

Statement of the State Secretary Terhi Lehtonen, Finland

UNECE Ministerial Meeting on Urban Development, Housing and Land Management, 6.10.2021

Madam Chair, Honourable Ministers and Distinguished Delegates

The main challenge in the housing sector in Finland is polarisation in the housing market. At the same time, there are housing shortages and high housing costs in growth centres and the oversupply of housing in regions with a shrinking population. However, a high level of housing production has taken place in large cities in recent years. In general, in Finland, municipalities have a key role in housing actions, while the state provides various types of subsidies and guarantees.

Under the present Government Programme, housing policy is expanded to include objectives that support sustainable urban development and that increase housing construction in growing urban areas, especially affordable state-subsidised housing production. Eradicating homelessness is also a specific interest. In the construction sector, the objective is to build a carbon neutral society and make the existing building stock more energy efficient.

To implement the Government Programme's objectives, we are preparing a state housing policy development programme — with the involvement of Parliament — for the coming eight years.

The central government is also negotiating with the largest cities and neighbouring municipalities to improve their housing production and to implement sustainable urban development and transport. In land use, housing and transport agreements, or MAL agreements, we have included objectives for land use development, housing production and the transport network. Under these agreements, the state pledges to co-finance local and regional transport projects (such as rail, metro lines and so on) and the cities commit to production targets for the supply of state-subsidized housing in their area. In 2020–2021, MAL agreements were approved in seven urban regions for the years 2020 to 2031.

Madam Chair,

In the recent decade in Finland, separate programmes have been implemented to solve the housing problems of population groups with challenging needs.

The state has implemented programmes aimed at reducing homelessness. Under these programmes, municipalities and organisations have provided new housing for homeless people and reformed the services aimed at supporting them. The national activities for alleviating homelessness are based on the Housing First principle, which puts housing as the first step in helping homeless people. This means that a dwelling is the foundation on which the rest of life is put back together.

Our latest programme, to Halve Homelessness 2020–2022, targets strengthening the homelessness work of local authorities. Housing advice has proven to be a cost-effective form of low intensity support. It has significantly reduced evictions, which in turn has helped to prevent homelessness.

Another challenge in Finland, as in other countries, is the ageing population. The Government's objective is to improve the housing conditions of older people and provide suitable housing options. Additional objectives are directed at supporting older people themselves in their own preparations regarding their housing, and improving municipalities' foresight in the housing of an older population in their area. Encouraging the development of age-friendly housing environments is also an important focus, especially in respect of state funding.

Finally, Finland welcomes the key recommendations of the report "#Housing2030" and stresses the importance of sharing good practices and knowledge of national housing policy actions.

Thank you, Madam Chair.