which will be conducting a critical appraisal of the construction's sector's performance.

Kurt Eliasson

President of CECODHAS Housing Europe