

Co-operative Housing Federation of Norway



Kristiansand, a town in southern Norway. Photo: Kjell-Inge Soreide



The housing co-operative Auvitoppen in Lier.
Photo: Liv Ulveseth, Usbl

The Co-operative Housing Federation of Norway (NBBL)

The vision of the Norwegian Co-operative Housing Movement is to offer its members the opportunity to acquire a decent home in a sustainable living environment. NBBL is a national membership association representing 64 co-operative housing associations.

Co-operative housing associations vary in size, counting anywhere from 50 individual members to 230,000. These associations, their 800,000 members, the housing cooperatives and NBBL make up the Norwegian Co-operative Housing Movement. This makes NBBL the fourth largest membership movement in the country.

Vision and values

The vision of the Norwegian Co-operative Housing Movement is to offer its members the opportunity to acquire a decent home in a sustainable living environment.

NBBL believes in the ethical values of honesty, openness, social responsibility and caring for others, thus adhering to the co-operative principles stated in the International Co-operative Alliance (ICA).

Co-operative Principles:

The co-operative principles are guidelines by which co-operatives put their values into practice.

- 1st Principle: Voluntary and Open Membership
- 2nd Principle: Democratic Member Control
- 3rd Principle: Member Economic Participation
- 4th Principle: Autonomy and Independence
- 5th Principle: Education, Training and Information
- 6th Principle: Co-operation among co-operatives
- 7th Principle: Concern for Community

www.ica.Coop/Coop/principles

Historical background

After World War II Norway was faced with major challenges of reconstruction in all sectors of society, one of which was a severe shortage of housing. Broad political consensus secured a housing policy that relied on dividing responsibilities for its implementation among three main stakeholders: a state housing bank providing affordable financing, municipalities providing affordable land and infrastructure, and the private sector developing housing.

The Co-operative Housing Federation of Norway (NBBL) was founded in 1946. The co-operative housing movement became the largest single agent, developing, organising and distributing affordable housing units to low and middle income groups.

The strategy proved to be a success, not least due to the enabling environment provided by easy access to affordable financing and land. A relatively equal social distribution of adequate housing was achieved with reasonably low public expenditure.

Co-operative housing associations and housing co-operatives are governed by Norwegian law. The Co-operative Housing Associations Act and the Housing Co-operatives Act date from 1960 and have undergone a major legislative revision resulting in two new acts in 2005.

Norwegian Co-operative Housing Movement (2010)

The Co-operative Housing Federation Norway (NBBL) represent

- 64 Co-operative Housing Associations. (BBL).
- BBL have 800 000 members and manage 6600 Housing Co-operatives (BRL) with 306 000 Dwellings.
- Co-operative Housing Associations also manage 2500 Condominiums with 94 000 Dwellings



On the sunny side of Tromsø
Photo: Arthur O. Arnesen

Norwegian Co-operative housing

Primary and secondary Co-operatives

As opposed to co-operatives found in other sectors, primary housing co-operatives in Norway are most often established by secondary housing co-operatives called co-operative housing associations. Housing co-operatives established by co-operative housing associations are referred to as housing co-operatives.

Due to the primary co-operative by-law requirements of shareholder membership in both primary and secondary co-operatives, secondary co-operative members have the right of pre-emption in the second-hand transfers of primary co-operative shares. In most cases the secondary co-operatives

serve as business managers for the primary co-operatives they have established. Strong bonds are maintained between the primary and secondary co-operatives. These bonds were originally aimed at ensuring that the association would not fold once the founding members were housed. The model must be viewed in light of the co-operative housing movement and its history in Norway.

Today the housing co-operatives have the right to choose their business manager in a free market situation. Co-operative housing associations are also involved in developing and managing a form of ownership that is slightly different from co-operatives, such as condominiums.

Children playing in Bergen,
Photo: Eivind Senneset



The co-operative housing association (secondary co-operative)

Individuals become members of a co-operative housing association which in turn is a member of NBBL. The objective of the co-operative housing associations is to provide its individual members with housing and housing-related services. Co-operative housing associations primarily serve their members by acting as property developers and housing managers.

The housing co-operative (primary co-operative)

The objective of the housing co-operative is to provide its shareholders with an exclusive right of use to a housing unit in a property owned and controlled by the co-operative.

Shareholders acquire a share in a co-operative that owns or controls the building(s) and property in which they live. Each shareholder is entitled – and required – to occupy a specific unit.

Each shareholder holds one vote in the co-operative's annual general assembly where a board of directors is elected, usually composed of shareholders.

The board is responsible for the management of the co-operative, normally assisted by a co-operative housing association acting as business manager.

Shareholders are required to contribute an amount that covers their proportionate share of the expenses of operating the entire co-operative. Shareholders leave the co-operative by transferring their share to incoming shareholders. Shares are transferred on the open market at their full market value.

“Housing co-operatives established by co-operative housing associations are referred to as housing co-operatives.”



Outdoor recreation in the Nordbyhagen housing co-operative. Vestby. Photo: Arash A. Nejad

Present status and future challenges

NBBL is dedicated to promoting the economic growth and development of the Norwegian housing sector through co-operative enterprise, assisting NBBL members through a range of activities:

- Representing co-operative housing associations and their members before parliament, the government and central agencies on matters of housing policy and other related issues
- Promoting and supporting the housing co-operative movement in Norway through various forms of research, training and technical assistance and through information, publications and programmes
- Promoting co-operation and collaboration among NBBL members and partner organisations
- Supporting housing initiatives in partnership with local organisations abroad

Today the situation for the co-operative housing associations has changed radically. No longer a primary implementing instrument in a long-term housing strategy, the co-operative housing associations operate in a free and unrestricted market, competing with other businesses in all areas.

Co-operative housing associations continue to offer a wide range of housing-related services. In addition to the core business areas of property development and management, the upgrading and renewal of existing housing stock is extensive. Areas of development are improved accessibility and better energy efficiency in the existing housing stock.

Stiftelsen Borettslagenes Sikringsfond

Stiftelsen Borettslagenes Sikringsfond (a guarantee fund) was founded in 1994 and offers housing co-operatives insurance to secure payments from residents. The residents are jointly liable for monthly maintenance fees, carrying charges and mortgage agreements entered into on behalf of the co-operative. If a resident fails to fulfil his/her obligations over a period of time, the unit will be sold – either voluntarily or through foreclosure. The Sikringsfond will reimburse the housing co-operative for missed payments.

NBBL Fulltegningsforsikring AS

NBBL Fulltegningsforsikring AS covers any financial loss incurred for the builder by unsold dwellings on the completion of new building projects. Projects with fully-subscribed insurance shall be characterised by their excellent ability to carry through their activities, their overall good quality and appropriate pricing. The company has special expertise in the housing market in Norway. The objective is to be a leading actor in Norway in housing market competence



Developing new homes in Africa Photo: May Sommerfelt

International development co-operation

NBBL has been involved in international development co-operation since early 1990. NBBL's mission is to contribute experience and support in interaction with local partners in order to enable those with low incomes to take an active part in developing their homes and communities. NBBL believes in local ownership and responsibility, and therefore works in partnership with local organisations that share its values and visions.

NBBL's Foundation for Development Co-operation

Each member of co-operative housing associations annually contributes one Norwegian krone (NOK) of their membership fee to NBBL's Foundation for Development Co-operation.

NBBL also receives support from Norad (the Norwegian Agency for Development Cooperation) for co-operation with partners in Africa, and from the Norwegian Barents Secretariat (the Ministry of Foreign Affairs) for co-operation in Russia.

International organisations

NBBL is a member of various international co-operatives:

- The International Co-operative Alliance (ICA) www.ica.Coop/al-ica
- NBO Housing Nordic www.nbo.nu
- CECODHAS HOUSING EUROPE www.cecodhas.org

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The housing co-operative Wergelandsveien in Kristiansand is converted into low-energy housing. Photo: Kjell-Inge Søreide