



Towards Sustainable Homes and Neighbourhoods
in the Mediterranean Region:
Reflecting on Malta Potential

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The idea of housing affordability

Housing cost overburden rate by tenure status, 2017

(% share of specified population)

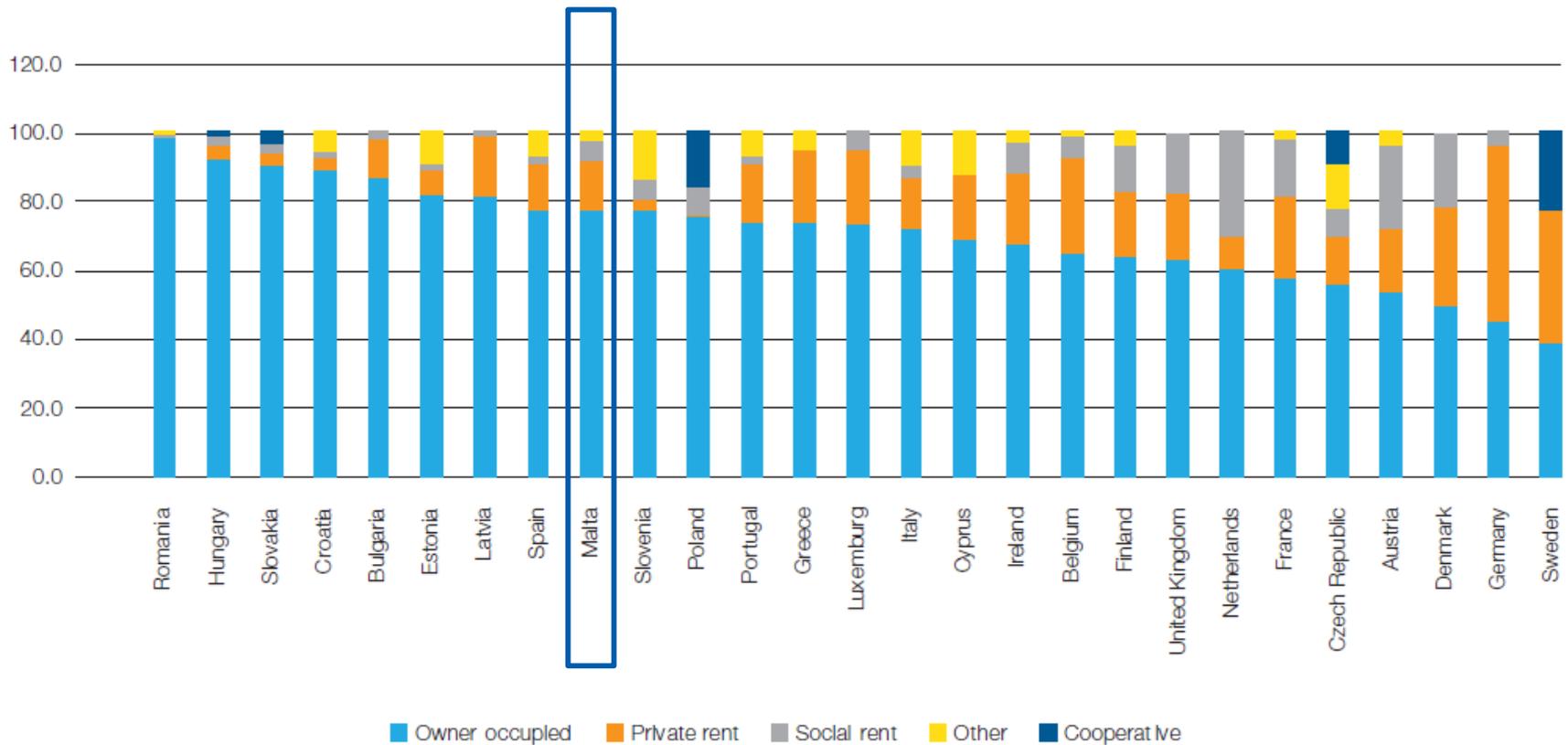
% of people whose housing expenses exceed 40% of their income

	Total population	Owner occupied, no outstanding mortgage or housing loan	Owner occupied, with mortgage or loan	Tenant - rent at market price	Tenant - rent at reduced price or free
EU-28	10.4	5.9	4.7	26.3	13.7
EA-19	10.1	4.9	4.5	24.9	11.8
Belgium	9.1	1.9	2.8	33.9	11.9
Bulgaria	18.9	17.7	11.9	51.0	20.4
Czechia	8.7	5.0	4.3	28.3	9.0
Denmark	15.7	8.5	5.5	31.7	.
Germany	14.5	9.3	8.8	20.5	19.3
Estonia	4.8	3.2	3.4	26.6	7.3
Ireland	4.5	1.2	1.4	21.5	5.3
Greece	39.6	29.8	27.6	83.9	7.9
Spain	9.8	2.9	4.5	42.1	13.1
France	4.7	0.6	0.7	14.4	9.7
Croatia	5.8	4.9	2.8	48.6	9.4
Italy	8.2	2.7	3.6	28.2	10.7
Cyprus	2.8	0.7	1.6	14.2	0.8
Latvia	6.9	5.8	10.1	11.2	7.6
Lithuania	7.2	6.3	2.5	42.5	14.4
Luxembourg	10.0	2.1	2.0	34.4	27.8
Hungary	10.7	7.2	14.3	30.6	18.8
Malta	1.4	0.5	1.4	13.9	1.0
Netherlands	9.4	3.2	2.1	26.2	5.2
Austria	7.1	2.3	1.6	15.5	8.8
Poland	6.7	5.5	6.8	23.6	8.4
Portugal	6.7	2.5	3.9	28.2	5.7
Romania	12.3	11.5	17.0	60.4	22.2
Slovenia	5.2	2.7	6.0	24.3	7.6
Slovakia	8.4	6.7	8.6	20.9	21.3
Finland	4.3	2.0	1.8	13.0	7.8
Sweden	8.4	5.3	2.2	19.3	0.0
United Kingdom	12.4	4.2	5.2	38.6	20.5
Iceland (*)	6.3	2.1	4.6	16.9	12.8
Norway	9.5	5.1	6.0	32.3	13.3
Switzerland	12.7	6.0	4.2	19.6	13.4
North Macedonia	11.7	11.1	.	56.2	14.4
Serbia	33.6	31.0	42.0	63.5	41.1
Turkey	9.5	0.9	10.9	32.4	1.2

(*) 2016 data.

Source: Eurostat (online data codes: ilc_lvho07c and ilc_lvho07a)

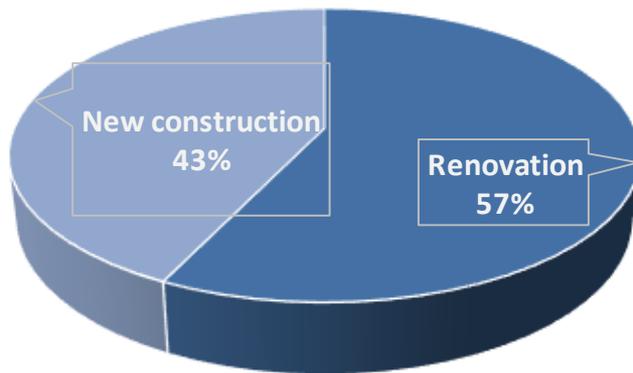
Housing ownership statistics in the EU



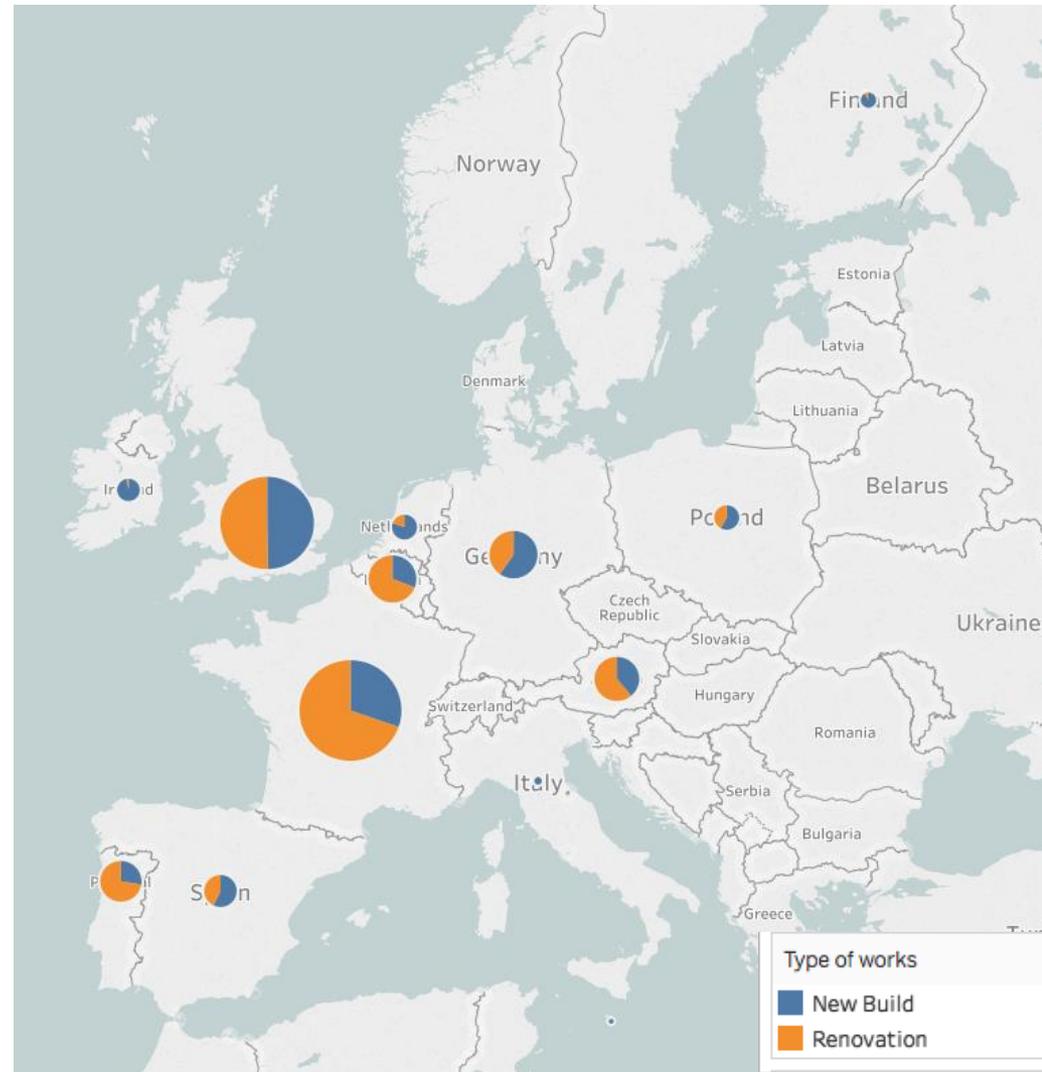
EIB activity to date



- Value of Projects
65.9 mld EUR
- EIB share
18.6 mld EUR



- 603,000 Renovated
- 255,000 New



What is then social and affordable housing



- It is not a charity!
- It stimulates workforce mobility, enables better urban planning
- Predominantly – rental
- Eligibility - based on income or universal
- Allocation – typically based on waiting list
- Rent level – 20-80% of market or based on income
- Typically ban on distribution of profit
- Planning-led development
- Social inclusion
- Tenants' involvement in decision making





Thank you
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Backup slides



Examples – Income Eligibility

Maximum annual household income

- ❖ France – Paris: Social housing 70,000 Euro (65% of population eligible), affordable housing 89,000 Euro (85% of population eligible)
- ❖ Ireland – Dublin: 45,000 Euro
- ❖ Netherlands – Social housing 37,000, Affordable housing 41,000 Euro
- ❖ Poland – 3-person household; lowest category: 8,200, highest category 26,200 (6 categories)



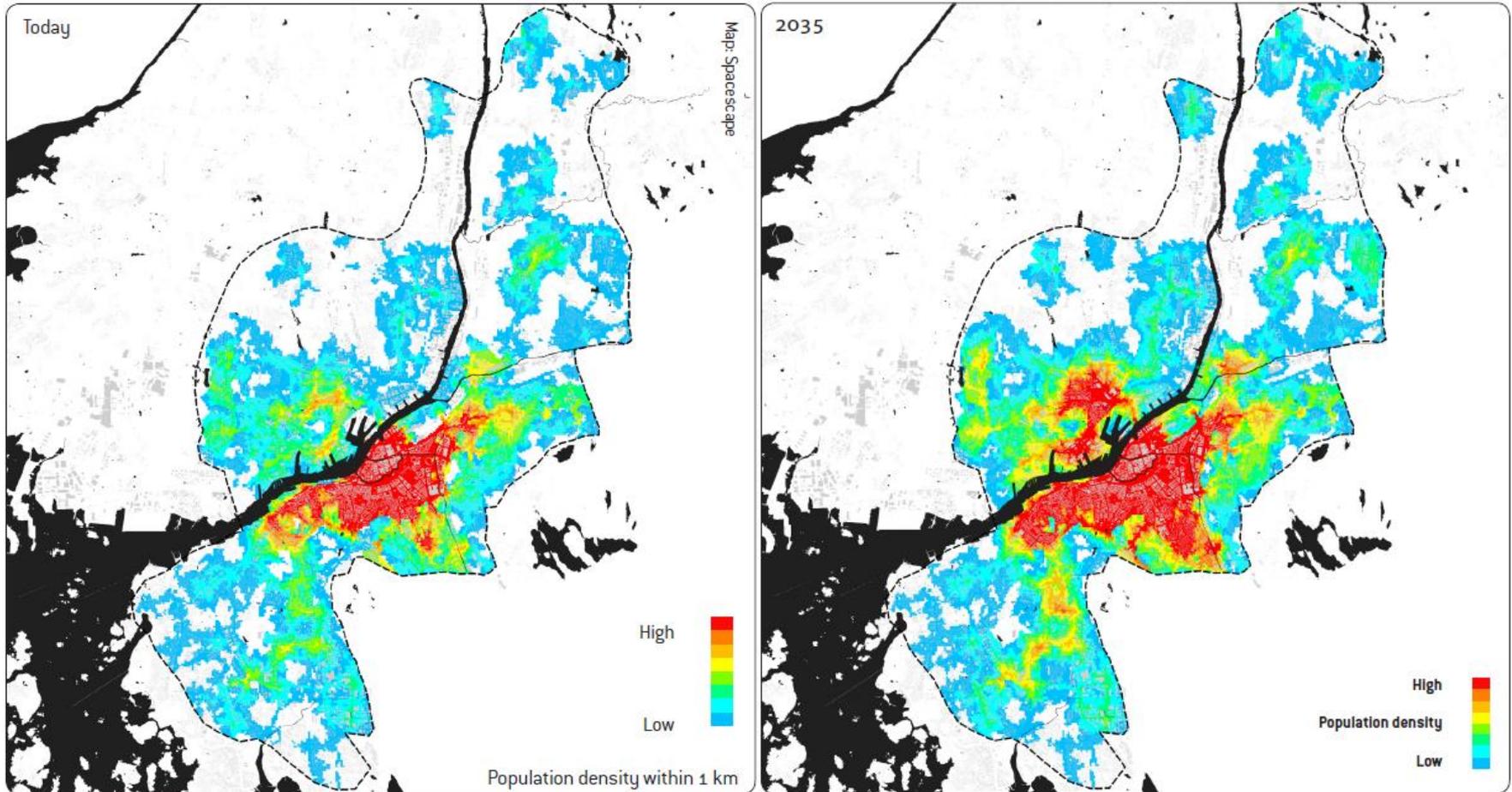
Examples – Rent



Monthly, assuming 50 sq. m. unit

- ❖ France – Paris: 300 – 650 Euro
- ❖ Ireland – 15% of income
- ❖ Netherlands – 400 – 700 Euro
- ❖ Poland – Warsaw: up to 230 Euro

Planing-led development





- ❖ Housing owner – municipality of dedicated housing company?
- ❖ Sources of revenues (long term) and decreased costs:
 - ❖ Social and affordable rent
 - ❖ Government subsidy
 - ❖ Sale-off of some units
 - ❖ Units received for free (Ireland, France)
 - ❖ State-guaranteed low-interest Loans
 - ❖ Land provided for free
 - ❖ No need to generate profit + ban on profit distribution