



HOUSING AND LAND RIGHTS NETWORK
Habitat International Coalition



Associazione Inquilini e Abitante

Cairo, 25 August 2015

Waleed Sadi, chairperson
Committee on Economic, Social and Cultural Rights
OHCHR
Palais Wilson
Geneva, Switzerland

Dear Mr. Sadi:

It is out of commitment to the implementation of the International Covenant on Economic, Social and Cultural Rights (ICESCR) that Housing and Land Rights Network – Habitat International Coalition and Associazione Inquilini e Abitante (A.S.I.A.) submit the accompanying parallel report for the Committee of Economic, Social and Cultural Rights (CESCR) review of the state party of Italy's performance of the treaty.

This submission emphasizes the respect, protection and fulfillment of the human right to an adequate standard of living and, in particular, the human right to adequate housing (Article 11 of the Covenant). This report takes into consideration the events and developments since CESCR's last review in 2004, which period coincides with a decline in government support for affordable housing and a dramatic rise in forced evictions. This report also focuses on the root causes of this gross violation, including the economic downturn and the decline in state support for social housing, which exacerbates the already dire living conditions of the affected persons and communities. The increase in housing costs, especially for the poorest and most-marginalized segments of the population, including migrants and non-national residents, is particularly significant, as it perpetuates the conditions of homelessness and under housing.

While the state party conducted its first national assessment of homeless in this period (2011), the weaknesses in the methodology of measuring homeless and the lack of more-recent data raise new questions for the state party as to the actual level of homelessness and under-housing across the country. That national assessment of

homelessness also preceded a sharp rise in evictions and, therefore, the situation is presumed to be much more serious at the present.

We look forward to the Committee's robust constructive dialogue with the state party and remain available in the meantime also for further questions or clarification in preparing questions and recommendations for the Committee's Concluding Observations on Italy.

HIC-HLRN and A.S.I.A. thank you, Mr. Chairperson, and the Committee for this opportunity to contribute to the periodic review of Italy. Please also be assured of our highest consideration.

Sincerely,

Housing and Land Rights Network – Habitat International Coalition
Associazione Inquilini e Abitante

Article 11 – The right to an adequate standard of living

Issue 21: Please provide statistical data, on an annual basis since 2008, on the percentage of the population living below the poverty line, disaggregated by sex, age, urban/rural population and ethnic group. Please provide information on measures taken, and resources mobilized, to combat poverty, in particular among disadvantaged and marginalized groups, including children and young persons, women, older persons, the working poor, immigrants, the homeless, Roma and ethnic minorities, families with one or more children and households headed by a person seeking employment. Please also report on steps taken to address the level of income inequality across the State party.

Issue 22: Please indicate the measures taken (a) to combat homelessness; (b) to address the impact of the high cost of rented housing on the population; (c) to address forced evictions; and (d) to provide social housing for low-income families, without discrimination. Please also report on the impact of measures taken to improve the substandard housing conditions of Roma and Sinti, end the forced evictions and segregation affecting them and provide them with alternative adequate housing.

Italy ratified ICESCR on 15 September 1978, which guarantees the human right of everyone in the state party to adequate housing as a component of the human right continuous improvement of living conditions, enshrined in Article 11.

In the Council of European countries, “everyone has the right to housing,” as enshrined in the current European Social Charter (Article 31),¹ which Italy ratified in 1999. Unlike in most of the other European Countries, however, the Constitution of the Italian Republic (amended 2003) does not contain specific provisions for the right to housing. It does recognize the right to private property and encourages the acquisition of housing as private property. Article 47 states:

[The Republic] promotes the access of popular savings to the ownership of housing, to directly cultivated property and indirect investment in the shares of the large production complexes of the country.²

Despite its orientation toward private ownership, the Constitution does provide for the social function of all property, with Article 42 stating:

Private property is recognized and guaranteed by law, which prescribes the ways it is acquired, enjoyed and its limits in *order to ensure its social function and to make it accessible to all.*³

By its Decision No. 5950/2002, in 2002, the State Council recognized the right to adequate housing specifically for families deprived of housing in case of natural disasters. However, the European Committee of Social Rights has found Italy in violation of the right to housing in the case of forced evictions of the Roma.⁴

Lack of affordable housing/high rental costs

Under Italy's last periodic review, the CESCR expressed concern over:

the continuing increase in rents and the privatization of housing and about the scarcity of adequate social housing units for low-income families, while the social fund established to provide housing assistance has been reduced.⁵

That December 2004 observation preceded the economic crisis that has led to even further decline in public support and services across Europe, including in Italy, and the state report presented to the CESCR fails to address this issue.

The situation that "concerned" CESCR in 2004 indeed has worsened, due to an affordable-housing deficit. Social housing is available for the most-vulnerable populations, and few programs assist poor households in accessing market-value rents.⁶ More vulnerable and greater numbers of people actually are evicted from their housing.

The present rental market also forecloses affordability, an indispensable element of adequate housing as a human right. The case of Italy shows how housing rights violations, even gross violations, arise from increasing unaffordability.⁷ The neglect of this one element, as in Italy, undermines adequacy on most counts.

Housing cost as a portion of salary and unreasonable rent increases

International standards of policy and practice consider affordable housing (composite costs) to be no more than 25–30% of a household's income (area median gross household income).⁸

In Italy, 25% of families in rented accommodation earn less than €10,000 annually; they spend more than 33% for rent alone. The 40% who annually earn €10,000–20,000 spend more than 25% of their income on rent.⁹ Additionally, rents have continued to increase an average of 50% nationally, while salaries remain stable. In larger cities, this increase has reached 85%, with a drastic 200% increase in Rome and Milan, and some cases exceeding a 300% increase (plus service costs).¹⁰

While the demand for affordable rental housing has been highest for some identifiable groups, including single-parent households and immigrants. The lack of affordable options to meet growing needs finds low-income families paying up to 81–185% of household income toward rent. These groups are most likely to be unable to pay rent and most at risk for eviction.¹¹

Privitization of social security institutions/pension funds: housing-cost increase and evictions

The privatization of social security institutions has specific consequences, but in Italy, this has allowed these previously public institutions to operate with little regulation.

Many pension funds/social security institutions utilize income from rented housing to fund pension schemes for workers. However, in past years, in order to fill internal funding gaps, and with the reduction of controls, many institutions have taken to increasing rents of selling off property at unreasonably high cost for tenants.¹²

The privatization of social security institutions began with legislative Decree No. 509 (30 June 1994), which gave the entities legal personality under private law, although they continue to exist as nonprofit organizations; continuing with legislative Decree No. 104 (16 February 1996), as supplemented by Law No. 410 (23 November 2001), which governs the activity of public social security institutions in the real-estate field, Article 1, Law No. 122 (30 July 2010), Law No. 214 (22 December 2011), and the European Directive 2004/18/EC.¹³

The deregulation and privatization of social security entities have allowed these public institutions to operate as private, for-profit entities. The consequent real-estate speculation by these entities has created problems for thousands of households across the state party, as prices for housing is being set much higher than actual value, as determined by size, quality (individual apartment and building itself), state of repair and other criteria. Rents are often higher than the actual market value.

Parliament has convened many commissions on this topic, but no real change has been seen. On 9 December 2013, the *Camera dei Deputati* (Chamber of Deputies), one part of the Parliament, approved a motion presented by the majority parties that obliges the government to take serious measures to clarify the laws concerning how the social security entities purchase the real-estate and to protect the people with some sort of regulation of the selling prices, to protect the welfare of the citizenry.¹⁴

Although the government formally has intervened, this speculation continues to cause high social alarm in all Italian cities. When buildings/units are sold, current tenants are given the Right of First Refusal; however, many tenants are unable to meet the high costs (as discussed previously). Many of these families who attempt to purchase, often default on loans or payment, and evictions from homes sold in auctions are becoming increasingly common.¹⁵ Approximately 12,000 housing units, for just one social security entity, I.N.P.S., have been unsold to tenants and, consequently, have been put up for auction, which will be grounds for immediate eviction.¹⁶

Evictions and rent arrears

With the excessive increase in rents, the cost of rented housing has become too much for many families to bear. The main reason for evictions in Italy in the past ten years has been due to owners expelling tenants for nonpayment of rent.¹⁷ This indicates a clear lack of protection against unreasonable rent increases for many low- and middle-income families in Italy.

The Italian Ministry of Interior (Mol) has tracked national eviction rates over the past years. Those data show the reasons for eviction as landlord/lessor's need (*necessità*

del locatore) to terminate the lease (*finita locazione*) for nonpayment of rent (*morosità*). Most evictions occur in provincial capitals/urban centers.

These data show that the number of evictions is generally high. However, more troubling is the fact that the vast majority of evictions have resulted from the inability to make rent payments. Of 63,846 evictions in 2011, 55,543 (87%) were due to *morosità*,¹⁸ and in 2012, this was the reason for approximately 89% of 67,790 evictions nationally.¹⁹ During the period January–June 2013 alone, 38,869 evictions were recorded, of which 89% were due to *morosità*.²⁰

Recently, Mol issued figures for 2014 evictions, totaling 77,278 cases. Despite the launch of a new housing plan by the PM Matteo Renzi's government, 2014 saw a 5% increase in court-ordered evictions, a 14.6% increase in eviction petitions, and a 13.5% increase in evictions executed as compared to 2013. Of these evictions, 69,015 (some 89%) were from *morosità*.²¹

This consistent, and increasing, percentage of evictions, and specifically those due to *morosità*, indicates a problem that has not been addressed properly within the Italian government, which bears an obligation to ensure accessible and affordable housing, as indicated above. The absence of such a targeted national housing policy has compounded many issues for both low- and middle-income families, now unable to find adequate housing that is affordable within household income.

Homelessness

While many of the evictions in Italy occur within the scope of the law, often due to inability to make rent or mortgage payments, the government has an obligation to pursue solutions and protect the right to an adequate standard of living. However, human rights standards require that evictions not result in homelessness, or render individuals vulnerable to violations of other human rights.²² “Where those affected are unable to provide for themselves, the state party must take all appropriate measures, to the maximum of its available resources, to ensure that adequate alternative housing, resettlement or access to productive land, as the case may be, is available.”²³

National homelessness was assessed for the first time in 2011,²⁴ revealing that over 47,000 people are homeless in Italy, and that 6 out of 10 are foreigners. In most cases, in fact, it is foreign (59.4%), men (86.9%), who are less than 45 years (57.9%; the average is 42.2 years). The state has an obligation to also ensure adequate housing for particularly marginalized/vulnerable populations including those with disabilities, immigrants and refugees, ethnic and racial minorities, female-headed households, and other groups particularly affected. The high number of homeless foreigners should indicate a larger issue within the access and affordability of housing.

With the rate of evictions increasing for lack of payment and limited affordable options available, Italy must ensure that the persons facing evictions have alternatives and solutions. With the current housing crisis across Italy, as well as the obligation to

accommodate and protect an increasing refugee and migrant population, it is imperative that the state party carry out an appropriate assessment of homelessness and those living in sub-standard housing, to inform appropriate and durable solutions.

Lack of social housing

The current housing stock across Italy is largely dominated by ownership (approximately 67%), while only 16.3% is rented to tenants, and only 5.5% for social rental.²⁵ The rate of housing ownership is generally higher in Italy than in other European countries.²⁶ This minimal percentage of rental stock and public housing reflects some 50 years of policies that encourage home ownership and lack sufficient support for rental/affordable housing. Now, economically accessible housing does not keep pace with the demographic realities and housing needs within the State. For many families, purchasing a home is not possible. Since the early 1990s, the number of years of average family income necessary to purchase a home has increased nearly 60%, from 4.2 years to 6.6.²⁷

As mentioned previously, Italy's legal framework emphasizes property ownership over rent options. Following in a similar vein are the lending and financing policies of many banks, which provide easy access to mortgages and financing mechanisms for home purchases. With the onset of the financial crisis many of these families, as in other countries across Europe, and in the United States, are unable to make housing payments. Presently, over 400,000 persons in Italy are under legal action from the banks because many were pressured into buying homes but now cannot afford to make payments.²⁸

According to the European Federation of Public, Cooperative & Social Housing (CECODHAS), "social housing" should signify:

the set of dwellings and services, actions and instruments addressed to those who are unable to meet their housing needs on the open market for economic reasons or due to a lack of appropriate options on the supply side.²⁹

This definition ties clearly to the goal of any social housing program, which should be for all persons to have dignified social and living conditions and generally achieve a better standard and quality of life, which aligns with Article 11 of the ICESR.

Although Italy does have social and public housing programs, they are severely lacking. 2015 figures indicated some 900,000 public houses operate in Italy,³⁰ a slight increase from the reported 800,000 in 2012.³¹ Nonetheless, the increase has not met demand, as about 650,000 families have applied for public housing, but have not received it due to the lack of available units.³² Recent surveys reveal that approximately 1 million additional social housing units need to be built in order to meet needs.³³ Although demand is increasing and the number of units has increased, the public housing sector has reduced its productivity by some 37%.³⁴

Putting additional stress on the social housing sector is the lack of fiscal incentives. Public housing providers no longer have discounted VAT, and the rate has increased to 21%. Additionally, new legislation has allowed for municipalities to introduce local property tax to social housing providers, which previously were exempt.³⁵ Social or public housing, meaning structures or units subsidized by the state, are necessary in order to meet the needs of many families who are unable to access affordable housing on the free market.

In May 2014, the Italian government set an ambitious reform plan in many sectors, including social housing. It committed to several assistance mechanisms, including funds to support access to rental properties and rent-relief for tenants, as well as an increase in amount and quality of social housing.³⁶ Recent government reports indicate that the plan has been implemented, but does not reveal the any positive impacts or increase in social housing units.³⁷

Endnotes:

- ¹ European Social Charter (revised), 3.V., 1996, Part I, para. 31, at: <http://conventions.coe.int/Treaty/en/Treaties/Html/163.htm>.
- ² The Constitution of the Italian Republic, 1948 (amended 2003) [English translation], at: <http://www.constitutionnet.org/files/Italy.Constitution.pdf>.
- ³ Ibid., emphasis added.
- ⁴ Council of Europe, European Committee of Social Rights, *European Social Charter (revised) - Conclusions 2007*, Vol. 2 (2007), pp. 779–94, at: http://www.coe.int/t/dghl/monitoring/socialcharter/conclusions/Year/2007Vol2_en.pdf.
- ⁵ “Concluding Observations of the Committee on Economic, Social and Cultural Rights: Italy, E/C.12/1/Add.103, 14 December 2004, para. 26, at: http://www.coe.int/t/dghl/monitoring/socialcharter/conclusions/Year/XVIII2Vol2_en.pdf.
- ⁶ UN-HABITAT, *Forced Evictions: Global Crisis Global Solutions*, 2011, at: <http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=3187>.
- ⁷ CESCR, General Comment No. 4, *The right to housing* (sixth session, 1991), E/1992/23, annex III, p. 114, para. 8(c), at: <http://www1.umn.edu/humanrts/gencomm/epcomm4.htm>.
- ⁸ Emma Mulliner and Vida Maliene, “Austerity and reform to affordable housing policy,” *Journal of Housing and the Built Environment*, Vol. 28, Issue 2 (2013), pp. 397–07, at: <http://link.springer.com/article/10.1007/s10901-012-9305-6>; David J. Hulchanski, “The concept of housing affordability: Six contemporary uses of the housing expenditure-to-income ratio,” *Housing Studies*, Vol. 10, Issue 4 (October 1995), p. 471–91, at: http://www.urbancenter.utoronto.ca/pdfs/researchassociates/Hulchanski_Concept-H-Affd_H.pdf; Glen Bramley, “An affordability crisis in British housing: dimensions, causes and policy impact,” *Housing Studies* Vol. 1 (1994), 103–24, at: <http://www.tandfonline.com/doi/abs/10.1080/02673039408720777#preview>; K. E. Hancock, “‘Can pay? Won’t pay?’ or Economic Principles of ‘Affordability’,” *Urban Studies*, Vol. 1 (1993), 127–45, at: <http://usj.sagepub.com/content/30/1/127.full.pdf>; Ade Kearns, “Affordability for housing association tenants: A key issue for British social housing policy,” *Journal of Social Policy*, Vol. 21, No. 4 (September 1992), pp. 525–49, at: <http://eprints.gla.ac.uk/87992/1/87992.pdf>; Peter D. Linneman and Isaac F. Megbolugbe, “Housing affordability: myth or reality?” *Urban Studies*, Vol. 29, Nos. 3/4 (1992), pp. 369–92, at: <http://usj.sagepub.com/content/29/3-4/369.extract>.
- ⁹ Laura Pogliani, “Key Players in the Social and Affordable Housing Provision in Italy,” 23rd European Network for Housing Research Conference, 5–8 July Toulouse, France, at: www.enhr2011.com/sites/default/files/Pogliani_WS20.pdf.
- ¹⁰ Pogliani, 2011; *Lettera al Ministro Saccomanni*, ASIA-USB, 3 February 2014, at: <http://hlrn.org/img/documents/Lettera%20al%20ministro%20Saccomanni%20ASIA-USB%203%20febbraio%202014.pdf>; *Interpellanza 2/00094*, Lombardi, Movimento 5 Stelle, 13 June 2013, at: http://hlrn.org/img/documents/INTERPELLANZA_2-00094_CAMERA_on_Lombardi_13giu2013.pdf.
- ¹¹ UN-HABITAT, op. cit.
- ¹² For complete listing of primary issues associated with these entities: *Situazione Alloggiativa Degli Inquilini Degli enti Previdenziali, dei Fondi Immobiliari-Pensione- Assicurativi, della Regione Lazio e dell` Edilizia Agevolata*, 11 January 2014, at: http://hlrn.org/img/documents/Scheda%20Inquilinato%20ASIA_USB%2011gennaio2014.pdf

-
- ¹³ For comprehensive list of relevant laws and legislation: *Mozione SEL emergenza abitativa ed enti previdenziali*, 17 July 2013, not approved on 9 December 2013, at:
<http://hlrn.org/img/documents/Mozione%20SEL%20emergenza%20abitativa%20ed%20enti%20previdenziali%2017lug2013%20non%20approvata%209dic2013.pdf>
- ¹⁴ *Mozioni no. 134*, 9 December 2013, Camera dei Deputati, at:
<http://hlrn.org/img/documents/Mozioni%209%20dicembre%202013.pdf>
- ¹⁵ UN-Habitat, op. cit.
- ¹⁶ *Lettera al Ministro Saccomanni*, 3 February 2014
- ¹⁷ UN-HABITAT, op. cit.
- ¹⁸ Italian Interior Ministry Evictions Data 2011, at:
<http://hlrn.org/img/documents/data%20ministero%20interni%20sfratti%202011.pdf>
- ¹⁹ Ibid.
- ²⁰ Italian Interior Ministry Evictions Data First Semester 2013, at:
<http://hlrn.org/img/documents/data%20ministero%20interni%20sfratti%201st%20semestre%202013.pdf>
- ²¹ Italian Interior Ministry Evictions Data for 2014:
<http://hlrn.org/img/documents/schema%20Dati%20sfratti%202014%20MinInt%20GIU2015.pdf>
- ²² Committee on Economic, Social, and Cultural Rights, *General Comment 7, Forced evictions, and the right to adequate housing* (Sixteenth session, 1997), E/1998/22, annex IV, p. 113 (1997), para. 17, at:
<http://www1.umn.edu/humanrts/gencomm/escgencom7.htm>.
- ²³ Ibid.
- ²⁴ *Le Persone senza Dimora*, iStat, 2011, at: <http://www.istat.it/it/archivio/72163>
- ²⁵ *The State of Housing in the EU 2015: A Housing Europe Review* (Brussels: Housing Europe, 5 May 2015), at:
<http://www.housingeurope.eu/resource-468/the-state-of-housing-in-the-eu-2015>.
- ²⁶ Banca d'Italia, Housing Ownership Information (Italian), 2012, at:
http://hlrn.org/img/documents/Banca_%20d_Italia_2012.pdf
- ²⁷ Ibid.
- ²⁸ *Mozione SEL Emergenza Abitativa ed enti Previdenziali*, 17 lug 2013 non approvata 9 dic 2013, at:
<http://hlrn.org/img/documents/Mozione%20SEL%20emergenza%20abitativa%20ed%20enti%20previdenziali%2017lug2013%20non%20approvata%209dic2013.pdf>
- ²⁹ CECODHAS European Social Housing Observatory, *Research Briefing, Year 5, No. 2*, February 2012, at:
<http://www.housingeurope.eu/publication/research-briefings>.
- ³⁰ *The State of Housing in the EU 2015*, supra note 23.
- ³¹ CECODHAS, op. cit..
- ³² *The State of Housing in the EU 2015*, op. cit.
- ³³ CECODHAS, op. cit.; Pogliani, op. cit.
- ³⁴ CECODHAS, op. cit.
- ³⁵ Ibid.
- ³⁶ Ministry of Economy and Finance, *Italy's Structural Reforms*, October 2014, at:
http://www.dt.mef.gov.it/export/sites/sitodt/modules/documenti_it/analisi_progammazione/strategia_crescita/141002_Structural_Reforms_web.pdf
- ³⁷ Ibid.