



OPEN LETTER TO THE NORWEGIAN SOCIETY

Spain has undergone more than 600,000 evictions since 2008. More than one million people have been thrown out without any decent housing alternative, many of them children that have lost their homes.

In this light, the Spanish Government has failed to comply with the United Nations International Covenant on Economic, Social and Cultural Rights. **In July 5th 2017, the United Nations, through the Committee on Economic, Social and Cultural Rights, condemned Spain for violating the right to housing, and requested the Spanish government to adopt a series of recommendations to guarantee alternative housing for people who may become homeless as a result of any form of eviction.**

Not violating human rights is the responsibility of all. **At the same time banks were bailed out with more than 64.349 M €** in cash (approximately 8% Spanish GNP) of taxpayers money (and another 70.000 M € as guarantor to risky operations), without social compensations. The Spanish Central Bank recognizes that 42.017 M € have already been lost, the equivalent of 89 years of Spanish Budget in Housing (473 M for 2018). Even the money box of our pensions is at risk due to bank debts.

On top of this, it is worth mentioning that Spain's Mortgage Law has been declared illegal in 8 rulings of the European Court of Justice due to the abusive clauses in mortgage contracts. Since EU directive 93/13/CE has not been applied to mortgages, all those evictions were illegal, but retroactive compensations haven't been promulgated. In addition, in Spain, houses are not the sole collateral to mortgage debt meaning people remain liable for their loan even beyond foreclosure and repossession. There are no mechanisms for declaring individual bankruptcy resulting in people becoming indebted for life and doomed to social exclusion. The majority of those affected have at least one minor, elderly person or some dependent in their care. They suffer constant and intense anxiety, more than double the average, and this has generated numerous suicides. The problem has been reported by universities, observatories of rights and social organizations such as Human Rights Watch, the Red Cross and Amnesty International.

The Norwegian Pension Fund is the largest sovereign wealth fund in the world and currently has a vested interest in almost 9,200 companies spread across 72 countries. **One of these countries is Spain, where the Fund owns percentages of Spanish Banks, Real Estate Investment Trusts and Real Estate Companies that are listed on the Spanish stock exchange market (IBEX):**

- Banks: Banco Bilbao Vizcaya Argentaria (1,51%), Banc Sabadell (1,55%), Santander (2,09%), Bankia (3,27%), Bankinter (1,64%), CaixaBank (0,78%), Unicaja (2,73%),
- Real Estate Investment Trusts and Companies: Hispania Activos Inmobiliarios (0,76%), Inmobiliaria Colonial (1,75%), Inmobiliaria del Sur (2,06%), Merlin Properties (0,29%), Neinor Homes (2,45%), Quabit Inmobiliaria (1,1%), Axiare Patrimonio (0,06%)

In front of this scenario **we ask ourselves if Norway should keep investing in Spanish Banks and other Real Estate Investment trust and companies that evict vulnerable families** in most cases with young children. These are institutions that have been condemned systematically for abusive practices and contract clauses. According to The Oxford Handbook of Sovereign Wealth Funds 2017, the Norwegian Government Pension Fund Global (GPF) is a model of best practices and *"has led the initiative to pursue higher governance standards in the companies it has increased its participation. Along with*



improved corporate governance, GPFG encourages companies to enhance their social and environmental standards. Finally, GPFG publishes the list of companies excluded from the fund's investment portfolio after hearing the recommendations from the Council of Ethics". So, could Norway contribute to stop Spanish banks', Real Estate Trusts' and Companies' unethical practices that go against Human Rights? Could Norges Bank divest if these institutions don't stop evicting vulnerable families and provide affordable rents? Or does Norway want to continue being an accomplice to the extended housing emergency that Spain is experiencing?

The Platform for People Affected by Mortgages (PAH) is a grass root organization born almost 10 years ago with the intention of giving a public response to the evictions of many families who could not afford to pay their mortgages. Awarded with "European Citizens' Prize" by the European Parliament in 2013, today we are more than 250 nodes distributed throughout the state, where affected and solidarity activists are organized to denounce these dramatic situations consequence of public policies aimed at converting housing into a business, instead of ensuring that this was a right guaranteed by law, and proper housing policies.

Real estate bubble, the mortgage scam and the banking malpractice are at the origin of the crisis that today condemns millions of people. The financial entities, in total connivance with the political power, have secured legislation that overprotects them and have obtained multimillion-dollar benefits. For this reason, from the PAH we denounce the political and financial elite as the main culprits of the current situation, and we promote legislative changes at both the local and state levels to ensure that the right to decent housing is guaranteed for all citizens. Be a valuable shareholder in this purpose, do not invest against people.

Si se puede!

LA PAH

Links of Interest:

Report sovereign funds in Spain:

<https://web.northeastern.edu/ruthaguilera/wp-content/uploads/2017/02/Capap%C3%A9-Aguilera-Santiso Spain-and-SWFs Oxford-Handboo 2016.pdf>

Norges Bank:

<https://www.nbim.no/en/the-fund/>

<https://www.nbim.no/en/investments/>

<https://www.nbim.no/en/the-fund/holdings/holdings-as-at-31.12.2017/?fullsize=true>

<https://www.nbim.no/en/investments/>

<https://www.nbim.no/en/investments/real-estate-management/>



<https://www.nbim.no/en/transparency/reports/>

PAH Presentation at Habitat Norway event in Oslo Oct 18:

<https://app.box.com/s/owk99k7e6c5gmm1zma789b8i4kmffaj2>

Media:

<https://www.popcoin.es/magazine/noticia/fondo-noruego-pensiones-alcanza-billon-dolares-patrimonio>

<https://www.europapress.es/economia/finanzas-00340/noticia-fondo-soberano-noruega-logro-rentabilidad-18-segundo-trimestre-20180821122527.html>

<https://www.eleconomista.es/mercados-cotizaciones/noticias/8967817/02/18/El-fondo-soberano-de-Noruega-logra-la-mayor-cantidad-de-dinero-de-su-historia-en-2017-.html>

https://www.elconfidencial.com/economia/2017-06-16/rescate-bancario-coste-perdido-banco-espana-bde_1400328/

<https://www.publico.es/economia/banco-espana-da-perdidos-42-590-millones-del-rescate-bancario.html>

<https://www.20minutos.es/noticia/3500446/0/banco-espana-perdidos-millones-rescate-bancos/>

<https://www.elmundo.es/economia/macroeconomia/2018/11/23/5bf854b5e5fdeaaf7e8b45fc.html>

Data Evictions:

<http://www.poderjudicial.es/cgpj/es/Temas/Estadistica-Judicial/Estudios-e-Informes/Efecto-de-la-Crisis-en-los-organos-judiciales/>