

Focus on bottlenecks to integration of refugees through housing

DRAFT

The goal of the partnership is to achieve better use of EU policies, EU funding and knowledge sharing.

The scoping paper identified challenges and potential solutions to improve the long-term integration of refugees and non-EU migrants through housing. Ensuring better EU funding mechanisms is one of the real challenges.

This briefing focuses on some of identified bottlenecks and outlines some recommendations for real actions that the upcoming EU Action Plan should deliver.

N°1: Overall budget constraints to limit support for access to housing for refugees

Description of the challenge:

Countries, regions and cities face limited fiscal capacity to spend on migration issues. As the latest Eurocities report highlights¹, cities do not have enough budget capacity to house and assist no/low income groups due to budgetary cuts and recruitment freezes. European rules related to the calculation of public deficits (Eurostat) and rules related to implementation of ESIF Operation Programmes (limiting the possibility to adapt priorities of the Ops) make it difficult in particular for local governments to spend on services helping better access to housing.

First of all, there are limits in terms of providing assistance to refugees when they are searching for an accommodation. Indeed, one way for refugees to find an accommodation is to go to search on the private rental market, most commonly with the assistance of social service providers, charities, etc which can strike agreements with private landlords for instance guaranteeing the payment of rent, thus easing the match between demand from refugees and supply. Those associations receive funding from various sources (cities, national funding – including with AMIF money) and their role is crucial in helping refugees with status to find a home.

Secondly, the budget constraint can have an impact on the supply of temporary housing solutions in cities. Although this is mostly a challenge for the reception phase, temporary housing solutions need to be provided for families with status until they find a more permanent solution. Cities with limited budget margins cannot for instance provide funding for the transformation of empty buildings (schools, offices, private residential building) into accommodation for refugees, while this is regarded as one of the solutions to overcome the shortage of housing options.

¹ http://nws.eurocities.eu/MediaShell/media/RefugeeReport_final.pdf, page 5

Possible solutions:

- The Asylum, Migration and Integration Fund (AMIF)

AMIF should further finance accommodation, social integration and urban development in Member States with regard to the integration of asylum seekers in communities in order to avoid housing refugees neither in places with no job prospects, no social services nor in places with already high level of segregation.

- European Structural and Investment Fund (ESIF)

Since currently cities do not have direct access to ESIF, we need to make European budget more flexible and adaptable to allow cities to deal with changing needs. The proposal of the Budgetary Committee in the European Parliament is going this way, suggesting to increase the share of European Social Fund (ESF) up to 25 % instead of 20 %.

Concerning European Regional and Development Fund (ERDF), the issue lies in the fact that most of the support is allocated to those countries that do not need to deal with the migration crisis. This doesn't mean the refugees will be housed in richer areas though, often the contrary.

Also, the Operational Programmes do not show enough flexibility in case of a crisis. Notably, their change is only possible for emergency measures for the reception systems which include the construction or extension of shelters but not long-term lasting facilities.

- EFSI/EIB loan

EIB finances new constructions, conversion of buildings to refugee accommodation as well as new temporary buildings and social housing initially used as refugee accommodation. Besides, EIB supports reception centres with more temporary facilities.

Regarding the long-term finance for new construction, the European Fund for Strategic Investment (EFSI) should be mobilized as a way to step up the activities of national public banks or other agencies in the field of affordable housing.

Strengthening cooperation not only between the EIB and local players (housing associations, city councils, and other services) would be very beneficial. The European Commission should take a lead and promote the exchange.

On the other hand, in order to provide adequate support around sustainable and permanent housing, it is crucial to strengthen local acceptance and preventing extremist reactions and in breaking down stereotypes. Safeguarding the liveability of neighbourhoods and fighting segregation is part of the daily work of many social and affordable housing providers in the EU.



For this they need to gather the support of their inhabitants and clear mandates from political leaders.

However, housing providers will only be able to do their part if the various components of the welfare state are properly functioning and funded: education, health and employment measures must be applied to support the smooth integration of refugees.

N°2: Administrative burden and insufficient capacity building for cities

Description of the challenge:

From Athens to Gdańsk, Genoa to Gothenburg, Mannheim to Zagreb, city halls have had to manage two parallel but distinct responses: to an emergency (beds, food, clothes, urgent medical care), and to a longer but equally demanding process (asylum, education, housing and eventual integration)²

All respondents to a recent Eurocities³ say they have been affected at some level in terms of budget and staff. Even in cities where only a small number of refugees have so far arrived, additional budgets were foreseen for 2016 to cope with a possible influx. Some cities report that all their costs have been covered by national or regional governments, while others report they have only been reimbursed partially or not at all.

Cities receiving large numbers of refugees have hired language teachers, social workers, school mediators, tutors for unaccompanied minors and interpreters. However, cities sometimes struggle to find qualified staff to fill the gaps.

Cities like Gothenburg and Stockholm have also expressed concerns about staff retention, training new recruits, and increased workload on existing staff.

Regarding the access to long term housing for refugees, cities and housing providers cooperate to find long term housing solutions. But there are a lot of questions and challenges regarding physical structures and built form in cities. Where to build or provide homes for the new comers? With which quality/design? Expertise on how to deal with sharp increase of housing demand in terms of architecture, urban planning, and transport infrastructures is also needed.

Technical expertise is also needed when cities and housing providers design new housing projects and must apply public procurement rules as well as abide by the state aid rules. In exceptional circumstances, public procurement rules allow for quicker process. But there is a lack of knowledge among practitioners about it.

Possible solutions:

ERASMUS + as well as the European Structural and Investment Funds should be more easily used by cities and other urban stakeholders (such as social housing providers) in order to promote capacity and skills building through for instance twinning projects.

Although there is already much cooperation between cities through EU funded (URBACT) or non-EU funded programmes, they often require several countries to be in the partnership.

² <https://www.theguardian.com/cities/2016/apr/04/vienna-migration-crisis-refugees-refugee-cities-residents>

³ <http://urbanagendaforthe.eu/wp-content/uploads/2016/04/Eurocities-Refugees-Report.pdf>



Although multi city partnership have an interesting added value, long term bilateral partnership can be successful as well.

Technical expertise should also be brought about regarding public procurement and state aid rules in order to speed up the processes that will lead to more and better supply of affordable homes.