

European Regional Development Fund (ERDF): eligibility of housing interventions in favour of marginalised communities

2009/0105(COD) - 17/07/2009 - Legislative proposal

PURPOSE: to amend Regulation (EC) No 1080/2006 on the European Regional Development Fund (ERDF) in order to permit financial support for housing interventions in favour of marginalised communities living in the Member States that acceded to the EU on or after 1 May 2004.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: the proposal notes that currently, Article 7(2) of the ERDF Regulation provides for the eligibility of expenditure on housing in the new Member States. The experience to-date, however, proves that the conditions of eligibility do not fully fit the needs on the ground. Under the current ERDF provisions, housing interventions can take place in the framework of urban development operations and in the form of renovation of existing houses. Therefore, support for housing interventions in rural areas or for the replacement of “houses” of a very poor quality in urban or rural areas cannot be eligible under the ERDF.

The [European Parliament](#) and the Council have repeatedly asked the Commission to take action to promote inclusion of communities facing extreme deprivation and marginalisation, with particular reference to the Roma community. This proposal aims to remedy the situation.

IMPACT ASSESSMENT: the present proposal permits the ERDF financial support for housing interventions in cases where marginalised communities living conditions are extremely poor and social exclusion is high. This could not be possible without modification of the existing regulatory framework.

CONTENT: the proposal states that allocations shall be made available also for housing interventions in favour of communities currently ineligible under the ERDF, i.e. for i) housing interventions not limited to the urban areas and ii) housing interventions consisting of the replacement of houses of extremely poor quality, irrespectively of the area (“urban” or “rural”). Expenditure shall be limited to one of the following interventions:

- renovation of the common parts in existing multi-family housing,
- renovation and change of use of existing buildings owned by public authorities or non-profit operators for use as housing designated for low-income households or people with special needs.

Interventions may include the replacement of existing housing by newly constructed houses.

Furthermore, the amended Article 7(2) of the ERDF Regulation confers the Commission implementing powers for the definition of the criteria for the selection of areas and of the list of eligible housing interventions.

The proposal notes that in order to avoid unjustified discriminations, the guiding principle of the proposed interventions should be the 2nd Basic Principle on Roma Inclusion according to which interventions focusing on Roma people as target group should not exclude other people sharing similar socio-economic circumstances. Moreover, housing interventions in favour of marginalised communities characterised by extreme deprivation are only part of a complex issue. They should be tackled in the framework of a multi-

dimensional integrated approach, to be defined at national level, with strong partnerships and taking on board aspects relating to education, social affairs, integration, culture, health, employment, security etc. Hence, the aim of the proposal amending the current ERDF Regulation is to provide, in the framework of an integrated approach, acceptable housing conditions. In this context, the role of public authorities at all stages of the implementation is of an outmost importance.

BUDGETARY IMPLICATIONS: the proposal has no implication for the Community budget.