



AFFORDABLE HOUSING AND WORKERS' RIGHTS

PATHWAYS FOR A JUST TRANSITION IN LISBON'S BUILT ENVIRONMENT

Part of the global project: *Building
for Today and the Future: Advancing a
Just Transition in the Built Environment*

THE BUILDING FOR TODAY AND THE FUTURE PROJECT

This report is one of eight city research summaries as part of the global IHRB project “Building for Today and the Future: Advancing a Just Transition in the Built Environment”

In Europe, buildings account for 40% of energy consumption and 36% of carbon dioxide emissions. In the 27 countries of the European Union (EU27), the residential building stock makes up 3/4 of the total stock.¹ At the same time, cities are often where people experience the impacts of climate change, rising living costs, and socio-economic inequalities.

The project examines green transition processes in the built environment of eight cities globally, aiming to (1) strengthen the understanding of social justice and human rights issues in each context and globally, and (2) open up pathways for local and international action to improve the social sustainability of these processes. The results of this project will help stakeholders make informed decisions in urban and sustainability policies, and take steps towards implementation (in various contexts and at various levels of governance).

The project is structured in four research cycles, each undertaking parallel research in two cities to derive comparative insights. The pairs of cities are: Prague and Lagos, Lisbon and Melbourne, Copenhagen and Jakarta, Athens and Valparaíso.

The report intends to inform policy-makers, investors, and businesses involved in shaping the built environment in Lisbon, as well as civil society actors working to expand the space for socially inclusive climate action.



TERMINOLOGY

Built environment: The tangible urban environment, i.e. buildings, infrastructure and the spaces that connect them.

Built environment decarbonisation: Measures to reduce greenhouse gas emissions from the built environment by improving the energy efficiency of new and existing buildings, switching to renewable energy supplies, and reducing the climate footprint of construction materials.

Built environment resilience: Measures to strengthen the resilience of buildings and infrastructure to the impact of climate-related events such as flooding, extreme heat, and sea level rise.

Just transition: While pioneered by the labour movement and the ILO, the wider concept today involves a series of aligned and coherent climate actions that effectively fulfil both environmental and social purposes:

1. A transition to an ecologically-conscious model that allows societal development within planetary boundaries, and
2. Ensure the benefits of that shift are equitably spread and enjoyed throughout the population, and that its costs are not borne by traditionally excluded or marginalised groups.

The project focuses particularly on four thematic areas of the built environment: the right to housing, construction workers' rights on site and through supply chains, non-discrimination and spatial justice, and meaningful participation.

The project recognises that “just transitions” are context specific, and that the overall concept continues to evolve. The project therefore aims to engage with local language, narrative and perspectives while also building international momentum for positive change. The local research is accompanied by visioning workshops that bring stakeholders together to envision pathways towards a more inclusive, sustainable and just city.

ACKNOWLEDGMENTS AND PARTNERSHIPS

The Building for Today and the Future project benefits from guidance and insights from its thematic partners including ICLEI - Local Governments for Sustainability, Building and Woodworkers International, and the International Union of Tenants.

The Building for Today and the Future project is made possible with support from Laudes Foundation and Ove Arup Foundation.



BWI
Building and Wood
Workers' International
www.bwint.org



Laudes ———
— **Foundation**



Ove Arup Foundation

TABLE OF CONTENTS

Summary	4
Research process	5
Context: Governance, economics and the built environment	6
Human rights risks and opportunities	8
(Un)affordable housing	8
Construction workers	10
Conclusions	11
Recommendations	12
Appendix: List of interviews	14

SUMMARY

This report summarises the results of a 3-month research process in Lisbon that collected empirical evidence on the challenges of achieving a just transition in the city's built environment, and provides recommendations to address them. The report starts with a context section covering local governance challenges, climate plans and strategies at both national and local level, an overview of Portugal's macroeconomic growth strategy with direct impact on urban social justice, and a brief overview of the state of the built environment in Lisbon. This is followed by sections summarising human rights risks and opportunities grouped according to the two main challenges identified: housing affordability and protection of construction workers' rights.

Findings revealed that progress towards a just transition in Lisbon's built environment will require greater collaboration between sectors and between government departments. It will also require meaningful public participation, as well as policies with realistic timelines, enforcement and monitoring. The recommendations proposed include increasing the social housing stock (both public and private, and of different tenure types), acknowledging and protecting construction workers' rights, increasing investment in climate action programmes and ensuring their implementation.



Nature-based solutions. Green park in residential area built in the 1940s in Praça de Londres, Lisbon (May 2023).

Copyright: Diana Soeiro

RESEARCH PROCESS

A literature review and 12 semi-structured interviews were conducted in Lisbon between February and May 2023. The interviews included key stakeholders from: academia (3), professional organisations (1), local and state government (2), non-governmental organisations (4), and the private sector (2) (See appendix). A visioning workshop took place at Lisbon's Knowledge Pavilion on 26 April 2023, with representatives of local and national government, industry, NGOs, universities, and civil society. IHRB presented preliminary research findings and facilitated the co-creation of a shared understanding of and vision for a just transition in Lisbon's built environment.

Furthermore, IHRB partnered with The Shift (a global NGO working to uphold the right to housing) and jointly responded to the Portuguese government public

consultation of its new plan "Mais Habitação" (More Housing) which has the aims to "promote investment in affordable rentals, reinforce confidence in the rental market and mobilise available assets to allocate them to housing".

IHRB and The Shift provided 30 detailed recommendations² to strengthen the plan and help ensure the right to housing is upheld. The submission was among over 2,700 comments the government received during the consultation, however, the "Mais Habitação" plan was voted on and approved in Parliament with no significant changes to the initial text, only one week after the consultation period ended, raising questions about the meaningfulness and effectiveness of the entire public consultation.³

The billboard is set against a background of a city street in Lisbon. It features a yellow box with the LISBOA logo (a stylized anchor) and the text 'LISBOA' and 'CERTEZA NA MOBILIDADE'. To the right is a QR code and the website 'lisboa.pt'. The main text reads: 'PROCESSO PARTICIPATIVO', 'PROJETO INTEGRADO DE REQUALIFICAÇÃO DO ESPAÇO PÚBLICO DO EIXO DA ALMIRANTE REIS', 'Transformar a Avenida com as Pessoas e para as Pessoas.', and 'PARTICIPE!' with the website 'visite lisboa.pt/eareis'. At the bottom right, it says 'Billboard in Avenida de Roma, Lisbon (April 2023) Copyright: Diana Soeiro'.

CONTEXT: GOVERNANCE, ECONOMICS AND THE BUILT ENVIRONMENT

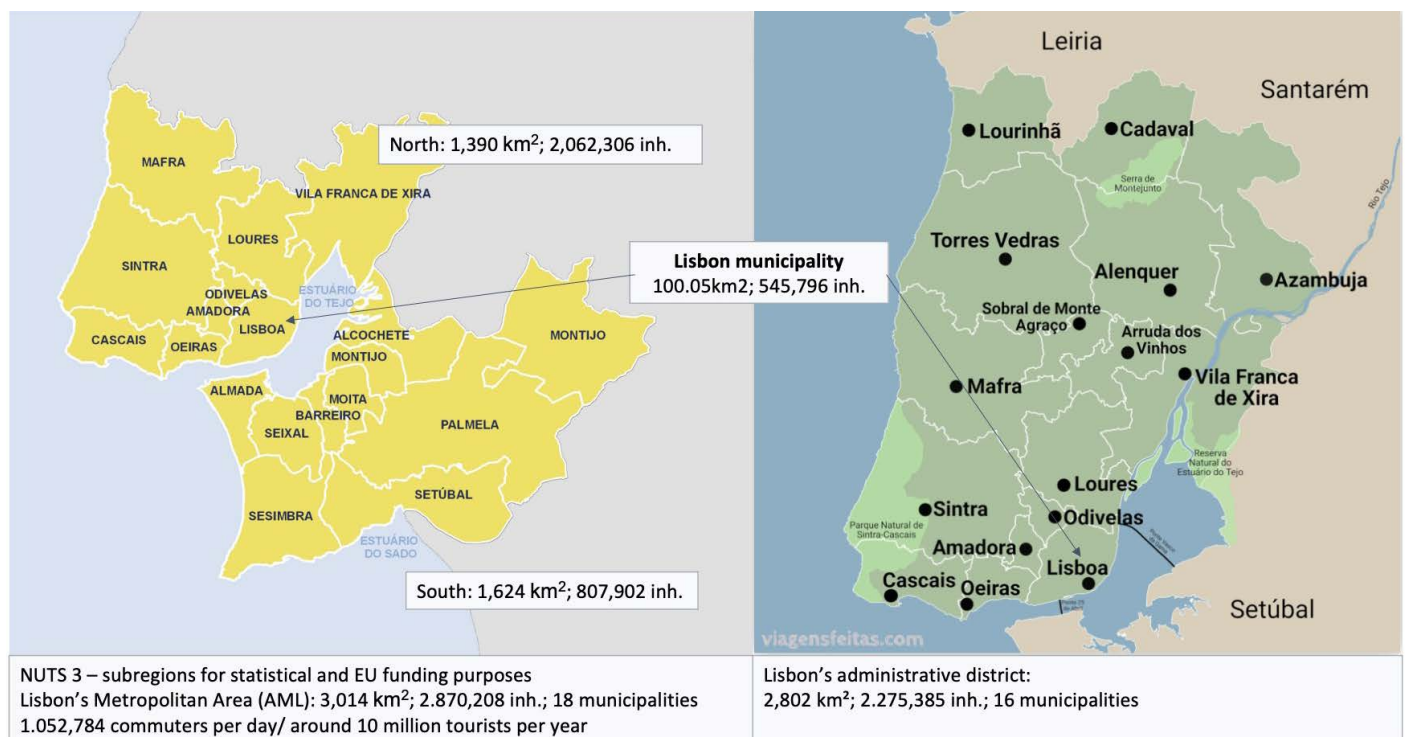
LOCAL GOVERNANCE CHALLENGES

The Lisbon Metropolitan Area (“*Área Metropolitana de Lisboa*” or AML) has approximately 3.1 million inhabitants (2023)⁴ in an area of 3,015 km². It encompasses 18 municipalities, with Lisbon Municipality as the economic epicentre. AML encircles two administrative districts: Lisbon (north) and Setúbal (south), with political representation elected independently.

This division is creating governance challenges to the design, implementation and management of urban planning and public policies⁵ [Interviews 1 and 4], and is hindering the co-creation of much-needed intersectoral and inter-departmental strategies [Interviews 1-13].

CLIMATE PLANS AND STRATEGIES

- Some examples of national plans are Portugal's National Energy and Climate Plan for 2021-2030; and the Recovery and Resilience Plan (PRR; 2021-2026) with 38% of its budget allocated to support climate change transition, including support for energy efficient buildings and sustainable mobility strategies.
- At municipal level, there are three main plans: the Lisbon Climate Action Plan 2030, the Local Biodiversity Action Plan (2016), and the Lisbon Noise Action Plan 2015.
- There are also three related strategies at national and municipal level: the National Long-Term Strategy to Combat Energy Poverty 2022-2050, the Long-Term Strategy for the Renovation of Buildings in Portugal (ELPRE PT) and the Municipal Strategy for Adaptation to Climate Change.
- Lastly, there are two projects led by the Lisbon Municipality: Lisbon Climate Adaptation Drainage System and the Heat Waves Project.



MACROECONOMIC GROWTH (AT WHAT COST?)

To cope with the impact of the 2008 financial crisis, in 2011, the government of Portugal requested external financial support. The International Monetary Fund (IMF) and the European Union (EU) approved a €78 billion bailout package, and Portugal agreed to follow a strict austerity program; however, between 2011-2014, the government's deficit increased and GDP decreased.⁶ To remedy this, the government's overarching macroeconomic growth strategy (still ongoing), was to increase tourism and foreign investment. Since the liberalisation of short-term rental registration in 2014⁷, housing prices have increased by 108% in the Lisbon Municipality, and it is estimated that each percentage point increase in short-term rentals results in an increase of 27.4% in housing prices in Lisbon.⁸ Since 2014, partly due to this, the economic value attributed by banks to real estate has grown exponentially.^{9,10}

Over the years, this growth strategy created a challenge for housing affordability. On one hand, a housing shortage propelled by a boom in short-term rentals (Airbnbs or "Alojamento Local" or "AL"); and on the other hand, a disconnect between wages and housing prices – partly caused by golden visas (see next section), new construction and renovations targeting high-income families, and low investment in social and affordable housing.¹¹ The resulting housing unaffordability poses a challenge to the universal right to adequate and affordable housing. Former UN Special Rapporteur Leilani Farha¹² points out that this right is acknowledged by Portugal as an international and constitutional right, which provides a positive regulatory framework and fertile ground for national policies that uphold this right.

BUILT ENVIRONMENT

Lisbon's current building stock situation can be understood through five factors:

1. Rural migration during the 1940s-1960s yielded to rapid urbanisation which was often unlicensed or with questionable licensing criteria due to a weak legislative framework and lack of enforcement. This has resulted in poor-quality and unplanned building stock today [Interviews 1, 5, 12 and 13].
2. Available buildings are old and outdated: 40% of today's standing buildings were built before the 1950s and 32% in the 1980s-1990s. Many are in poor condition due to lack of investment in renovations.
3. Since the 2008 financial crisis, many renovated buildings have been repaired with cheap and low-quality construction materials to cut costs.
4. Poor construction and insulation materials lead to energy inefficiency i.e. the inability to regulate indoor temperature properly [Interviews 9, 11 and 13] e.g. losing heat in winter and/or lacking ventilation and fresh air during summer. Basic regulations concerning thermal comfort only began to be introduced in 1990.¹³
5. The previous points, combined with housing unaffordability (see next section), rising energy prices and recessionary impacts on national and regional economies, push many households into energy poverty.

These five factors result in a dilapidating and climate-vulnerable built environment stock, which highlights the urgent need for housing resilience [Interviews 1, 5, 6, 10 and 12]. Research results indicate that this will require: a strong and enforceable regulatory planning framework (building code) which includes proper verification, monitoring, and inspection processes, quality renovations especially in low-income households, new constructions that are sustainable through circular material use, and greater overall consideration of the link between the built environment and socio-economic outcomes that impact quality of life.

HUMAN RIGHTS RISKS AND OPPORTUNITIES

The research found that the two predominant issues in Lisbon's built environment are the right to housing and (construction) workers' rights. The human right to adequate housing and standard of living is recognised in article 25 of the 1948 Universal Declaration of Human Rights and in article 11.1 of the 1966 International Covenant on Economic, Social and Cultural Rights. Portugal has ratified both of these international treaties, and various others, about the rights to housing and to non-discrimination, including of city dwellers and workers.¹⁴ Consequently, "Portugal has binding international human rights obligations to protect the enjoyment of the right to adequate housing without discrimination on any ground, to avoid retrogressive measures" as well as the ILO Declaration on Fundamental Principles and Rights at Work.¹⁵

The sections below summarise the empirical evidence that points to these rights being at risk in Portugal, and particularly in Lisbon. They also identify and propose ways to mitigate these risks and maximise social opportunities.

(UN)AFFORDABLE HOUSING

In January 2023, the Portuguese government created the Ministry for Housing¹⁶ to deal with the problems, mentioned above, of social and public housing shortages, buildings performance, energy poverty, etc. This is a positive sign, acknowledging the seriousness of the issue. In May 2023, the Parliament approved the "More Housing" Programme to be implemented up until 2026 (funded by the 2.7 billion euros for housing from the EU Recovery and Resilience Plan). The Programme involves many legislative changes: a sizable governance challenge that requires a close collaboration between national governments, the Institute for Housing and Urban Rehabilitation (IHRU), and municipalities.¹⁷ While promising, it is still unclear how realistic the ambitious Programme is and how much of it can be implemented in such a short period of time.

Touristification¹⁸ and short-term rentals: "Short-term rentals (mostly for tourists), especially when they become the primary form of occupation of specific neighbourhoods, can weaken community networks and

the social fabric of a city, which in turn undermines the promotion of long-term rental as an essential tenure system for local residents". Unregulated "touristification" can, therefore, increase housing prices overall and have other negative effects on the enjoyment of the right to housing for the most vulnerable populations. Acknowledging the correlation between short-term rentals and rising unaffordability, the "More Housing" Programme put an end to new licences for such short-term rentals, and increased property taxes on them ("Alojamento Local" or "AL") to 35%. This is in accordance with a 2022 Supreme Court ruling¹⁹ that decreed that residential housing buildings cannot have short-term rentals, and any resident could demand an end to this type of activity in their building, even if the short-term rental has been operating for years.

Simultaneously, the profile of the target tourist seems to be changing towards higher classes. Private investment in the hotel business in Lisbon has encouraged stays in luxury hotels. In Lisbon, in 2022, there were 14 new hotel openings (most of them luxury hotels), and by 2025, another 23 hotels are planned, totalling 2,180 new rooms.²⁰

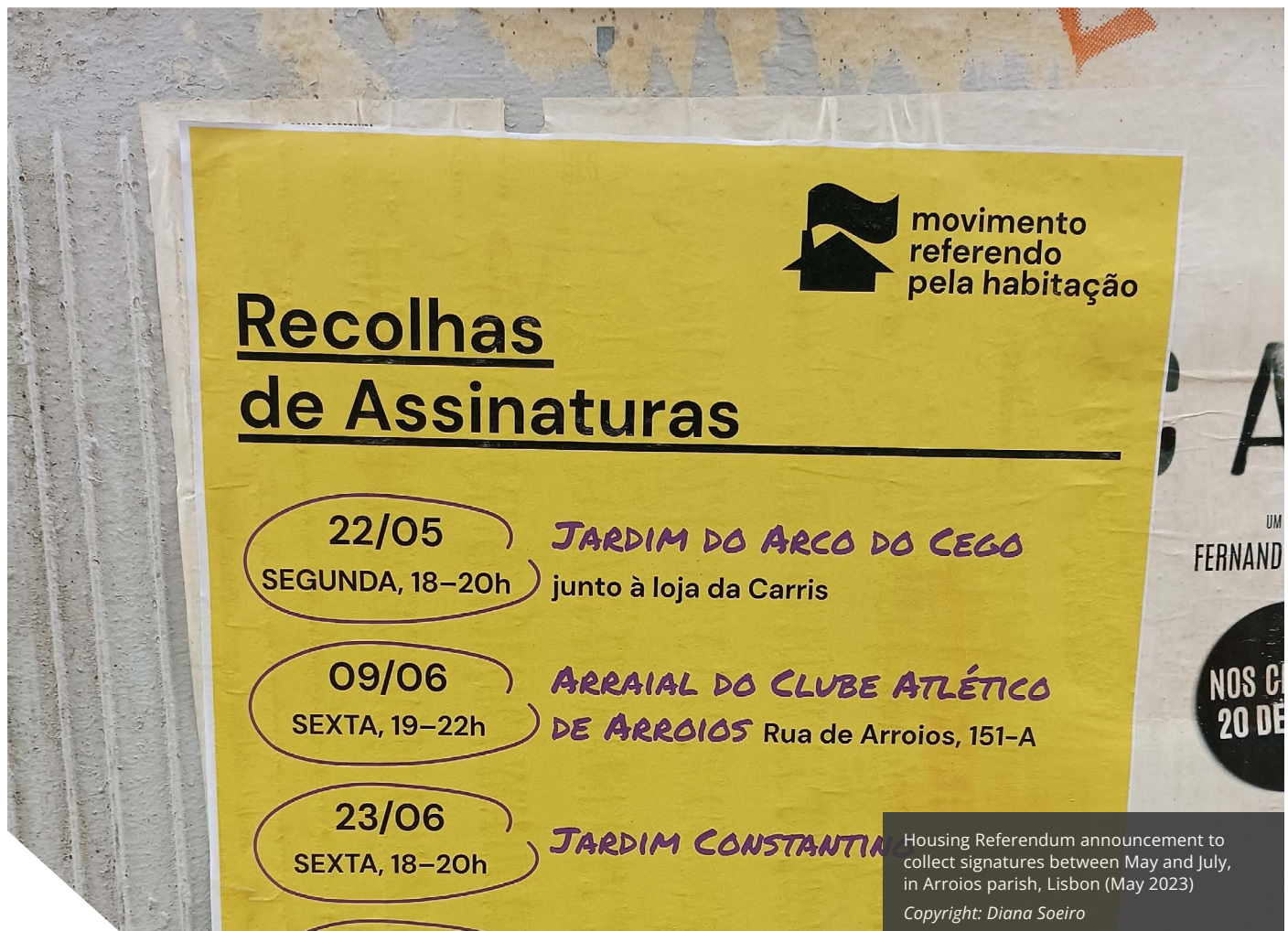
Golden visas: In 2011, Portugal launched a residence permit programme (law No. 29/2012) to attract foreign investment from non-EU citizens, with Chinese business migrants taking the most advantage of this initiative.²¹ One of the criteria to be awarded the visa was to purchase property above €500k, or to renovate it with an expenditure of over €350k. This inflated housing prices as investors bought real estate at exceptionally low prices during the crisis, performed renovations, and either sold or rented it at very high prices. Between 2012 and 2023 there were 12,037 residence permits issued and 10,957 real estate properties purchased, representing over €6 billion euros in investment.²² However, "despite the huge influx of capital, the golden visa scheme has not proven to be beneficial to the people most in need in Portugal... the scheme, alongside other factors such as scarcity of long-term rentals, easier access to credit to purchase housing for some, and low interest rates, may have exacerbated affordability issues for middle- and low-income households", therefore putting at risk the right to affordable and adequate housing. In light of this, the recent "More Housing" Programme has ended the golden visas scheme, acknowledging that, while it played a role in economic recovery, it was now hindering social equity.

Expensive new builds: The Lisbon Municipality has lacked investment in new family housing for decades²³, and, as covered in the 'macroeconomic growth' section above, between 2016-2019 the market changed very quickly, with housing affordability decreasing for both purchase (privately owned) and rent. Since then, there has been a growing gap between the price of new builds and local average income. This means that new developments (often privately-led and profit-driven) target high-income families and foreigners, and do not necessarily contribute to the supply of housing that middle and low-income families can afford.²⁴

A solution is to increase the public housing stock, which currently only accounts for 2% of residential buildings in Lisbon.²⁵ The national government has begun to do this with the "More Housing" Programme, offering to purchase properties. However, it has only managed to acquire a small number of properties from individual owners, and has been unsuccessful so far in incentivising corporate landowners to sell given the reliance of their

business model on property ownership. As it is difficult to see economic incentives working, IHRB and The Shift argue²⁶ that public policy is a stronger tool, while acknowledging that such an approach, in turn, creates various political and economic tensions.

In addition, housing cooperatives are key to increasing the agency of civil society and keeping rent prices low. However, they have historically failed due to difficulties in accessing finance and suffering from institutional instability. Splitting tasks between the national government (financial resources) and the city government (implementation and accountability) can help existing cooperatives through administrative and managerial support. Additionally, the national government, in partnership with banks and building owners' associations, can help create appropriately-resourced housing cooperatives that are stable and provide long-term financial returns, while promoting and improving housing affordability [Interviews 3 and 7].



CONSTRUCTION WORKERS

Official data (2021) shows that construction worker wages in Portugal range from €816.80 to €2,165.20 per month.²⁷ However, the recent EU Post Lab project²⁸ (implemented through 2016-2018) exposed a number of issues in this industry: over-reporting of allowances, unpaid overtime, over-declaring of absences to avoid paying wages and related social security contributions, companies having no formal economic activity and yet being subcontracted, recruitment of unqualified or semi-qualified employees, especially by small and medium-sized enterprises (SMEs), overdue salaries and non-payment of social security contributions. These practices are clearly an assault on the rights of workers, who often have little or no access to judicial resources.

The right to be affiliated with a union is granted in Portugal's Constitution (Article 55) but this right is not protected in practice. Workers fear that openly stating their affiliation could trigger discrimination or even layoffs. Therefore, most unionised workers opt for individual membership and pay their quotas directly, instead of deducting them from their salaries through their companies. Hence, there is a clear lack of trust between workers and companies, partly caused by an environment of vulnerability. Furthermore, only workers who deduct union quotas through their companies can officially apply to represent their union on a construction site. This key role entails monitoring workers' rights (including safety and security matters) and granting union inspectors access to the

construction site in case of alleged irregularities. The result is that most construction sites do not have a union representative. This makes it harder for the union to investigate complaints because they are often denied access to construction sites [Interview 8]. So, there is also an issue of procedural justice that must be addressed by authorities.

Furthermore, the construction sector is experiencing a labour deficit. According to the Portuguese Construction Union and the Association of Civil Construction and Public Works Industrialists (AICCOPN), the sector needs at least 80,000 skilled workers.²⁹ This labour deficit leads to the reliance on migrant workers, who often experience the sharpest end of the issues stated above.

While, at a superficial level, workers' wages are an operating cost, the costs of an antagonistic relationship with them (strikes, disruptions in operations, dissatisfied and demotivated workforce, all of which impact productivity) are even greater. These can be avoided by fully including workers and treating them as allies, rather than disregard them as problems. Workers are essential for the physical realisation of the built environment and its commercial activities, but their value has been undermined, and consequently, their rights have been abused. To acknowledge this and take legitimate actions to repair it, as well as (re)skilling, is precisely what constitutes the 'just' aspect of the construction industry green transition [interviews 5 and 12, and visioning workshop.³⁰



Manifestation announcement on May 1st, 2023 by General Confederation of Portuguese Workers — National Interunion in favour of workers' rights and higher salaries, Lisbon (April 2023)

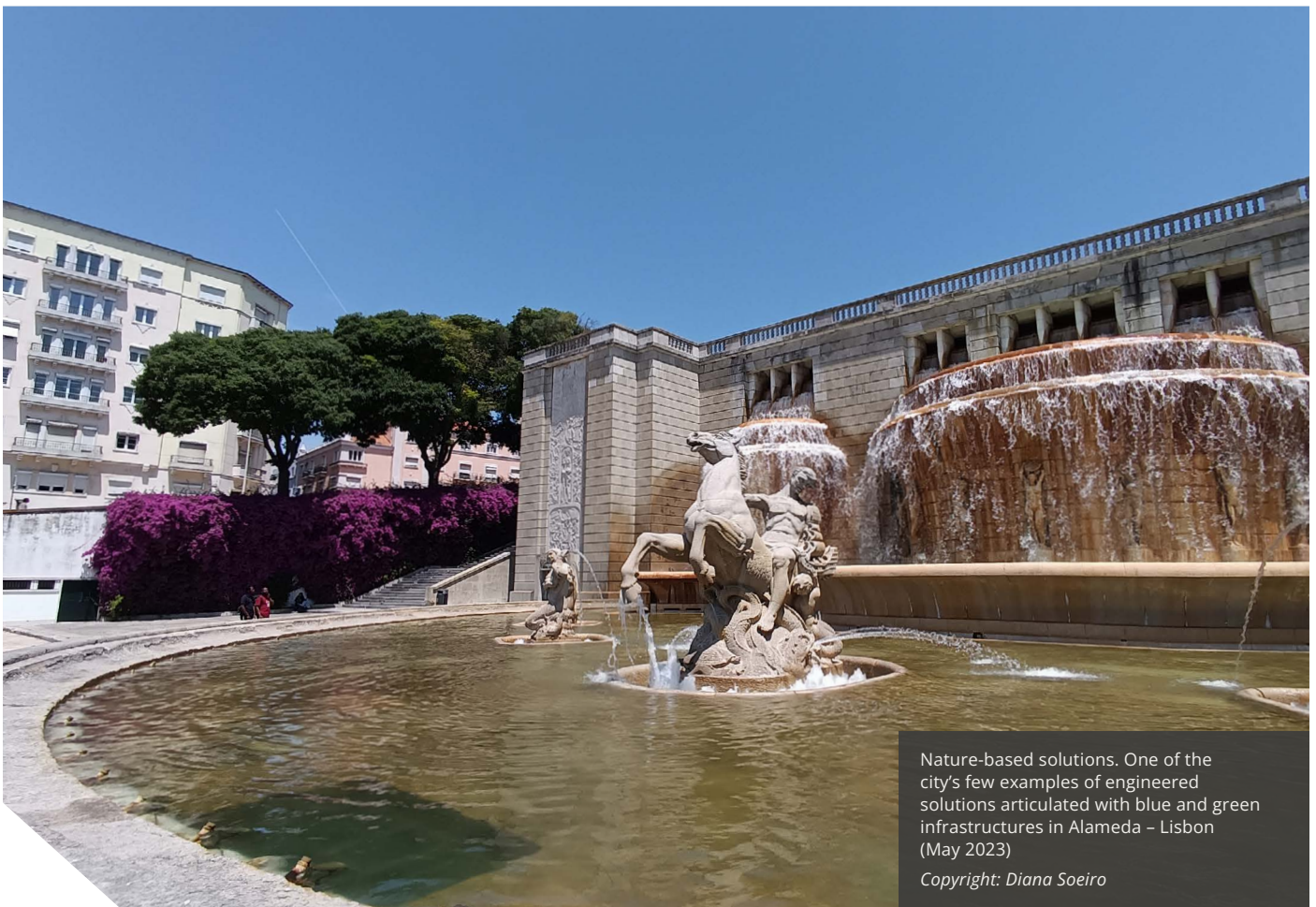
Copyright: Diana Soeiro

CONCLUSIONS

The (un)affordability of housing in Lisbon derives from the domestic macroeconomic growth strategies of increasing tourism and foreign investment, in combination with the global trend of financialisation of, and speculation with, real estate, that has increased housing prices exponentially; all this whilst salaries have not nearly increased at the same rate or scale. Although tourism and foreign investment can benefit the local economy, their accumulation can create a dynamic of dependence, which has shown to have the opposite effect, becoming the main underlying cause of an unsustainable economy. Many low and middle-class families are now unable to pay rent or access credit to buy a house in Lisbon. The underlying key risks of 'touristification' and short-term rentals, the golden visas scheme and expensive new builds are already being addressed, up to a certain extent, by the new "More Housing" Programme, which "aims to design an overarching strategy to solve the housing crisis".

However, there are key opportunities to strengthen and improve this programme, as [IHRB](#) and [The Shift](#) have already recommended, for example by increasing public housing stock and supporting cooperatives in the housing sector.

Regarding construction workers, there are various issues under the surface including mis/distrust between workers and employing companies. This creates a chain of negative consequences, e.g. the lack of union representation at construction sites and roadblocks on the union's right to investigate allegations, hinder procedural justice and workers' rights in general. Employers have the corporate responsibility, moral obligation, and power to improve these relations and protect workers' rights, especially when planning and executing climate transition actions.



Nature-based solutions. One of the city's few examples of engineered solutions articulated with blue and green infrastructures in Alameda – Lisbon (May 2023)

Copyright: Diana Soeiro

RECOMMENDATIONS

The recommendations below are grouped by the alliances needed to achieve them. Diverse sectors must work together and collaborate in the pursuit of the suggested actions.

NATIONAL GOVERNMENT

- Adopt a “mission-oriented and human rights-based approach to the right to housing”³¹ which requires actions on the legal accountability of the state to provide for the right to housing, and activating the necessary multi-actor, multi-disciplinary, and multi-government department actions to achieve it. This approach requires the government to “embrace its role as market-shaper” rather than as a market-observer.
- Examine a more sustainable economic growth strategy that would encourage the development of more resilient and less volatile sectors than tourism and foreign investment. Alternatives should consider socio-economic long-term impacts for all citizens e.g. ensuring that the strategy does not inflate (nor allows the inflation of) real estate prices, as this puts pressure on the affordability of housing for low- and middle-income groups.
- Expand the criteria to qualify for social housing to include not only low-income, but also middle-income individuals and families. Also, it is important to develop financial incentive mechanisms for each target category. For example, state-owned banks, like the Banco de Portugal, could provide preferential access to grants or preferential rates in loans to social housing companies and/or cooperatives.

LOCAL AND NATIONAL GOVERNMENT ALLIANCES

- Implement management and governance systems.³² This will encourage:

- a. mechanisms for transparency, facilitating monitoring, reporting and verification;
 - b. more realistic timelines for the design and implementation of plans and programmes;
 - c. systematisation and harmonisation of existing urban planning regulations [Interview 1];
 - d. intersectoral cooperation through platforms and stakeholder meetings facilitated by the municipality. [Interviews 1-13 and [visioning workshop](#)]
- Strengthen existing mechanisms for meaningful public participation [Interview 2 and [visioning workshop](#)]. This requires planning sufficient time for consultations, workshops, surveys, etc. as well as processing and incorporating the inputs into the government programme or policy.

GOVERNMENT AND BUSINESS ALLIANCES

- Promote and work with social housing cooperatives: Work with social housing companies to develop housing plans at the local level, and update legislation on housing and construction cooperatives to facilitate business-cooperatives collaboration. Create financing strategies, including financial incentives mechanisms, with the necessary administrative and managerial support and work closely at municipal level to identify vacant buildings which can be repurposed [Interviews 3 and 7].³³
- Land Value Capture (LVC) “is one method that enables governments to recover and reinvest land value increases that result from public decisions (policies and/or investments).” LVC in Portugal is not being maximised. “Developer obligations, land readjustment, and strategic land management are used to varying degrees, while infrastructure levies and charges for development rights are rarely used. Municipalities rarely adopt charges for development rights, primarily because local

laws do not yet enable implementation."³⁴ We recommend that LVC mechanisms be considered and further developed by Lisbon City Council, which would thereby receive an agreed share of the land valuation, and could use it to fund affordable housing and community programmes.³⁵

- Investigate the use of inclusionary housing zoning measures through which the government would encourage or mandate developers to include a percentage of low-priced/rented housing units in any new build. This mechanism would provide affordable housing without the need for public funding, with developers subsidising affordable housing.³⁶

INDUSTRY AND UNION ALLIANCES

- Adopt a new collective bargaining agreement for construction workers establishing fair wages and working conditions, and the right to paid leave.
- Develop and implement clear accountability mechanisms. These should include, for example, mechanisms to collect and process complaints in a safe and fair way, to investigate alleged abuses, and to supervise the distribution of benefits. These mechanisms should be simple, effective, accessible to all construction workers, and adequately resourced. The complaints mechanism should guarantee anonymity and be culturally sensitive.³⁷ Once in place, these would also improve the relationship between industry and workers/unions.
- The Authority for Working Conditions (ACT)³⁸ should make unannounced visits to construction sites rather than giving notice. Each construction site should have a union representative facilitating better access to justice [Interview 8]. Project owners/managers should allow workers with union individual membership to officially apply as union representatives in construction sites.

- Protect all construction workers with anti-discrimination and whistle-blower policies.

NATIONAL GOVERNMENT AND FINANCIAL ACTOR ALLIANCES

- Support and invest in government-facilitated housing programmes explicitly aimed at improving housing affordability. These programmes should be focused on generating long-term financial returns from a large number of low-priced rents, rather than from a low number of buildings with high-priced rents.
- Agree, implement and strengthen strategies on housing energy-efficiency that pass the benefits and financial savings on to tenants, and ensure rent prices do not increase on the basis of energy-efficiency renovations.
- Invest in urban (re)development projects based on local housing demands.

See more and similar recommendations on how to embed human rights in built environment processes in IHRB's resources below:

- [Explainer](#): 'What's needed for a just transition in the built environment?'
- [Framework](#) for Dignity in the Built Environment
- [Video and Report](#): 'Human Rights and the Decarbonisation of Buildings in Europe'
- [Series of interviews](#): 'Community-led and participatory approaches to climate action in the built environment'
- [Migrant workers programme](#) and the [Employer Pays Principle](#)

APPENDIX: LIST OF INTERVIEWS

1. Fernanda Paula Oliveira, University of Coimbra, Faculty of Law, Professor of Planning Law
2. (Anonymous) Activist and Territorial Projects Developer
3. Manuel Banza, Rizoma – Multisectoral Cooperative, Housing Sector representative
4. (Anonymous) Representative of Vizinhos em Lisboa, Residents Association
5. Helena Botelho, Architects Guild, President
6. Cláudia de Macedo, Remax (real estate company), Credit intermediary
7. Rui Franco, Lisbon's City Council, Deputy City Councillor
8. Fátima Messias, Portuguese Federation of Construction, Ceramics and Glass Unions (FEVICCOM), President
9. Carlos Contente de Sousa, Lisboa E-Nova, Agência de Energia e Ambiente de Lisboa, President
10. Sara Manso, PROCIV -Civil Protection Agency, responsible for the Forestry Technical Office
11. Islene Façanha, ZERO- Sustainable Earth System Association, Project Manager
12. Inês Silva, Green Lab Portugal (sustainable construction company), Head of Development
13. (Anonymous) Ecology of Environmental Change researcher, University of Lisbon, Faculty of Sciences, CE3C-Centre for Ecology, Evolution and Environmental Changes

ENDNOTES

- 1 <https://globalabc.org/resources/publications/2022-global-status-report-buildings-and-construction>
- 2 <https://www.ihrb.org/focus-areas/built-environment/portugals-national-housing-consultation-on-the-right-to-housing>
- 3 PTGov (2023). “Mais Habitação” recebeu mais de 2700 contributos em consulta pública. *República Portuguesa*. 2023-03-28.
- 4 <https://worldpopulationreview.com/world-cities/lisbon-population>
- 5 Ferrão, J. (2011). *O ordenamento do território como política pública*. Fundação Calouste Gulbenkian.
- 6 In 2008, Portugal's government deficit was 75.5%. By the time of the bailout in 2011, the deficit was 114.4% and in 2014 it had increased to 132.9%. In 2022, the percentage was 113.9% (EUROSTAT 2023, Government deficit/surplus, debt and associated data). At a macrolevel, during those years, Portugal's GDP was unstable presenting negative growth in 2009 (-3,12%), 2011 (-1,70%), 2012 (-4,06) and 2013 (-0,92%) (PORDATA 2023. Taxa de crescimento do PIB). See also Gurnani, S. (2016). The financial crisis in Portugal: Austerity in perspective. *The Libraries student research prize, paper*, 9. and Lorga, M., Januário, J. F., & Cruz, C. O. (2022). Housing Affordability, Public Policy and Economic Dynamics: An Analysis of the City of Lisbon. *Journal of Risk and Financial Management*, 15(12), 560. doi:10.3390/jrfm15120560.
- 7 DL n.º 128/2014, de 29 de Agosto (followed by Decreto-Lei n.º 63/2015, de 23 de abril) acknowledged the importance of raising “the figure of local accommodation from a residual category to an autonomous category, recognizing its tourist relevance and inaugurating its own legal treatment”.
- 8 Cunha, A. M., & Lobão, J. (2022). The effects of tourism on housing prices: applying a difference-in-differences methodology to the Portuguese market. *International Journal of Housing Markets and Analysis*, 15(4), 762-779. doi:10.1108/IJHMA-04-2021-0047
- 9 Lorga et al. 2022.
- 10 Except for 2020 due to COVID-19 there was a tendency for steady growth around 2%-3%. Remarkably, in 2021 the country's GDP increased to 5.5% and in 2022 to 6.7% (PORDATA 2023. Taxa de crescimento do PIB) showing above-average growth among EU-27 countries (EUROSTAT 2023. GDP Growth).
- 11 Recent data from the 2021 Census useful to identify citizens' housing needs include: there has been an increase in the number of families but 58.1% have one or two people; in Lisbon's Metropolitan Area, between 10% and 30% of housing units are in overcrowding; and in Lisbon, there are roughly 320.000 housing units and around 47.000 are empty (15%) (INE 2023. Censos - O que nos dizem os Censos sobre a habitação – 2021. Instituto Nacional de Estatística.)
- 12 Farha, L. (2017). Report of the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context – Mission to Portugal (A/HRC/34/51). United Nations – General Assembly.
- 13 INE (2023). Censos - O que nos dizem os Censos sobre a habitação – 2021. Instituto Nacional de Estatística. Moreira, C.F. et al. (2022). Lisboa é uma das cidades europeias mais expostas às ondas de calor e tarda a preparar-se para o futuro. *Público*. 1 Agosto.
- 14 Non-discrimination treaties that Portugal has signed and ratified: International Covenant on Economic, Social and Cultural Rights (ICESCR) and the International Covenant on Civil and Political Rights (ICCPR). “In 2013, Portugal became one of the first countries to ratify the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights, which provides for an international individual complaint mechanism for violations of the rights in the Covenant, in particular the right to adequate housing. Portugal ratified the Convention on the Elimination of All Forms of Discrimination against Women in 1980, the International Convention on the Elimination of All Forms of Racial Discrimination in 1982, the Convention on the Rights of the Child in 1990, and the Convention on the Rights of Persons with Disabilities and the Optional Protocol thereto in 2009 (E/C.12/PRT/4).” Report of the UN Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context - Mission to Portugal. (February 2017). A/HRC/34/51/Add.2 <https://www.ohchr.org/en/documents/country-reports/ahrc3451add2-report-special-rapporteur-adequate-housing-component-right>
- 15 ILO Declaration on Fundamental Principles and Rights at Work: <https://www.ilo.org/declaration/lang-en/index.htm>
- 16 Housing affairs were previously under the Ministry of Infrastructure. Housing has typically been handled by different bodies within the government over time, often shifting based on the current needs and political context. There was a Ministry of Housing between 1975-1978.
- 17 Francisco, S. (2023). Habitação. Um novo ministério, a contrarrelógio até 2026. *Diário de Notícias*. 4 Janeiro.
- 18 The process in which a city changes (either positively or negatively) due to the effect of increased tourism.
- 19 22/03/2022; Acórdão do Supremo Tribunal de Justiça nº4/2022, Publicado no DR nº90, 1ª série, 10 de Maio de 2022, pp.8-22.
- 20 Almeida, A. (2023).Marketbeat Portugal. *Cushman & Wakefield*. Spring 2023.
- 21 Gaspar, S., & Ampudia de Haro, F. (2020). Buying citizenship? Chinese golden visa migrants in Portugal. *International Migration*, 58(3), 58-72. doi:10.1111/imig.12621. Between October 2012 and April 2023 the top 5 nationalities being awarded residence permits were: China: 5319; Brasil: 1203; EUA: 635; Turke: 571; South Africa: 532. (SEF 2023)
- 22 SEF (2023). Residence permit for investment activity 2012-2023. Serviço de Estrangeiros e Fronteiras. Note: the number of residence permits issued is higher than properties bought because there are various criteria to issue a residence permit, buying property is one of them.

- 23** Antunes, G. (2019, August). Política de habitação social em Portugal: de 1974 à actualidade. In *Forum Sociológico. Série II* (No. 34, pp. 7-17). CESNOVA. doi:10.4000/sociologico.4662
- 24** Lorga et al. 2022.
- 25** HE-Housing Europe (2019). The State of Housing in the EU 2019, *Housing Europe Observatory*. Statistic at: <https://www.housingeurope.eu/resource-1323/the-state-of-housing-in-the-eu-2019>
- 26** <https://www.ihrb.org/focus-areas/built-environment/portugals-national-housing-consultation-on-the-right-to-housing>
- 27** PORDATA 2023. Ganho médio mensal dos trabalhadores por conta de outrem da Construção: total e por nível de qualificação. In 2023, Portugal's minimum wage is 760 euros/month.
- 28** Marques, J., Veloso, L., & Oliveira, C. S. (2021). Free mobility, locked rights: the posting of construction workers from Portugal. *Mobilities*, 16(3), 404-422. doi:10.1080/17450101.2020.1863552
- 29** <https://www.dinheirovivo.pt/economia/-construcao-tem-falta-de-80-mil-trabalhadores-em-portugal-13270752.html>
- 30** IHRB-Institute for Human Rights and Business (2021), "Better Building(s): Financing Human Rights-Based Decarbonisation in Europe's Built Environment"
- 31** Mazzucato M. and Farha L. "The right to housing: A mission-oriented and human rights-based approach". Council on Urban Initiatives. Working Paper 2023/01. https://www.ucl.ac.uk/bartlett/public-purpose/sites/bartlett_public_purpose/files/right_to_housing_missions_final76.pdf
- 32** ISO (2023). ISO/TC 268 - Sustainable cities and communities. *International Standards Organization* (ISO). (ISO 37000; 37101; 37104; 37111)
- 33** See for example the Locay platform developed by the Belgian consultancy Endeavour: "Locay is the platform for local authorities that connects vacant properties, citizens and experts, and streamlines their efforts to reactivate buildings. Locay facilitates the pinning of vacant space to streamline the development of an organisational, constructional and financial plan. This new platform is ready to be used for buildings and municipalities". <https://endeavours.eu/project/locay>
- 34** OECD and Lincoln Institute of Land Policy, 2022. "Global Compendium of Land Value Capture Policies". OECD Regional Development Studies. https://www.laburba.com/fileadmin/Fichiers/Lab_URBA/Images_Livres/OECD-Lincoln_Institute_Global_Compendium_of_Land_Value_Capture_Policies.pdf
- 35** Nzau, B., & Trillo, C. (2020). Affordable housing provision in informal settlements through land value capture and inclusionary housing. *Sustainability*, 12(15), 5975. DOI: 10.3390/su12155975
- 36** Lerman, Brian R. (2006). Mandatory Inclusionary Zoning-The Answer to the Affordable Housing Problem. <https://lawdigitalcommons.bc.edu/ealr>
- 37** Social Protection and Human Rights. "Access to Accountability Mechanisms and Effective Remedies". <https://socialprotection-humanrights.org/framework/principles/access-to-accountability-mechanisms-and-effective-remedies/>
- 38** The ACT has the mission to promote the improvement of working conditions, through the monitoring of compliance with labour standards, as well as the promotion of policies to prevent professional risks, both within the scope of private labour relations and within the scope of the public administration. <https://eportugal.gov.pt/en/entidades/autoridade-para-as-condicoes-do-trabalho>

Cite as: Institute for Human Rights and Business, *"Affordable housing and workers' rights. Pathways for a just transition in Lisbon's built environment"* (August 2023), available at <https://www.ihrb.org>

Attribution: This report was researched and written by Diana Soeiro in an independent consulting capacity. Alejandra Rivera, IHRB Built Environment Global Programme Manager, edited and supervised its production. Comments on the draft were provided by Charis Hoffman, Circular Development Officer, ICLEI; Leslie Petitjean, Circular Economy Officer, ICLEI Europe; Andreia Fidalgo, IHRB Built Environment Europe Programme Manager; and Giulio Ferrini, Head of IHRB Built Environment Programme.

Copyright: ©All rights reserved. IHRB permits free reproduction of extracts from any of its publications provided due acknowledgment is given. Requests for permission to reproduce or translate our publications should be addressed to comms@ihrb.org