

Questions concerning state aid regulations



Affordable housing vs. social housing and the state aid rules

- How does affordable housing relate to social housing?
- How does the state aid rules relate to these two concepts?
- Today it's very difficult for countries to give state aid or in other ways support affordable housing that is not also defined as social housing. This is unfortunate predominantly for three reasons:

1) It does not leave room to support the growing number of “middle income earners” that are facing increasing problems to find affordable homes of acceptable quality*.

2) It does not leave room to support measures aiming at promoting social cohesion and integration at the local level.

3) Measures concerning territorial cohesion cannot be supported. In many municipalities in Sweden, it's difficult to build new dwellings, whatever the form of tenure, and to renovate existing ones, as market prices for new dwellings are significantly lower than the production price. This is one of many factors that drive a growing wedge between the larger cities and the countryside, including smaller cities and towns. A similar problem exist in vulnerable or distressed areas in, for instance, the metropolitan regions.



Swedish proposal concerning SGEI regulations

Proposed amendment of the Declaration of Housing Ministers in Nice, March 8 2022.

1. There may be reason to widen the scope of Services of General Economic Interest regulations on public measures to include the intended effects of measures addressing the challenges of segregation as well as social and territorial cohesion, for instance by - on housing area or district level - promoting a greater mixture of individuals and households with different socio-economic background and economic resources. (Not adopted in the final declaration)
2. In areas with stagnant or diminishing population, often combined with an increasing share of elderly, it's a problem both to build such new dwellings as are needed and to renovate the existing housing stock, increasing the differences and tension between regions. (Adopted in the final declaration)



Proposal to the EU Commission

Sweden has proposed that it should be possible to give support, within the framework of the state aid regulations, also for measures

- *to prevent or reduce all forms of segregation, to create a mixture of households with different economic prerequisites in order to promote social inclusion and long-term sustainable housing areas, and*
- *to ensure a supply of decent housing at an affordable rent in all housing areas, thereby developing territorial cohesion.*

