

ECONOMIC COMMISSION FOR EUROPE

WORKING GROUP ON A POSSIBLE LEGALLY BINDING INSTRUMENT ON AFFORDABLE, HEALTHY AND ECOLOGICAL HOUSING IN THE UNECE REGION

Second session

Geneva, 5 and 6 July 2011

Informal notice 2

Item 2 of the provisional agenda

ENGLISH ONLY

Synthesis of UNECE Member State Views on a Possible Legal Instrument on Housing Issues

Note by the secretariat

Summary

At its meeting on 21 December 2009, the Bureau of the Committee on Housing and Land Management discussed the need for a United Nations Economic Commission for Europe (UNECE)-wide policy framework on affordable, healthy and ecological housing.

Following the discussion of this issue at its 71st session in September 2010, the Committee decided to establish a Working Group to explore the potential added value of, and define the scope, objectives and possible options for a possible legally binding instrument on affordable, healthy and ecological housing. In advance of the first session of the Working Group on April 11-12, 2011, the secretariat circulated a questionnaire to all member States to seek their views on five clusters of issues:

- The main tools to promote access to affordable, healthy and ecological housing at the national level;
- The major gaps in ensuring access to affordable, healthy and ecological housing at the national level;
- The added value of a possible legally binding instrument on affordable, healthy and ecological housing;
- The way a possible legally binding instrument could help in addressing gaps in the areas of affordable, healthy and ecological housing;
- The factors that may hinder the implementation of a possible legally binding instrument on affordable, healthy and ecological housing.

The responses of UNECE member States to the questionnaire received as of April 1, 2011 were synthesized in the paper “Synthesis of Member State Responses to the Questionnaire on a Possible Legally Binding Instrument on Affordable, Healthy and Ecological Housing” that was presented and discussed at the first meeting of the Working Group. Member States requested that the comments made during the meeting should be integrated into an updated synthesis, along with the additional responses to the questionnaire that were received after the first Working Group meeting. As of June 15, 2011 thirty member States had submitted replies. This document is the updated synthesis of member State responses to the questionnaire on a possible legally binding instrument on affordable, healthy and ecological housing. All new inputs to the synthesis subsequent to the first Working Group meeting are represented in *Italics*.

Contents

	Pages:
General Comments.....	3-4
I. Synthesis of Question One - The main tools to promote access to affordable, healthy and ecological housing at the national level	5-6
II. Synthesis of Question Two - The major gaps in ensuring access to affordable, healthy and ecological housing at the national level	7-10
III. Synthesis of Question Three - The added value of a possible legally binding instrument on affordable, healthy and ecological housing	11-12
IV. Synthesis of Question Four – The way a possible legally binding instrument could help in addressing gaps in the areas of affordable, healthy and ecological housing	13-15
V. Synthesis of Question Five - The factors that may hinder the implementation of a possible legally binding instrument on affordable, healthy and ecological housing	17-19
Conclusions.....	21-24

General Comments

1. *The following comments were raised by member States during the first Working Group meeting and reflect general concerns and priorities regarding the scope and substance of the possible framework convention or other type of instrument that might be most effective in advancing the possible agreed goals and objectives. These new comments are represented in Italics.*
2. *Member States emphasized the need to clarify the elements of affordable, healthy and ecological housing in order to support national efforts to address the multiple facets of the housing challenge throughout the UNECE region. Clear concepts and definitions are an important underpinning for the possible framework convention or other type of instrument that might be most effective in advancing the possible agreed goals and objectives.*
3. *In particular, member States highlighted the lack of common definition on affordable housing. They emphasized the linkage between affordability and accessibility to housing, as well as between affordable and ecological housing. In this regard, they further emphasized that issues as cost effectiveness and life-cycle cost analysis should be taken into consideration.*
4. *Regarding the definition of ecological housing, member States highlighted that it should include several aspects, such as: energy efficiency, sustainable urban development, and waste and water management. Historical and cultural buildings should also be considered in a balanced approach when retrofitting.*
5. *Regarding the definition of healthy housing, member States emphasised the need for safety aspects of housing to be included in order to prevent and minimize the risks from natural disasters. Member States highlighted the risks that low housing conditions may have on human health, including the potential diseases that they may cause.*
6. *Member States highlighted that future decisions on a possible legal instrument should also address issues such as: universal design, stability of real estate markets, role of housing finance, in particular mortgage finance, and sustainable urban planning.*
7. *The first meeting also considered the role of a possible instrument in addressing housing issues in encouraging data and knowledge sharing as well as exchange of experience and best practices.*
8. *Member States also emphasized the need for a clear overview of the scope of the issues that will in fact be addressed in the possible framework convention or other type of instrument that might be most effective in advancing the possible agreed goals and objectives. A clearly articulated scope will be an important foundation upon which to develop other elements of the*

possible convention or other type of instrument that might be most effective in advancing the possible agreed goals and objectives.

9. *Member States raised issues regarding the implication of a possible legal instrument in general and the possible responsibilities that would flow for member States.*

10. *Some member States also emphasized that despite significant developments in housing legislation and standards, implementation continues to be a problem. This is an important issue that must be addressed when considering exactly what course of correction is needed to address housing challenges in the region. It is important to understand which factors are actually hindering implementation, i.e. lack of political will, limited coordination, inadequate resources.*

11. *In general, member States agreed with the foundational principles and goals in the July 9 Secretariat Background Note on “Principles and Goals for Affordable, Healthy and Ecological Housing” (ECE/HBP/2010/60). However they highlighted the need for enabling preconditions, including institutional, regulatory and technical preconditions.*

12. *The first meeting of the Working Group debated that the ecological (environmental) and socio-economic components of the housing challenge are all important priorities for member States. Housing challenges are deeply rooted in economic, social and environmental development. However, these elements are rarely addressed in an integrated manner.*

13. *Member States emphasised that housing challenges continue to be a low political priority in the region. Several delegations considered that a framework convention could be the possible instrument to help elevate the profile, and establish harmonized standards to guide national policy development, in the area of housing. Some delegations took a critical view on the need of a legally binding instrument because of the difference throughout the region. Others suggested that the possible instrument must be flexible enough to be easily adapted by member States.*

I. Synthesis of Question One - The main tools to promote access to affordable, healthy and ecological housing at the national level

14. Member States were invited to describe the main tools they have employed to promote access to affordable, healthy and ecological housing. These are summarised under the main headings of affordable, healthy and ecological housing. The tools are further summarised for each of these headings.

Affordable housing

15. As regards affordable housing, there is a wide spectrum of approaches in the UNECE region. These range from a lack of affordable housing policy altogether through to extensive and comprehensive affordable housing policies.

16. As regards legislative tools for affordable housing, several countries reported on and described their comprehensive legislation to ensure access to affordable housing. *Some* member States informed that they have new legislation or plans for legislation which will support affordable housing in their countries. *Others* explained that their constitutions provide a legal basis for the right to housing. Among the member States that described their comprehensive housing legislation, affordable housing programs for low-income, young families, and young people were specifically identified. *Some* countries also detailed housing strategies for those affected by unforeseeable crises such as natural disasters.

17. As regards financial tools for affordable housing, member States described a range of tools used such as favourable mortgages, soft loans, subsidies, tax benefits and other State aid schemes for affordable housing. Other member States affirmed that they were currently in the process of making affordable housing more accessible to citizens. In the case of four of these countries, this took the form of projects to increase the total amount of affordable housing units where the rental and affordable housing market have traditionally been very weak.

Healthy housing

18. As regards legislative tools for healthy housing, many member States reported on the existence of a range of approaches that they have adopted. In addition, some member States described legislation that guaranteed only minimum standards for healthy housing and one explained that the building code was voluntary in their country. Others confirmed that existing standards were out of date.

19. As regards financial tools for healthy housing, a few member States reported that they had mechanisms in place. They described the various grant programs set up to support

reconstruction and modernization efforts to improve the liveability of older or degraded dwellings.

Ecological housing

20. As regards legislative tools for ecological housing, some of the member States verified that there were obligatory standards for energy efficiency in place. Others indicated that they had transposed EU directives on energy efficiency. Some noted that there was a fragmented approach to law making on ecological housing. For several member States, building codes were the primary instrument through which energy and other environmental standards were promoted.

21. As regards financial tools used to support ecological housing initiatives, these included subsidies and other financial incentives. Some member States specifically mentioned financial tools that assist with the modernization of housing in order to make it more energy efficient.

II. Synthesis of Question Two - The major gaps in ensuring access to affordable, healthy and ecological housing

22. Member States were invited to provide their views regarding the major legislative, institutional and financial gaps that exist in their country in ensuring affordable, healthy and ecological housing. *This section has been updated with the comments raised at the Working Group meeting as well as the responses from the questionnaire that were received after April 1, 2011. All of the new elements are in Italics.*

General comments

23. The general comments of member States focused on country-specific issues. Some expressed concern over safety issues related to the existence of multi-story buildings in seismically active zones. Others emphasized that homelessness had recently become a serious issue. This, in turn, has made the issue of affordable housing even more important, despite the existence of legislation that protects low-income individuals from losing their homes to foreclosure. Others acknowledged that little or no assessment of the housing sector or the housing needs of the population had been undertaken. Some member States highlighted the recent financial crises and job instability or unemployment as impediments to affordable, healthy and ecological housing. Others noted that the expensive outlay required for resource-saving technologies was an impediment for low and middle income home buyers and renters. In this case the primary challenge was to create incentives for healthy and ecological housing, as opposed to legislated standards, which would otherwise increase the cost of housing.

Affordable Housing

24. *At the first Working Group meeting, several member States called for clarification of the concept of affordable housing. Many highlighted specific concerns with the concept generally noting that the concept varies so widely between member States. For some member States, affordability is connected with access to housing. For some, the concept implies “social housing”, while other member States emphasized that they do not have social housing that targets specific social groups (i.e. low-income households). Instead their focus is on providing everyone with the right to a decent housing. Others stressed that access to housing is not just the main problem in the area while some member States called for clarification as to whether the possible instrument will include provisions covering migrants’ flows.*

25. *Some member States acknowledged that they would not be in a position to provide housing for their entire population, while others reported on the lack of any regulations for affordable housing, emphasizing the need for a regional instrument to elevate its political importance.*

26. *For other member States, housing should be integrated in the larger social development agenda. This means situating housing issues in a larger context, i.e. not just the affordability of the housing per se, but, the surrounding transport and infrastructure resources as well as the overall viability of the neighbourhood. For some it is necessary to clarify the terms for common reference as it regards inclusive neighbourhoods and reasonable cost.*

27. *Some member States raised concerns regarding the housing needs of the homeless as well as minority populations living in impoverished conditions and emphasized that the possible framework convention or other type of instrument should address the needs of these socially excluded groups as well.*

28. *Another set of affordability issues relate to the challenge of controlling speculation in the housing market and the important role that the possible convention or other type of instrument could play in sustaining real estate markets and mortgage systems stability.*

29. *Among the questionnaire responses, several member States acknowledged the existence of legislative gaps, citing in particular, inadequate legislation, weak implementation of existing legislation and the need to reform outdated legislation.*

30. *Institutional gaps were recognized by several member States. A few member States highlighted the lack of non-profit or affordable housing to meet the needs of their population. Others cited the challenge of mobilising political interest in the housing sector.*

31. *Most member States reported difficulties with ensuring financial resources for affordable housing. Insufficient financing or financial loan tools were noted by several, with the most common gap identified as the lack of governmental resources for the provision of affordable housing.*

Healthy Housing

32. *At the Working Group meeting, some member States emphasized that the rapid increase of urban poverty had made it difficult to ensure the provision of healthy housing. Others highlighted their concern regarding the safety aspects of housing, especially in light of the impacts of natural disasters on the housing stock.*

33. *Some countries highlighted the importance of housing conditions for human health and the need to improve these conditions taking into account issues such as building materials, temperature, infestatio, accessibility to housing, noise, fire, air quality, sanitation and hygiene, overcrowding, etc. In addition, they presented some of the diseases that may be caused by low*

housing quality, including: cardio-vascular diseases, respiratory diseases, allergies, different types of accidents, poisoning, intoxication, burns, drowning, phobia, rinite, obesity, cancer etc. Some member States emphasized the needs of the minority populations, who live in unhealthy environments and are further exposed to health risks.

34. *Among the questionnaire responses, a few member States reported that there were no gaps regarding healthy housing legislation and that their countries' quality of housing is sufficiently high. Others emphasized that the rapid increase of urban poverty had made it difficult to ensure the provision of healthy housing. Some member States emphasized the need for more comprehensive or unified legislation.*

35. *As regards institutional gaps, a number of member States noted that the challenge of maintaining healthy housing standards related to the lack of institutional incentives in light of the sometimes negative impact that legislated standards had in increasing housing costs. A few member States reported on the existence of illegal or informal developments which have been built without any regard to existing legislation. A few member States noted the problem of the lack of capacity for housing inspection to ensure compliance with healthy housing standards.*

36. *The major financial gap identified was the lack of resources allocated within national budgets for addressing healthy housing issues. Some suggested that favourable loan programmes should be established to assist households in purchasing new healthy housing technologies.*

Ecological Housing

37. *During the Working Group meeting, several member States made a number of general comments regarding ecological housing gaps. First, they suggested that the overall definition of ecological housing should be framed not only in terms of energy efficiency, but also in terms of waste and water management and overall sustainable urban development. This includes the need to preserve cultural heritage when retrofitting older buildings. Several member States raised the importance of green spaces, including the idea of green roofs, to be taken into consideration in terms of sustainable settlements.*

38. *Second, several delegations considered that a framework convention addressing ecological and healthy housing could be effective, especially in light of the increasingly significant contribution of personal emissions to worsening climate change. Member States highlighted the long term consequences that climate change will present for local economic growth and development and the need to reduce dependency on foreign energy sources. This means increasing the contribution of renewable energy and therefore reducing the energy intensity of the built environment.*

39. *Third, some concerns were raised about the impact that energy efficiency regulations might have on the preservation of cultural and historical buildings, especially the need for a balanced approach to preserve cultural heritage when retrofitting old buildings. Several member States also emphasized the importance of preserving green spaces in urban centres.*

40. *Amongst the questionnaire responses regarding ecological housing, some member States described the various ecological housing policies already in place. Many other member States emphasized that while much had been done in this sector, still more remained to be done, especially as regards the promotion and use of renewable resources.*

41. *In terms of legislative gaps, a few member States emphasized the need for legislation or additional regulations for ecological housing. Some acknowledged the absence of specific legislation or regulations regarding ecological housing standards. Others described their respective legislative approaches to promote ecological housing.*

42. *As regards institutional gaps, one member State noted that a misunderstood EU-directive had led to legislation which favoured industrial products as opposed to more ecologically friendly local materials for construction. The lack of sufficient higher education opportunities in the field of sustainable architecture was also noted. Another member State emphasized the expensive costs of energy efficient technologies for low and middle income home owners.*

43. *In terms of the financial gaps that were highlighted at the Working Group meeting, many member States emphasized the limited resources available for ecological housing. Others highlighted the expensive costs of energy efficient technologies for low and middle income home owners. Other member States emphasized that whilst initial investments might be high, over the longer term, the cost savings could be significant in terms of energy and water. They also suggested the increased use of cost-effective standards for building components, life-cycle analysis and local construction materials would decrease the cost of new buildings.*

44. *Among the questionnaire responses regarding financial gaps, a few member States emphasized that financial schemes providing grants or subsidies to facilitate energy efficiency were available. Others did acknowledge that resources were limited for ecological housing.*

III. Synthesis of Question Three - The added value of a possible legally binding instrument on affordable, healthy and ecological housing

45. Member States were invited to consider the added value of a possible legally-binding instrument on affordable, healthy and ecological housing on the basis of five criteria. In particular, member States were asked to indicate whether or not the following 5 criteria had relevance for them:

- Increased political importance and visibility of the housing sector both at national and international levels;
- Development of a unified and agreed international framework to address major housing challenges in the region;
- Provide guidance for the development of coherent national housing policies;
- Strengthened implementation of sound national policies for affordable, healthy and ecological housing;
- Provide a platform for exchange of international experience and best practices and mobilization of assistance to address major housing challenges at the national level.

46. As regards the first criteria of political importance, the majority of member States affirmed that this criteria had relevance for them. Three member States did not respond to this criteria.

47. As regards the second criteria of a unified international framework, many member States affirmed that this criteria had relevance for them. A number of member States did not respond to this criteria.

48. As regards the third criteria of guidance for national housing policies, the majority of member States affirmed that this criteria had relevance for them. A few member States did not respond to this criteria.

49. As regards the fourth criteria of strengthened implementation, a majority of member States affirmed that this criteria had relevance for them. A few member States did not respond to this criteria.

50. As regards the fifth criteria of a platform for exchange, many member States affirmed that this criteria had relevance for them. A few member States did not respond to this criteria.

Other comments

51. The added value of the possible instrument may differ from country to country in light of the differences in housing situations and related political factors. Member States also identified additional values, which the possible instrument could potentially advance. These include the following:

- Harmonization of housing standards throughout the UNECE region;
- Assistance in catalyzing political will, which is lacking in certain countries and which is critical in promoting sustainable development;
- Coherence of approaches and actions at the national and local levels together with EU and international norms;
- Integration of housing policies with urban and social inclusion policies;
- Engagement of both public and private sector actors in the housing sector;
- Consolidation of good practices that will help to inform the overarching policy framework and help to articulate fundamental principles for national and local housing policies;
- Broader promotion of the fundamental right to housing as reflected in the European Social Charter;
- Recognition of best practices and practical tools for replicating them;
- Promotion of non-profit housing cooperatives to help redress increasing speculation in housing markets;
- Establishment of minimum standards for housing policies that will catalyze political will for social housing at the national level, where often it is lacking especially as regards the most vulnerable populations.

IV. Synthesis of Question Four – The role of a framework convention in addressing gaps in the areas of affordable, healthy and ecological housing

52. Member States were invited to provide their views regarding the role of a possible legally binding instrument in addressing gaps in the areas of affordable, healthy and ecological housing. Many member States acknowledged the potential benefits and noted the many ways in which the possible instrument would address a very wide range of gaps. These are described in further detail below.

General comments

53. There were a number of general comments regarding the role that a possible legally binding instrument could play in addressing gaps. For example, regarding the political value, several member States emphasized the potential for mobilising overall support from within the national governments and legislative bodies, but also for raising awareness among competent authorities. They also cited the potential for elevating the political significance of affordable, healthy and ecological housing on the overall national agenda and noted the potential value that a possible instrument would play in catalyzing increased cooperation between member States.

54. In terms of knowledge transfer, several member States cited the value in terms of catalyzing the systematic exchange of best practices. Others affirmed the role that the possible instrument could play in improving professional skills by catalyzing information exchange between the public and private sector. While others emphasized the potential for encouraging greater cooperation between central and local institutions, civil society and the private sector.

55. A large number of general comments focused on the potential role that the possible instrument could play in transforming the housing sector as a whole, especially the potential to stimulate the increase in construction of affordable, healthy and ecological housing and the rehabilitation and improvement of the existing housing stock. Other member States cited the role that the possible instrument could play in improving the environmental sustainability of the housing sector, particularly by raising awareness about relevant building regulations and catalyzing the development of new policies for urban and rural settlement planning, heritage conservation, energy conservation and regional planning.

56. A number of member States cited the social co-benefits of a possible legally binding instrument, notably the role that it could play in promoting social cohesion and in ensuring freedom of choice and access. Others highlighted the potential role that the possible instrument would play in enhancing the engagement and participation of the general public in the development of housing policy at the local level.

57. Two member States maintained a possible legally binding instrument would have a limited role in addressing gaps because of the difference in housing situations between member States. One member State asserted that the policy framework for healthy and ecological housing is already contained in the Charter of Fundamental Rights of the European Union. Two other member States expressed reservations pending review of the actual substantive content of the possible instrument.

Role of the possible instrument in catalyzing new legislative responses

58. In terms of the normative role that the possible instrument could play, member States affirmed that it would stimulate national authorities to improve the legislative framework for housing and catalyse the development of new solutions to solve evolving housing problems. Another equally valuable role is the potential for the possible instrument to prevent the emerging phenomenon of illegal building construction and in defining housing as a political priority in the legislative agenda.

59. In general, member States also agreed that the possible instrument could help to improve the legislative capacity of relevant authorities in the drafting of new legislation and to strengthen existing national housing policies. Some member States noted the effect that the possible instrument would have in reducing legislative fragmentation and promoting policy coherence. Others highlighted the potential for stimulating more integrated and comprehensive legislative approaches.

60. A few member States expressed reservations about the value of the possible instrument in catalyzing legislative responses in light of the perceived difficulties of regulating the housing sector on a regional scale.

61. Other member States acknowledged the existing legislative gaps, but emphasized that this was precisely why the possible instrument was needed to help prompt legislation in the area of affordable, healthy and ecological housing.

Role of the possible instrument in catalyzing new financial mechanisms

62. In terms of the potential role that the possible instrument might play in catalyzing new financial mechanisms, some member States cited the stimulation of private investment in the housing sector as well as the creation of enabling conditions for private investment, and new financing mechanisms. Other member States noted that the possible instrument would catalyse pressure on governments to allocate sufficient resources in national budgets for affordable, healthy and ecological housing.

63. Some member States noted that the possible instrument would also help to engage the interest of the private sector in developing projects aimed at providing affordable, healthy and ecological housing as well as in co-financing. Several member States noted additional financial resources that would be required to implement the possible instrument and that governments would have to allocate greater housing budgets to help low and middle income populations reach ecological housing standards and energy saving returns. Others suggested that a specific fund should be established to support best practices in the field of affordable, healthy and ecological housing.

64. Member States also emphasized the need for co-financing and coordination between international development agencies, bilateral donors and the private sector. Other States emphasized the possible instrument would be the first step for not only improving the state of housing, but also catalyzing public financing for the sector.

V. Synthesis of Question Five - The factors that may hinder the implementation of a possible framework convention on affordable, healthy and ecological housing

65. Member States were asked to provide their views regarding the factors that may hinder the implementation of a possible legally binding instrument on affordable, healthy and ecological housing. Their views are summarised under the categories of: general comments; legislative factors; and financial factors.

General comments

66. *The first Working Group meeting discussed the potential role of a possible framework convention. Some member States emphasised that the scope of the possible framework convention should not exceed the national competences or legislative framework on housing.*

67. This point echoed the questionnaire responses, which emphasised the importance of carefully establishing the parameters of the possible convention. Certain member States commented that the overall acceptance of the possible instrument will naturally depend on its content.

68. Some of the general comments highlighted the different situations and attitudes to housing among member States, which would create difficulties for the adoption of a possible binding instrument. They also perceived that growing numbers of internally displaced persons and the challenges of meeting their needs for accommodation would put pressures on already limited housing stocks.

69. Additional general comments related to the inefficient bureaucracies in many housing sectors, as well as corruption, political instability, worsening poverty throughout the region, inadequate engagement of local bodies in the construction of affordable, healthy and ecological housing.

Legislative, institutional and regulatory factors

70. In terms of legislative, institutional and regulatory factors, some member States highlighted the potential difficulties in ratifying the possible instrument in their national parliaments, in light of the resource constraints described below. They also noted that ratification will require taking political, economic and social measures as well to ensure compliance. Other member States acknowledged the existing legislative gaps, but emphasized that this was precisely why the possible instrument was needed to help prompt legislation in the area of affordable, healthy and ecological housing.

71. Lack of institutional cooperation was another impediment cited along with the fact that in some countries, the housing sector is highly fragmented and in some cases, decentralised. On this point, one member State highlighted the lack of coordination and cooperation between Government offices or Government and semi-public/private corporate service providers.

72. Member States also highlighted the potential lack of implementation as a possible impediment, in large part related to the low level of political support as well as the low level of professional and technical capacity in the sector. Related to this point, one member State emphasized that implementation can only be improved with new regulations, which would establish a system of positive subsidies and tax incentives to support the overall goals of affordable, healthy and ecological housing. Another member State also emphasized that the more restrictive and detailed the rules are, the more difficult it will be to ratify such a possible regional instrument. In addition, the rules would have to be consistent with EU law.

73. In addition, member States emphasized the need for best practices and pilot projects, which would help to identify the new legislation that would be needed. In terms of the capacity of law makers, one member State emphasized the lack of access to the legislative precedents on affordable, healthy and ecological housing in UNECE region.

Financial resources

74. The majority of member States who responded to this question cited the lack of financial resources as a central impediment to the implementation of the possible legally binding instrument. Many member States noted lack of government budget resources and lack of institutional cooperation as one of the major obstacles. Several others highlighted the weak economic and financial situation at the national level, which in turn would make it very difficult to mobilize new funds for housing.

75. Other member States highlighted the lack of appropriate cost benefit data, lack of financial incentives, and expensive environmentally friendly and energy saving technologies, as well as the financial costs and technical challenges of keeping up to date with newer and more efficient technologies in maintenance or renewal of older housing stock.

76. Another member State emphasized not only the low-level of financing available but also the limited public awareness, which is needed to elevate the importance of affordable, healthy and ecological housing. Other member States highlighted the inter-linked problem between weak budgets and larger problems such as corruption, heavy-handed bureaucracy and the lack of engagement of local bodies in the construction of affordable, healthy and ecological housing.

77. Member States also cited the increased costs of constructing affordable, healthy and ecological housing, which, in turn, would influence the overall affordability. Other member States noted both the lack of budgetary resources and the lack of private sector resources such as mortgage support. One member State did mention that that if the possible instrument imposes compulsory measures, then the country would indeed face budgetary problems. Other member States cited financial factors, such as the increase in housing costs, both in the public and private sector, which would result from the higher costs involved in meeting ecological standards.

Conclusions

Major gaps in ensuring access to affordable, healthy and ecological housing

78. The most commonly cited legislative gaps as regards affordable housing include inadequate legislation, weak implementation of existing legislation and the lack of political will to reform outdated legislation. Many member States also cited limited financial resources for affordable housing.

79. As regards gaps related to healthy housing, responses varied from limited or no gaps in terms of legislation, through to a complete absence of legislation on healthy housing. Several member States emphasized the need for more integrated and comprehensive legislation. In terms of financial gaps, member States frequently cited the lack of resources within national budgets, while others emphasized the merit of favourable loan programmes to assist households in purchasing new healthy housing technologies.

80. As regards gaps related to ecological housing, some acknowledged that whilst much had been done in this sector, still more remained to be done, especially as regards the use of renewable resources. Where legislative gaps were described, member States emphasized the need for legislation or additional regulations and standards for ecological housing. In terms of financial gaps, a few member States emphasized that financial schemes providing grants or subsidies to facilitate energy efficiency were available. Others did acknowledge that resources were limited for ecological housing.

The added value of a possible legally binding instrument

81. The majority of member States emphasized the added value of a possible legally binding instrument to:

- Increase political importance and visibility of the housing sector both at national and international levels;
- Develop a unified and agreed international framework to address major housing challenges in the region;
- Provide guidance for the development of coherent national housing policies;
- Strengthen implementation of sound national policies for affordable, healthy and ecological housing;

- Provide a platform for exchange of international experience and best practices and mobilization of assistance to address major housing challenges at the national level.

82. Member States also emphasized other potential ways that the possible instrument could add value in terms of: improving overall standards across the entire region; integrating housing and social inclusion policies; catalyzing greater cooperation between key public and private sector actors; mobilising additional financial resources; enhancing coherence between the affordable, healthy and ecological housing sectors.

The role of a possible legally binding instrument in addressing gaps

83. *At the Working Group meeting on April 11, 2011 a keynote presentation was made on the effectiveness of existing international agreements in facilitating international cooperation, and outlined the rationale for, and value added of, a possible UNECE-wide instrument to address common challenges in the housing sector.*

84. *Member States exchanged views on the feasibility of a possible instrument, including addressing the issue of affordability especially in light of how this topic might impact existing policies at the national level.*

85. *Some member States emphasized the need for a common platform which could assist the national and local authorities of UNECE member States in addressing the housing challenges. Some member States highlighted that this common platform could diffuse the speculations on the housing market.*

86. *Some member States highlighted that it is clear that the challenge of affordable housing continues and the possible instrument should not interfere in national legislation but provide guidance as necessary. They emphasized that the possible instrument should be flexible enough to take into consideration the situations of all member States.*

87. *Among the questionnaire responses, member States acknowledged the potential benefits and noted the many ways in which the possible instrument could address a very wide range of gaps. For example, regarding the political value, several member States emphasized the potential for mobilising overall support from within the national government and legislative bodies, but also for raising awareness among competent authorities. They also cited the potential for elevating the political significance of affordable, healthy and ecological housing on the overall national agenda and noted the potential value that a possible instrument would play in catalyzing increased cooperation between member States.*

88. A large number of general comments focused on the potential role that the possible instrument could play in transforming the housing sector as a whole, especially the potential to stimulate the increase in construction of affordable, healthy and ecological housing and the rehabilitation and improvement of the existing housing stock. A number of member States cited the social co-benefits of a possible legally binding instrument, notably the role that it could play in promoting social cohesion and in ensuring freedom of choice and access.

89. In terms of the normative role that the possible instrument could play, member States affirmed that it would stimulate national authorities to improve the legislative framework for housing and catalyse the development of new solutions to solve evolving housing problems. In general, member States also agreed that the possible instrument could help to improve the legislative capacity of relevant authorities in the drafting of new legislation and the strengthening of existing national housing policies. Some member States noted the effect that the possible instrument would have in reducing legislative fragmentation and promoting policy coherence. Others highlighted the potential for stimulating more integrated and comprehensive legislative approaches.

90. In terms of the potential role that the possible instrument might play in catalyzing new financial mechanisms, some member States cited the stimulation of private investment in the housing sector as well as the creation of enabling conditions for private investment, and new financing mechanisms. Other member States noted that the possible instrument would catalyse pressure on national governments to allocate sufficient resources in national budgets for affordable, healthy and ecological housing and would also help to engage the interest of the private sector in developing projects aimed at providing affordable, healthy and ecological housing as well as in co-financing.

Potential hindering factors

91. Member States identified a range of potential factors that could hinder the implementation of a possible legally binding instrument on affordable, healthy and ecological housing. These include the following:

- Different situations and attitudes to housing between member States, which would create difficulties for the possible adoption of a binding instrument;
- Inefficient bureaucracies in the housing sector combined with corruption, political instability, and worsening poverty;
- Difficulties in ratifying the possible instrument in national parliaments, in light of resource constraints;
- Lack of institutional cooperation and policy fragmentation;

- Low level of political support as well as the low level of professional and technical capacity in the sector;
- Lack of institutional and legislative capacity;
- Insufficient financial resources as reflected in low levels of public spending in the housing sector.

* * * *