

el Periòdic News

HOUSING LAW

Foreign investment, reduced to a maximum of two

Esport defines the project as «transversal»

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Last Monday, the Government presented the bill on sustainable growth and the right to housing, in an event attended by the Head of Government, Xavier Esport, together with the Minister of the Presidency, Economy, Labor and Housing, Conxita Marsol; the Minister of Tourism and Commerce, Jordi Torres, and the Minister of Justice and Interior, Ester Molné.

Esport defined the project as «transversal» and that it has taken place after a «dialogue process until today with parliamentary and social groups to find the common denominator».

So, the aim of this is to address two main problems: the lack of access to affordable housing and the concern for sustainable growth, which, according to Esport, «are difficult to reconcile because they are contradictory».

A MAXIMUM OF TWO APARTMENTS FOR FOREIGN INVESTMENT// Firstly, the bill includes measures in the field of foreign investment, which seek greater control over foreign capital in Andorran companies. In this sense, foreign investment of more than 25% in an Andorran company will require prior authorization, reducing the previous limit of 50%. Prior authorization is



The Head of Government, Xavier Esport, and the Ministers of Tourism and Commerce, Jordi Torres; Presidency, Economy, Work and Housing, Conxita Marsol, and Justice and Interior, Ester Molné.

also required for foreign natural and legal persons who acquire more than 10% of the capital of an Andorran company.

In the real estate field, restrictions are established for the purchase of properties by non-residents, residents with less than three years of residence, and legal entities with foreign participation greater than 25%. Only the acquisition of two flats, a single-family house, three parking spaces or a property for the deployment of commercial activity for foreign legal entities will

be allowed.

HOUSING FOR TOURIST USE// With reference to the regulation and improvement of the quality of housing for tourist use (HUT) and with the aim of reducing their number, from the Tourism portfolio it was proposed to prohibit obtaining of new HUT licenses and the renewal of existing licenses in buildings with less than 30% HUT. As for the buildings with more than 30% of HUT, they will be able to renew their licenses with new conditions of increa-



Xavier Esport

HEAD OF GOVERNMENT

«The bill comes after a dialogue with parliamentary and social groups to find the common denominator»

vo apartments



M.F./ANA

Justice and Interior, Ester Molné, in the presentation of the bill.

sed quality. This measure will affect 660 homes. And it is that, according to Torres, «we want to avoid the cunning of the dou-

ble permit», since there had been cases of homes that became touristic and rented. The overnight stay and camping of motorhomes outside the spaces designated for this purpose is also prohibited.

EMPTY HOMES THAT WILL BECOME AFFORDABLE RENT

On the other hand, the bill seeks to mobilize empty flats on the market for sale or rent and to have real data on the number of existing empty homes, it is for this reason that they have asked FE-DA and the municipalities for a list of the flats with counters at zero. Empty homes are defined as those that do not have an electricity supply contract or energy consumption during the two years prior to January 1st, 2024. This measure will be valid for three years from the entry in force of the law.

In addition, the tax on empty homes is increased to 100€/m², doubling the current rate. The procedure for putting these homes on the market includes a request to the owner, a period of three months to justify the situation of the home, and the possibility of selling, renting or ceding the use of the home to the Government.

In the event that the situation is not justified within the established period, the Government may declare the home

empty and agree on the mandatory and temporary assignment of the use of the home in favor of the Government for a maximum period of five years.

REMOVED WORKER PERMITS FOR NON-EU NATIONALS

The immigration measures aim to «reduce demographic pressure and the negative impact on housing», as explained by Molné.

For this reason, the permits for non-EU displaced workers are abolished and the holders of a residence and work authorization are prohibited from working on their own account during the first year of validity of the authorization.

In addition, obtaining quotas for residence through foreign investment is required and mechanisms are strengthened to avoid fraud and breaches of immigration regulations.

ESPOL DEFENDS THE PROPOSAL AND ANTICIPATES THE CRITICISMS

On a final point, regarding the risk of various appeals of unconstitutionality being presented, Espot stressed that the legislative proposal is «weighted, balanced and reasonable», explaining that «we have a housing problem and a problem of sustainable growth» and in the face of this reality, «we cannot back down», he said. ●

KEY POINTS

FOREIGN INVESTMENT

The investment of more than 25% in an Andorran company will require prior authorization. The same will also be required of foreign persons who acquire more than 10% of the capital of an Andorran company.

HOUSES FOR TOURIST USE

It is proposed to prohibit the obtaining of new HUT licenses and to renew the existing ones in buildings with less than 30% of HUT. As for the buildings that exceed this figure, they will be able to renew them with new conditions.

EMPTY HOMES

In the event that an empty home is not justified within an estimated period, the Government may agree on the mandatory and temporary assignment of the use of the home in its favor for a maximum period of five years.

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