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Role of cohesion policy investment in resolving the current housing crisis

European Parliament resolution of 10 September 2025 on the role of cohesion policy investment in resolving the current housing crisis (2024/2120(INI))

(C/2026/1474)

The European Parliament,

— having regard to the Treaty on European Union, in particular Article 3(3) thereof,

— having regard to the Treaty on the Functioning of the European Union (TFEU), in particular Articles 14, 174, 175, 177 and 349 thereof, and to Protocol 28 thereto on economic, social and territorial cohesion, which recognises the need to monitor regularly the progress made towards achieving economic, social and territorial cohesion and states the Member States' willingness to study all necessary measures in this respect,

— having regard to the Charter of Fundamental Rights of the European Union, in particular Article 17 thereof,

— having regard to Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy ([1]) (the Common Provisions Regulation),

— having regard to Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund ([2]),

— having regard to Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013 ([3]),

— having regard to Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund ([4]) (JTF), which aims to support the people, economies and environment of territories that face serious socio-economic challenges stemming from the shift towards a climate-neutral EU,

— having regard to the Commission's ninth report on economic, social and territorial cohesion of March 2024,

— having regard to the United Nations Universal Declaration of Human Rights, in particular Articles 8 and 25(1) thereof,

— having regard to the agreement adopted at the 21st Conference of the Parties to the UN Framework Convention on Climate Change (COP21) in Paris on 12 December 2015 (the Paris Agreement),

— having regard to the UN Convention on the Rights of Persons with Disabilities, which entered into force for the EU on 22 January 2011 in accordance with Council Decision 2010/48/EC of 26 November 2009 concerning the conclusion, by the European Community, of the United Nations Convention on the Rights of Persons with Disabilities ([5]),

— having regard to Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') ([6]),

([1]) OJ L 231, 30.6.2021, p. 159, ELI: http://data.europa.eu/eli/reg/2021/1060/oj.
([2]) OJ L 231, 30.6.2021, p. 60, ELI: http://data.europa.eu/eli/reg/2021/1058/oj.
([3]) OJ L 231, 30.6.2021, p. 21, ELI: http://data.europa.eu/eli/reg/2021/1057/oj.
([4]) OJ L 231, 30.6.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1056/oj.
([5]) OJ L 23, 27.01.2010, p. 35, ELI: http://data.europa.eu/eli/dec/2010/48(1)/oj.
([6]) OJ L 243, 9.7.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1119/oj.

— having regard to the Geneva UN Charter on Sustainable Housing and its aim to 'ensure access to decent, adequate, affordable and healthy housing for all',

— having regard to the Council of Europe's revised European Social Charter, and in particular to Article 31 thereof on the right to housing,

— having regard to the Commission communication of 14 October 2020 entitled 'A Renovation Wave for Europe – greening our buildings, creating jobs, improving lives' (COM(2020)0662), which aims to renovate 35 million buildings by 2030,

— having regard to Regulation (EU) 2024/1028 of the European Parliament and of the Council of 11 April 2024 on data collection and sharing relating to short-term accommodation rental services and amending Regulation (EU) 2018/1724 ([7]),

— having regard to Directive (EU) 2024/1275 of the European Parliament and the Council of 24 April 2024 on the energy performance of buildings ([8]) (the Energy Performance of Buildings Directive),

— having regard to its resolution of 13 June 2018 on Cohesion Policy and the Circular Economy ([9]),

— having regard to its resolution of 20 May 2021 on reversing demographic trends in EU regions using cohesion policy instruments ([10]),

— having regard to the Territorial Agenda 2030 – A future for all places, adopted at the informal meeting of ministers responsible for spatial planning, territorial development and/or territorial cohesion on 1 December 2020,

— having regard to the housing partnership agenda of the Urban Agenda for the EU of December 2018,

— having regard to the New Leipzig Charter – The transformative power of cities for the common good, adopted at the informal ministerial meeting on urban matters on 30 November 2020,

— having regard to the new urban agenda adopted by the UN on 20 October 2016,

— having regard to the Lisbon Declaration on the European Platform on Combatting Homelessness, adopted on 21 June 2021 by EU institutions, Member States and social partners,

— having regard to the European Pillar of Social Rights (EPSR) proclaimed by the Council, Parliament and the Commission in November 2017, and in particular principle 19, 'Housing and assistance for the homeless', and principle 20, 'Access to essential services', thereof,

— having regard to the ninth overview of housing exclusion in Europe 2024, published in August 2024 by the European Federation of National Organisations Working with the Homeless (FEANTSA) and the Fondation Abbé Pierre,

— having regard to the Green Paper on Ageing – Fostering solidarity and responsibility between generations, published by the Commission on 27 January 2021 (COM(2021)0050),

— having regard to the Commission communication of 7 October 2020 entitled 'A Union of Equality: EU Roma strategic framework for equality, inclusion and participation' (COM(2020)0620),

— having regard to the Commission communication of 15 September 2021 entitled 'New European Bauhaus – Beautiful, Sustainable, Together' (COM(2021)0573),

— having regard to its resolution of 21 January 2021 on access to decent and affordable housing for all ([11]),

— having regard to its resolution of 24 November 2020 on tackling homelessness rates in the EU ([12]),

— having regard to its resolution of 14 September 2022 on the new European Bauhaus ([13]),

([7]) OJ L, 2024/1028, 29.4.2024, ELI: http://data.europa.eu/eli/reg/2024/1028/oj.
([8]) OJ L, 2024/1275, 8.5.2024, ELI: http://data.europa.eu/eli/dir/2024/1275/oj.
([9]) OJ C 28, 27.1.2020, p. 40.
([10]) OJ C 15, 12.1.2022, p. 125.
([11]) OJ C 456, 10.11.2021, p. 145.
([12]) OJ C 425, 20.10.2021, p. 2.
([13]) OJ C 125, 5.4.2023, p. 56.

— having regard to its resolution of 15 February 2022 on the challenges for urban areas in the post-COVID-19 era ([14]),

— having regard to its resolution of 12 July 2023 on the financial activities of the European Investment Bank – annual report 2022 ([15]),

— having regard to the ESPON project entitled 'Access to affordable and quality housing for all people',

— having regard to the housing policy toolkit of the Organisation for Economic Co-operation and Development on decentralisation/fragmentation of social housing responsibilities,

— having regard to the report issued by Enrico Letta in April 2024 entitled 'Much more than a market',

— having regard to the report issued by Mario Draghi in September 2024 entitled 'The future of European competitiveness',

— having regard to the report by the German Federal Institute for Research on Building, Urban Affairs and Spatial Development published in 2022 entitled 'Housing Policies in the EU',

— having regard to the report by the European Foundation for the Improvement of Living and Working Conditions of 18 October 2023 entitled 'Bridging the rural-urban divide: Addressing inequalities and empowering communities',

— having regard to the publication by Eurostat entitled 'Housing in Europe – 2024 edition',

— having regard to the declaration of the EU ministers responsible for housing adopted in Nice on 8 March 2022,

— having regard to the Gijón Declaration adopted on the occasion of the informal ministerial meeting on housing and urban development on 13-14 November 2023,

— having regard to the La Hulpe Declaration on the Future of the European Pillar of Social Rights signed by the EU institutions, social partners and civil society representatives on 16 April 2024,

— having regard to the Liège Declaration drafted and signed by European non-state actors, including cities and regions, NGOs, organisations, researchers, civil society representatives and businesses at the European Conference of Housing Ministers under the Belgian Presidency of the Council on 5 March 2024,

— having regard to the report by the European Investment Bank (EIB) of 7 February 2024 entitled 'EIB Investment Report 2023/2024',

— having regard to the opinion of the European Committee of the Regions of 17 April 2024 entitled 'Smart, sustainable and affordable housing as a tool for local authorities to face multiple challenges' ([16]),

— having regard to the opinion of the European Economic and Social Committee of 5 December 2024 entitled 'Social housing in the EU – decent, sustainable and affordable' ([17]),

— having regard to the opinion of the European Committee of the Regions of 14 May 2025 entitled 'The role of cities and regions in the EU Affordable Housing Plan',

— having regard to the opinion of the European Committee of the Regions of 21 November 2024 entitled 'A renewed Cohesion Policy post 2027 that leaves no one behind' ([18]),

— having regard to the Commission communication of 7 March 2025 entitled 'A Roadmap for Women's Rights' (COM(2025)0097),

— having regard to its resolution of 7 June 2022 on EU islands and cohesion policy: current situation and future challenges ([19]),

— having regard to the mission letter of 17 September 2024 to Dan Jørgensen, Commissioner for Energy and Housing,

([14]) OJ C 342, 6.9.2022, p. 2.
([15]) OJ C, C/2024/4006, 17.7.2024, ELI: http://data.europa.eu/eli/C/2024/4006/oj.
([16]) OJ C, C/2024/3667, 26.06.2024, ELI: http://data.europa.eu/eli/C/2024/3667/oj.
([17]) OJ C, C/2025/771, 11.2.2025, ELI: http://data.europa.eu/eli/C/2025/771/oj.
([18]) OJ C, C/2025/285, 24.1.2025, ELI: http://data.europa.eu/eli/C/2025/285/oj.
([19]) OJ C 493, 27.12.2022, p. 48.

— having regard to Rule 55 of its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Regional Development (A10-0139/2025),

A. whereas the Member States retain authority over housing policy, although the EU's legislative and regulatory framework does have a bearing thereon;

B. whereas access to adequate housing and the right to social and housing assistance is a fundamental human right, enshrined in Articles 7 and 34 of the Charter of Fundamental Rights of the European Union, in line with the UN Convention on the Rights of Persons with Disabilities; whereas housing is essential to the guarantee of human dignity, social inclusion and economic participation; whereas 17 % of Europeans live in homes that do not offer adequate space; whereas the European Pillar of Social Rights has the potential to improve the lives of people in the EU, including through housing policies;

C. whereas in recent years, house prices in the EU have risen on average by 48 %, mainly owing to a sharp increase in construction producer prices for new residences between 2010 and 2023, higher mortgage rates, a decrease in construction and renovation, which has limited supply, a rise in the purchase of properties as an investment to generate additional income, and a lack of adequate policies in the housing market; whereas this situation has been compounded by bureaucratic barriers and insufficient investment in social, affordable, public and not-for-profit housing;

D. whereas the recent exponential growth of the short-term rental market has negatively affected local communities in popular tourist destinations through a lack of available housing, contributing to gentrification, social exclusion and increased rental prices;

E. whereas poor planning and design in the public realm, the growth of urban sprawl and inappropriate land use have resulted in reduced building quality across Europe;

F. whereas the increase in the cost of living exacerbated the housing crisis in 2023, with housing costs in the EU exceeding 40 % of disposable income for 10,6 % of households in cities and 7 % of households in rural areas ([20]); whereas the housing cost overburden rate was very high in cities in southern and northern Member States;

G. whereas according to a Eurobarometer survey from July 2024, concerns about rising prices, the cost of living and the economic situation were the main reasons that motivated people to vote in the European elections;

H. whereas successful EU and national housing policies should be based on up-to-date, reliable, comprehensive and harmonised data covering house prices, property transactions, beneficial ownership, ownership structures, proportions of public, not-for-profit and private housing, housing quality and environmental impacts;

I. whereas the unaffordability of housing affects a growing proportion of the population and has a disproportionate impact on low- and middle-income households; whereas rapidly rising rents in many regions of the EU are exacerbating housing insecurity and social exclusion, particularly in certain urban centres and tourism-intensive areas;

J. whereas measures taken by public authorities to address rent pressures in tourism-intensive areas could contribute to an increase in the supply of affordable housing across the EU; whereas these measures may offer solutions to people who work or study in tourism-intensive areas;

K. whereas the goal of a carbon-neutral Europe by 2050 at the latest should be coupled with the goal of a fair and just transition; whereas air and water pollution, lack of available water and energy poverty generally remain too high in many less developed regions;

([20]) European Parliament, 'Rising housing costs in the EU: the facts (infographics)', 17 October 2024, https://www.europarl.europa.eu/topics/en/article/20241014STO24542/rising-housing-costs-in-the-eu-the-facts-infographics.

L. whereas the ongoing housing crisis across the EU is deepening social exclusion by making access to affordable, adequate, safe, accessible and energy-efficient housing increasingly difficult, especially for vulnerable groups, including ethnic minorities; whereas despite economic growth in several regions, wage levels have not always kept pace with rising housing costs, leading to a growing number of 'working poor' who are unable to afford adequate housing; whereas rising costs and the lack of accessible housing have left many individuals and families in these vulnerable groups facing financial strain and instability; whereas this also hinders labour mobility and social participation, particularly for those already at risk of marginalisation;

M. whereas the EU is currently falling short of its commitment to end homelessness by 2030 and more efforts are needed to reach this target; whereas the number of people experiencing homelessness in Europe in 2024 is estimated at nearly 1.3 million, including 400 000 children; whereas the overall number has been rising steadily since 2008, driven by a worsening housing crisis and growing inequality that has a disproportionate impact on the most vulnerable and marginalised communities;

N. whereas the protection of private property is recognised in Article 17 of the Charter of Fundamental Rights of the European Union; whereas the disrespect for property affects communities and small property owners in particular; whereas the public authorities of the Member States bear responsibility for addressing owners' rights and the housing needs of vulnerable households and families;

O. whereas investment in public, social and not-for-profit housing should be excluded from fiscal constraints;

P. whereas persons with disabilities often face disproportionate barriers in accessing affordable and sustainable housing; whereas the lack of accessibility in housing exacerbates social exclusion and prevents persons with disabilities from living independently and fully participating in society; whereas demographic changes in Europe require cohesion policies to prioritise the development of adapted housing to meet the needs of an ageing population and persons with disabilities, ensuring both accessibility and inclusivity; whereas cohesion policy investment should mainstream the disability dimension in all housing programmes to ensure equal opportunities for all citizens;

Q. whereas there is currently no agreed definition of 'affordable housing' across the Member States; whereas the notion of affordable housing at EU level is framed as a 'housing continuum', which includes social housing, affordable rental housing and affordable home ownership; whereas this current lack of an agreed definition may be an obstacle to additional investment in this area;

R. whereas EU policies indirectly influence housing through regulations on energy efficiency requirements, environmental sustainability, competition and State aid and EU laws affecting the costs and speed of construction;

S. whereas social housing comprised over 14 million dwellings or 8 % of the total housing stock in the EU in 2021; whereas the share of social housing in the total housing stock has decreased by 3 percentage points since 2010, although the number of vulnerable people, including homeless people and migrants, has increased significantly; whereas this decline is related to a slowdown in the construction of new social housing and the privatisation of the existing stock, whereby social dwellings are converted into market-rate rental housing;

T. whereas access to land is a fundamental prerequisite for the development of affordable and not-for-profit housing; whereas the Member States and local authorities play a key role in shaping land use through urban planning and regulatory instruments; whereas appropriate mechanisms of control must be developed and implemented to ensure that an adequate proportion of land is reserved for not-for-profit and affordable housing projects; whereas such measures are crucial in challenging speculative pressures and ensuring the long-term sustainability, affordability and inclusiveness of urban development;

U. whereas the legal uncertainties and red tape regarding EU State aid rules are a major obstacle to investing funds from the European Regional Development Fund (ERDF) in affordable housing, and a reform of its 2011 Decision on the Service of General Economic Interest (SGEI) ([21]) should be conducted by the Commission to broaden the scope of the rules beyond social housing and to contribute to housing affordability;

([21]) Commission Decision 2012/21/EU of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest (OJ L 7, 11.01.2012, p. 3, ELI: http://data.europa.eu/eli/dec/2012/21(1)/oj).

V. whereas EU cohesion policy (CP) funds and the EIB financing instruments are very important sources of EU investment to increase the supply of social and affordable housing in the EU and its regions, promoting integrated interventions to ensure both greater affordability of housing and social cohesion at urban and rural levels; whereas the total EU support of EUR 7,5 billion allocated to housing under the CP represents approximately 2 % of the total CP allocation of EUR 379 billion for the 2021-2027 period; whereas the CP alone cannot resolve the current housing crisis, as, according to the economic analysis performed for the EIB Investment Report 2024/2025, the investment gap in affordable housing is estimated at EUR 270 billion per year; whereas CP funds should be deployed strategically and with efficient and transparent procedures; whereas public funds should be complemented by attracting private investment;

W. whereas CP investment in housing should be based on a thorough assessment of the housing markets in order to avoid unintended effects, taking into account the needs of households and the thresholds of affordability, prioritising the livelihoods of the most vulnerable social groups, namely, among others, persons with disabilities, people experiencing homelessness, those living in inadequate or insecure housing and people with particular needs, including women, young and elderly people, single parents, low- and middle-income workers, households and families;

X. whereas social and affordable housing is primarily financed by national, regional and local authorities, as well as end users of the homes; whereas EU funding instruments are often too complex or poorly adapted to local needs, limiting access for cities and municipalities; whereas this disconnection hampers the effective implementation of housing policy, especially for vulnerable groups; whereas local and regional authorities, as key actors in social and economic development, should be fully involved in shaping CP investment in housing;

Y. whereas CP is the EU's main investment tool for sustainable economic and social development across the EU, and contributes significantly to the fight against climate change and to the European Green Deal, as well as to meeting the sustainable development goals (SDGs); whereas the construction sector should adopt circular and regenerative models; whereas buildings account for around 40 % of EU energy use and 36 % of CO_2 emissions, making their decarbonisation through large-scale renovation essential; whereas rising housing and energy costs highlight the urgent need for affordable, public or not-for-profit housing and for deep renovation to reduce energy poverty; whereas such investment must support green, climate-friendly solutions and align with EU environmental objectives;

Z. whereas the European Climate Law includes a legal objective for the EU to reach climate neutrality by 2050, setting the intermediate target of reducing net greenhouse gas emissions by at least 55 % by 2030 compared to 1990 levels;

AA. whereas Parliament has called for solutions to improve the legislative and funding framework at EU level to ease investment in social and affordable housing and secure the right of free movement and the right to stay for every citizen;

AB. whereas according to 2021 Eurostat data, 49 % of young people aged 18-34 in the EU were living with their parents, due to high housing costs, difficulty in accessing mortgages and job insecurity, highlighting the need for policies to address housing insecurity, and only 17 % of students had access to student accommodation; whereas this housing crisis delays young people's transition to adulthood, limits their development and affects intergenerational equity; whereas CP should support the principle of right to stay, in particular for young people, by improving access to affordable housing;

AC. whereas brain drain continues to disproportionately affect less developed regions, with long-term consequences for the EU's cohesion and future; whereas investing in housing renovation and essential services in rural areas is key to preventing rural flight and retaining talent;

AD. whereas the current crisis of housing affordability has been aggravated by the COVID-19 pandemic and Russia's war of aggression against Ukraine, which have put additional pressure on housing costs through increases in input costs and supply chain disruptions; whereas the gap between housing supply and demand has been exacerbated by the significant role played by speculators in driving up housing prices and creating housing bubbles, as well as a lack of public investment in affordable and social housing in the last decades;

AE. whereas the New European Bauhaus (NEB) promotes a new paradigm for the built environment based on beauty, sustainability and togetherness through architecture, design and spatial planning; whereas in the light of the climate crisis, social inequalities, rising living costs and the impact of war and natural disasters, the NEB should also serve as a tool to reimagine and adapt our public and private spaces to current and future challenges;

Overview of the current housing crisis in the EU

1. Acknowledges that the EU is undergoing a severe housing crisis which is not just a social issue but also an economic challenge, exacerbating existing inequalities and hindering the fulfilment of citizens' fundamental rights; notes furthermore that, despite urban and industrial areas being particularly affected, the housing crisis extends across all regions, especially to those with permanent geographical handicaps such as rural and inland areas, islands, outermost regions, border regions with high commuting populations, and coastal and remote areas, in particular those at risk of demographic decline; underlines the need for tailored solutions and CP investment that addresses their specific needs and reflects their unique socio-economic and geographical conditions, while also respecting the right to stay of citizens who wish to remain in their home regions, as housing is essential to the guarantee of human dignity, social inclusion and economic participation; notes that the lack of adequate housing can discourage workers from entering the regional labour market and contribute to regional development traps;

2. Recognises that the housing crisis does not manifest itself in a uniform manner throughout Europe, but varies significantly between regions; notes that the EU's rural areas cover 83 % of the EU territory and are home to approximately 137 million people; highlights the fact that these people are facing immense challenges in housing, notably relating to the condition of the existing housing stock, limited access to new construction, and depopulation; acknowledges the fact that the lack of public infrastructure in rural areas, including housing, diminishes the attractiveness of these areas for citizens and emphasises that CP might be a meaningful tool in attracting Europeans to the rural areas, notably by addressing the housing shortages and the demographic change, including an ageing population; highlights the unique housing challenges encountered by medium-sized and small municipalities, such as constrained access to financial resources, inadequate infrastructure and limited institutional capacity; proposes, in this context, to increase the availability of adapted housing for persons with disabilities and older people, fostering independent living while promoting social interaction, intergenerational support and a sense of community to combat undesired loneliness; calls, therefore, on the Commission to develop targeted strategies under CP to address the specific challenges faced by rural areas, such as vacant buildings, and the need for energy-efficient renovation, net-zero housing and the promotion of multigenerational housing models, in order to prevent rural depopulation and ensure territorial cohesion, thus providing beneficiaries with the conditions necessary to exercise their right to stay;

3. Emphasises that the housing crisis in the EU is particularly severe on islands and in outermost regions, where structural and geographical constraints, speculative pressure from tourism and the lack of public housing aggravate the situation; stresses the need for CP measures tailored to these specific realities, in line with Articles 174 and 349 TFEU; underlines that islands face permanent handicaps that hinder territorial, social and economic convergence, requiring strengthened cohesion funding and targeted housing policies; highlights the fact that investment in housing must be accompanied by improved infrastructure in health, education, public services and connectivity to make islands and outermost regions attractive and ensure the right of people to remain there;

4. Is convinced that, by aligning housing policies with CP, meaningful progress can be made in tackling regional and social disparities, demographic challenges and the housing crisis and in ensuring balanced regional development across the EU and its cities and regions; stresses that CP is not the only solution to the housing crisis and that we must explore other instruments and sources of EU funding and private investment, including the EIB, that can help address the crisis; emphasises the need to incentivise private sector involvement and property investment to increase housing availability;

5. Calls on the Commission and the Member States to stimulate public-private partnerships in housing construction projects, including infrastructure development on viable land and the reutilisation of underused public buildings, making full use of CP funds and other financing instruments supported by the EIB; supports the creation of a dedicated EIB investment facility to fund affordable, sustainable housing construction and renovation and improvements in energy efficiency; recommends, furthermore, the development of incentives and innovative financial tools to leverage private sector investment alongside public funding in affordable housing projects; stresses the importance of ensuring that EU funding mechanisms provide adequate financial support for landlords, small property owners, and developers to upgrade existing housing stock and expand the availability of affordable housing, while maintaining a balance between public and private sectors;

6. Welcomes the Commission's announcement on the establishment, under the upcoming European affordable housing plan, of an EU investment platform for affordable and sustainable housing, with the EIB partnering with Europe's national promotional banks and international financial institutions in order to develop new financing opportunities for affordable and sustainable housing, to leverage additional CP funds, national, regional and local budgets, public and private investment and to provide advisory and tailor-made services and support that embrace all stages of the project cycle and beyond; underlines that this platform should be coordinated with the European Platform on Combatting Homelessness (EPOCH) in order to strengthen the fight against homelessness through integrated strategies at EU level; recommends that the EIB collaborate with CP managing authorities to develop financial instruments that ensure long-term investment in social and affordable housing; emphasises that not-for-profit property developers and cooperatives and local authorities should have access to long-term loans at low interest rates in order to support the development of affordable and social housing;

7. Recognises that the construction sector, which plays a crucial role in addressing the housing crisis through the construction and renovation of more sustainable housing, is one of the main professional groups suffering from labour shortages, and calls for targeted measures to improve the working and housing conditions of the construction workforce; calls also on the Commission and the Member States to make full use of the ESF+ to address the shortage of skilled workers in the construction and renovation sectors, acknowledging that an expanded and highly skilled workforce is crucial in increasing the housing supply, improving affordability and driving competitiveness and innovation in the European construction industry, especially by developing start-ups based on research into new materials;

8. Calls on the Commission and the Member States, therefore, to make use of ESF+ to support vocational training, as well as targeted upskilling and reskilling programmes to equip workers with the necessary expertise in energy-efficient construction, sustainable housing renovation and new building technologies; considers it crucial, in this context, that qualifications and national labour legislation in the construction sector contribute to the effort to address long-term labour shortages in the Member States; recognises, in addition, the work and effort of self-employed people, who, as the core labour force in the sector, require special protection;

9. Highlights the fact that the lack of affordable housing is also increasingly becoming a barrier to labour mobility within the EU, with workers, especially young professionals, essential workers and low-income earners, struggling to find adequate, decent and affordable accommodation close to their workplaces, exacerbating social and economic inequalities between regions and Member States; proposes that funding should also support temporary housing solutions for mobile workers, students and young families to enhance social cohesion and economic mobility;

10. Recalls the Commission's commitment to present the first European affordable housing plan to support the Member States in tackling key causes of the housing crisis, and stresses that local and regional authorities, as well as civil society, must be involved in drafting it, to reflect the experienced realities; emphasises that the plan should include specific measures and tailored services to address the root causes of homelessness, such as the Housing First model, in a way that complements EU funding instruments and in accordance with the commitments made under the EPOCH;

11. Calls on the Commission and the Member States, in the current context of housing market failure and given the external circumstances, to support public investment, and in particular investment in social housing made by CP and financial instruments, such as loans, guarantees and equity in social and affordable housing, including in affordable student housing; underlines the need to improve the relationship between CP and EU economic governance, while avoiding a punitive approach; stresses that the European Semester should comply with CP objectives under Articles 174 and 175 TFEU, as they are essential to future and long-term societal well-being;

12. Calls on the Commission to propose off-the-shelf State aid schemes to facilitate the swift authorisation of support measures at national or EU level, as appropriate; stresses the need to strengthen technical assistance instruments under CP to improve the understanding of State aid rules as they apply to social, public, not-for-profit and cooperative housing providers, and to support the implementation of projects on affordable housing developed in collaboration between the EIB and the Commission; highlights the importance of ensuring access to information, knowledge exchange on EU financial instruments for housing, and tailored advisory support for project development and implementation, including through the Pan-European Investment Platform for affordable and sustainable housing;

13. Suggests the improvement of the EU-level statistical tool for accessing data on CP fund allocations on housing; stresses the need to quickly adopt the proposed regulation on European statistics related to population and housing, to enable evidence-based policymaking and better allocation of cohesion resources, and asks Eurostat to monitor cohesion investment trends, territorial imbalances and the effects of tourism and short-term rentals; calls, furthermore, for strengthened cooperation with the European Court of Auditors on the use of CP funds for affordable housing, recommending that this data be integrated into future CP programming to address affordability and investment gaps;

14. Considers that rental income can be a structural element to supplement citizens' income amid economic uncertainty; highlights the need for transparency requirements for large-scale real estate investments, and for the monitoring of financial products linked to housing markets;

Updated cohesion policy 2021-2027 to address the housing crises

15. Urges the managing authorities of CP funds at national and regional level to consider using the mid-term review of the CP programmes in the 2021-2027 programming period as an opportunity to at least double the funds earmarked for affordable housing, ensuring a more balanced approach between new housing and energy efficiency interventions, enhancing more direct access to EU funding for regional and local authorities, as well as for city and urban authorities; recommends that the Member States develop national housing strategies to provide additional solutions and that they make use of the current possibilities for transferring allocations between CP funds to step up such investment and simplify administrative procedures to accelerate housing investment; recalls, however, that shifting resources within CP alone will not solve the housing crisis, and that the fundamental role of CP in strengthening economic, social and territorial cohesion must be fully respected; calls on the Commission and the Member States to use funds available through NextGenerationEU, the EIB and CP to increase their investment in housing and associated services;

16. Recalls that the competence for housing lies with the Member States and is, to a large extent, managed by regional and local authorities; stresses that the housing crisis should be tackled while respecting the principle of subsidiarity, starting from the local level and specifically respecting regional and local authorities in this domain; calls, therefore, for flexible EU support that aligns with national, regional and local specificities; recalls the importance of fully respecting the partnership principle, the European Code of Conduct on Partnership, and the principles of multilevel governance in all programming, implementation and monitoring, and in any CP reprogramming, ensuring the active involvement of regional and local authorities and other stakeholders; calls on the Commission to avoid centralising funding programmes at national level and to create more opportunities for regional and local authorities to identify and appropriately use CP funds, particularly in the area of housing; stresses the need to strengthen investment in administrative capacity building, especially for regional and local authorities, to enable effective decentralised management and delivery of EU funds;

17. Acknowledges that rising house prices result from multiple factors, including limited supply, excessive bureaucratic barriers, labour shortages and market dynamics, and urges Member States to balance affordability with legal certainty and investment incentives; advocates streamlined and effective CP instruments to reduce regional disparities in access to affordable housing, and calls for the simplification, transparency and accessibility of CP funds; suggests supporting local entities through reduced administrative burdens; calls on the Commission to review existing regulations impacting the construction and renovation sectors, to identify obstacles linked, among others, to public procurement and State aids rules delaying projects financed with CP funds;

18. Notes that most Member States have identified the affordability of housing as a priority; calls on the Commission to consider the current lack of housing affordability as a long-term phenomenon and to propose a revision of the current regulations on the ERDF/Cohesion Fund, the ESF+ and the Just Transition Fund to support investments aimed at mitigating the socio-economic consequences of the housing crisis, particularly in cities, while also noting the housing market-specific challenges in rural areas and on islands; stresses the importance of ensuring that EU public funds complement national investments; calls for a regulatory framework that encourages the renovation of existing buildings to improve housing conditions without undermining market availability; stresses that CP funds for

housing must align with policy goals, avoiding urban overpopulation and supporting efforts to combat depopulation in regions where this is a problem; suggests addressing both depopulation and housing shortages through improved connectivity projects; considers that this type of investment should go hand in hand with the provision of other basic services such as health, education, energy and water services; stresses, in particular, the need to address the impact of housing costs on unemployed people, single-parent families and young people at risk of poverty and to prevent the risk of social exclusion and the 'not in education, employment or training' (NEET) phenomenon, with a view to reducing inequalities and promoting social cohesion;

19. Suggests, furthermore, that the Commission include new flexible, specific objectives on public, not-for-profit, social, affordable, cooperative and sustainable housing in the revision of the ESF+ and the ERDF-CF regulations, in particular within policy objective 2 of CP for 2021-2027 on a greener and carbon-free Europe, policy objective 4 on a more social Europe and policy objective 5 on a Europe that is closer to citizens, in order to finance action on housing shortages, improve the quality and sustainability of housing, reduce energy costs, particularly for low-income households in which unemployed people, single parents, single women and tenants, among others, are disproportionately represented, and ensure that all citizens have access to affordable, sustainable and decent housing; emphasises that these specific objectives must be implemented in close collaboration with regional and local authorities where investments are deployed, ensuring alignment with their sustainable territorial development strategies, and suggests that such investments be included in the taxonomy of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ([22]), in accordance with Article 9 thereof; in this context, calls on the Member States and regional and local authorities to promote the inclusion of affordable housing, particularly for low-income households, in new construction projects, in a manner that reflects local housing market needs and social circumstances, while ensuring flexibility for Member States to define appropriate national or regional targets;

20. Calls on the Commission to propose the broadening of the scope of the CP funds support, beyond the promotion of energy efficiency or renewable energy in housing and social housing, to include water efficiency and refurbishing, and to integrate innovative and sustainable approaches that increase affordability, such as community land trusts, cooperatives and cost-rent models while ensuring housing solutions that align with circular economy principles that foster a more environmentally responsible housing sector; calls, in addition, for ESF+ resources to support complementary measures such as housing allowances for tenants and social inclusion initiatives linked to affordable housing; suggests adding specific measures to prevent and address homelessness, promoting Housing First and ensuring that low income households living in unfit housing and energy poverty can benefit from renovation;

21. Calls on the Commission and the Member States to ensure that CP investment in housing includes targeted measures for supporting young people, single-parent and low-income families, elderly people, women, children and marginalised groups affected by violence or discrimination in accessing affordable, safe and adequate housing; underlines that housing support must be part of a broader framework for social inclusion and protection, ensuring accessibility, security and dignity for all vulnerable groups; stresses that the use of EU funds for housing projects must avoid contributing to segregation or social exclusion;

22. Calls for better access to funding to support investment in the local energy transition, including energy efficiency, decentralised energy distribution, renewable energy and sustainable circular economy initiatives; stresses the need to further increase and better streamline CP investment in social, public and not for profit, energy-efficient, adequate, decent and affordable housing, as well as in tackling homelessness and housing exclusion; calls on the Commission and the Member States to fully integrate the 'renovation wave' strategy into housing policies, ensuring that renovations focus not only on energy efficiency and on addressing thermal bridges but also on transforming underutilised and abandoned buildings into affordable and accessible housing; encourages the Commission to facilitate public-private partnerships through the renovation wave strategy for large-scale urban renewal projects, and stresses the importance of ensuring that EU funding instruments adequately support public and not- for-profit housing, home owners, landlords, small property owners, and developers in upgrading existing housing stock;

23. Suggests that the Commission propose an additional co-funding rate up to 100 % and an exceptional pre-financing with respect to several targeted priorities on affordable housing, and that the investments in housing affordability be considered within the thematic concentration requirements and climate-related spending;

([22]) OJ L 317, 9.12.2019, p. 1, ELI: http://data.europa.eu/eli/reg/2019/2088/oj.

24. Asks the Commission to define a flexible common EU framework of social and affordable housing eligibility with transparent and non-discriminatory criteria that allow local and regional authorities to enhance the effectiveness of preventive interventions by identifying possible target groups, such as low- and middle-income households that are unable to obtain housing at market conditions, either owing to their financial situation or to their special needs, including people with disabilities, young or elderly people and people who need ERDF-CF and ESF+ support to access residential accommodation that is adapted to their needs, meets appropriate quality standards and is provided affordably; calls for particular attention to be paid to young people, especially in areas where most young people continue living in the family home; proposes the introduction of an 'early warning' system, including through tools such as artificial intelligence, to anticipate the risks of housing exclusion, while fully respecting the principles of transparency, data protection and non-discrimination;

25. Emphasises that access to adequate, decent and affordable housing is a fundamental social right and a prerequisite for social and economic participation and well-being, and calls for the integration of housing affordability considerations into all relevant EU employment and social policies; suggests the importance of promoting family-oriented policies; proposes the creation of a European charter clarifying the role of the national governments in the recognition and application of housing as a social right;

26. Notes that combining and complementing ERDF-CF, ESF+ and JTF grants with EIB financial instruments can contribute to increasing the leverage effect of investments and access to finance for property developers, builders and final beneficiaries; supports the creation of a dedicated housing facility within the structure of the EIB financial instruments; stresses that simplification of funds and transparency in the use of funds are essential for the efficient and strategic use of investments, and for a multiplier effect for financial efforts;

27. Encourages the Commission and the EIB to include strict, transparent, inclusive and fair allocation mechanisms, as well as social and sustainable conditions for the final beneficiaries of EU funds and financial instruments; stresses that a balanced approach involving both public or not-for-profit housing and private sector participation through public-private partnerships should be pursued to optimise housing stock and ensure efficient use of resources; takes the view that affordable housing programmes may include – but should not be limited to – public ownership of properties, land and buildings owned by central and local public authorities; considers, to this end, that public entities should be allowed to have access to the private sector, under the supervision of the public authorities, while also ensuring strong support for social housing providers and other not-for-profit entities engaged in the provision of affordable housing; underscores the importance of prioritising the lowest income groups that are disproportionately affected by the cost of housing;

Housing affordability in the future cohesion policy beyond 2027

28. Notes that investment in affordable, decent, accessible and sustainable housing, including measures such as social, public and not-for-profit housing and affordable rental schemes for vulnerable people, low- and middle-income households and particularly large families, should be one of the strategic priorities of the upcoming EU cohesion funds under the next multiannual financial framework post 2027 and that the renovation wave strategy must be anchored into regular CP programmes to ensure its continuity without imposing excessive burdens on property owners; stresses the need for binding accessibility standards and universal design in all EU-funded housing projects, in line with the UN Convention on the Rights of Persons with Disabilities, prioritising investment in housing adaptations, smart assistive technologies, and renovations that enable independent living; stresses the need to pay particular attention to young and future generations, especially in areas where most young people are not economically independent and continue living in the family home, particularly students and early-career professionals, by supporting them in starting an independent life;

29. Calls on the Commission to develop comprehensive guidance and recommendations for the Member States on leveraging integrated multi-fund approaches to support large-scale investments in affordable and social housing, related infrastructure and community-based services that promote social inclusion and territorial cohesion; stresses the importance of using an appropriate mix of grants and financial instruments, recognising that grants are key for supporting social inclusion measures for tenants; considers that, alongside CP financing, other instruments such as Horizon Europe can support research and development projects in the construction sector and related technologies to address the housing crisis; calls on the Commission to work closely with national and regional authorities to simplify funding rules, streamline application procedures and provide quicker access to funds for affordable housing projects;

30. Notes that investment in affordable and sustainable housing for populations in areas with particular demographic characteristics should be another of the strategic priorities of the upcoming EU cohesion funds under the next multiannual financial framework from 2027;

31. Calls on the Commission to ensure that any financing of affordable housing will not endanger climate spending contributions within the CP framework;

32. Underlines the importance of protecting historical city centres and preserving European historic and cultural heritage when designing housing and energy efficiency initiatives; highlights the enormous potential for the sustainable renovation of empty and old buildings, emphasising resource efficiency, the provision of affordable housing, and the strengthening of social cohesion, particularly in villages and small communities; calls for CP to actively support energy-efficient renovations and investment in affordable housing that promotes net-zero emissions in line with the Energy Performance of Buildings Directive; calls, further, for incentives, including fiscal and technical support for local and regional authorities, to promote the renovation and reuse of unused or abandoned buildings, increasing the housing supply without additional land use;

33. Emphasises the urgent need to address the housing challenges faced by young people, who encounter increasing barriers to accessing affordable housing, particularly in high-demand urban areas and regions with high youth unemployment; underlines the need to integrate the Social Climate Fund more closely with CP instruments, particularly in supporting investment in social and affordable housing and targeted assistance to make rents more affordable for young people; stresses the importance of integrating young people and young families into national housing strategies and calls for tailored measures, including fiscal incentives, low-interest loans, rent guarantees and extensive guarantees to support first-time homebuyers; encourages the Member States to explore tax incentives for property owners who rent to young people or families under long-term contracts, helping to expand the rental market and stabilise prices; advocates the use of CP instruments to increase investment in student accommodation and affordable housing, ensuring access to stable housing opportunities supported by public transport, basic services and education, especially for young people from low-income households; suggests, therefore, that the future ESF+ post 2027 should aid housing access for young people through endorsements or other financial schemes in order to make borrowing more affordable;

34. Calls, furthermore, on the Commission to include in the future CP the promotion of territorial resilience and support for communities and families, especially in rural and islands areas through the provision of resilient housing that can withstand the impact of natural disasters and the effects of unexpected events, particularly in regions that are highly exposed to the impact of extreme weather events related to climate change; asks for EU funds to support housing reconstruction in the event of natural disasters and to promote the building back better principle; considers that climate risks disproportionately affect vulnerable populations, further hampering the ability of vulnerable groups to recover from disasters;

35. Believes that affordable housing support should prioritise conversions and renovations over new builds, and should promote climate-neutral, resource-efficient construction methods, collective housing and green mobility, to improve quality of life; stresses the need for all EU-funded housing investment to align with the European Green Deal objectives by ensuring high energy efficiency standards, reducing energy poverty and incorporating climate adaptation measures; calls on the Commission to urgently revise Annex I to the Common Provisions Regulation and, based on its examination, to recognise investment in social, affordable and sustainable housing as contributing to climate objectives, enabling Member States to meet ERDF climate-spending targets of 30 %; calls for a sustainable construction sector with the support of CP, using bio-based materials and true-cost pricing, including maintenance and environmental costs; stresses the importance, in this context, of strengthening the polluter-pays principle and promoting decarbonisation to achieve European Green Deal and Paris Agreement goals;

36. Proposes including in the future CP increased funding for housing on the basis of national, regional and local strategies on affordable and sustainable housing for vulnerable, low- and middle-income households, multi-child and single-parent families, including social and assisted living solutions for persons with disabilities and elderly people; recognises the role of local and regional authorities in developing these strategies; insists that this funding should contribute to social cohesion across the EU; recalls the importance of strong rural-urban linkages and the need for particular support for women in rural areas;

37. Calls on the Commission to include ending homelessness, combating inadequate housing and addressing energy poverty among the lowest income populations as explicit political objectives in the post-2027 CP, with robust funding dedicated to these priorities; calls, further, for housing access and associated services to be considered a key area within the future policy objectives, with a strong focus on supporting future generations and the urban agenda; stresses that housing-related measures funded by CP must respond to the needs and specificities of regional and local authorities and contribute to the cohesion goals of the Treaties; proposes that the Commission link investment in transportation and utility services with the provision of affordable housing. to ensure that beneficiaries have adequate access to essential services, and calls on the Member States to ensure consistency between national policies on housing, transportation and utilities;

38. Calls on the Commission and the EIB to include in the future CP a specific duration requirement, from a sustainability perspective, for operations involving investment in affordable and sustainable housing infrastructure from the CP funds, in order to avoid property speculation; takes the view that the Commission should create a legal framework enabling land and homes benefiting from EU funds to remain in the ownership or, as applicable, the management of public administrations, social housing providers and other not-for-profit entities, so that the final beneficiaries of the funds and the end users of these should retain ownership of the houses;

39. Recommends the inclusion of long-term conditions for beneficiaries of CP funds for affordable housing to support the right to stay in rent-controlled areas in cities, particularly in areas experiencing housing pressure due to tourism, gentrification or investment speculation, including inner cities, islands, outermost regions and coastal areas, without unduly disadvantaging legitimate real estate activities; recommends also the exclusion of short-term speculative investors by establishing safeguards against short-term speculative acquisitions, including restrictions on rapid resale; underlines the importance of ensuring the right to stay of citizens in areas suffering from a lack of suitable and affordable housing; calls on the Commission to issue specific guidelines on how to implement and enforce this principle across EU policies; calls for stronger integration of this principle as a cross-cutting principle in all EU policies, so that they support the objectives of social, economic and territorial cohesion, as set out in Articles 3 and 174 TFEU;

40. Calls on the Commission to incorporate the NEB as an autonomous programme in the 2028-2034 multiannual financial framework, with enough financial resources to incorporate the values of the NEB in the initiatives and relevant future legislation promoted by the European affordable housing strategy;

41. Recalls that CP should encourage collaboration between architects, urban planners, promoters, engineers, construction workers and other professionals to ensure a holistic approach to urban and rural development and to contribute to solving the ongoing housing crises;

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42. Instructs its President to forward this resolution to the Council, the Commission, the European Economic and Social Committee, the European Committee of the Regions and the national and regional parliaments of the Member States.