Official Journal
of the European Union

EN
C series

C/2026/26

16.1.2026

Opinion of the European Economic and Social Committee

For a European Affordable Housing plan – the contribution of civil society

(exploratory opinion requested by the Danish Presidency of the Council of the EU)

(C/2026/26)

Rapporteur: **John COMER**

Co-rapporteur: **Thomas KATTNIG**

Advisor	Frank ALLEN (to the rapporteur) Marisa HERZOG-PERCHTOLD (to the co-rapporteur)
Referral	Request by the Danish Presidency of the Council of the EU 7.2.2025
Legal basis	Article 304 of the Treaty on the Functioning of the European Union
Section responsible	Transport, Energy, Infrastructure and the Information Society
Adopted in section	4.9.2025
Adopted at plenary session	18.9.2025
Plenary session No	599
Outcome of vote (for/against/abstentions)	111/4/10

1. Conclusions and recommendations

1.1. The EESC welcomes the announcement of the first Affordable Housing Plan (AHP) and the appointment of a Commissioner for Housing. It is essential that this Commissioner prepare and publish the AHP as soon as possible to fast-track progress on dealing with the housing crisis. It is also imperative for the success of this new initiative that the first ever task force dedicated to housing, which aims to develop and implement the European AHP and related policy initiatives, be given a meaningful scope and role to play.

1.2. The EESC calls on the Commission to develop an action plan to enforce the fundamental right to housing, emphasising that this right must be formally enshrined in EU primary law.

1.3. The EESC highlights the urgent need for a coordinated EU approach to address the shortage of affordable and sustainable housing, while respecting subsidiarity, as housing policy remains primarily a Member State competence.

1.4. State aid rules must be reformed to allow broader access to social housing. The current definition of service of general economic interest (SGEI) excludes key groups and limits Member States' ability to respond to rising demand.

1.5. The EESC urges the European Commission to take a coordinated initiative with the Member States to regulate short-term rentals. Transparent data exchange, territorially targeted measures and strict oversight of speculative investment and tax evasion are essential to safeguard the right to housing and ensure access to affordable homes for all.

1.6. The EESC recommends that all Member States introduce 'housing first' programmes to tackle homelessness in order to reduce social inequality and deprivation.

1.7. The EESC recommends an EU Housing Action Plan to create a cohesive policy addressing the housing crisis. It should prioritise a new European deal for affordable and sustainable housing and ensure public, non- and limited-profit providers can access long-term funding via the proposed European Investment Bank (EIB) pan-European investment platform.

1.8. Public authorities must support non- and limited-profit housing providers by improving access to affordable land and financing, offering tax incentives and ensuring more efficient and timely zoning and building permit procedures. For affordable housing to the benefit of the entire population, we need to get all the players on board. The EESC calls for the mobilisation of both private and public investment, improved access to mortgage loans for households and young people, a streamlined regulatory and administrative working environment for construction companies, greater support to research and innovation, all relevant actors to further work on raising the attractivity of the construction industry.

1.9. The EESC recommends increased public investment in accessible, social and affordable housing, which should not be subject to the rules regarding debt as governed by the Stability and Growth Pact (SGP).

1.10. The EESC believes that there is a need for a massive increase in the level of digitalisation in the housing sector. It thinks that cohesion policy should serve as the main framework for coordinating complementary instruments, mobilising public and private capital towards affordable housing solutions, with the EIB playing a central role in developing financial instruments tailored to different regional needs. Greater mobilisation of private investment is necessary.

1.11. The EESC advocates 'Housing Bonds' as an investment vehicle whereby EU banks and individuals could invest to provide capital for housing investment.

1.12. Each Member State needs to quickly revise and finalise its national planning framework. Any roadblocks causing excessive delay in granting planning permissions for housing construction needs to be dealt with rapidly.

1.13. The disability dimension should be mainstreamed into housing programmes to ensure accessibility, alongside affordability and sustainability. Housing indicators should also be included in national reform and stability/convergence programmes.

1.14. Member States must tackle energy poverty by investing in renewables to lower costs and emissions. New buildings should include renewable systems for lasting affordability and sustainability.

1.15. The zoning of agricultural land into building land must be done carefully, and land speculation and land hoarding restricted. The renovation of existing buildings and buildings on derelict and brownfield sites must be prioritised.

2. **Introduction**

2.1. The Danish Presidency of the Council of the EU has asked the EESC to draw up an exploratory opinion on the European AHP announced by the European Commission, keeping in mind the relevant overlap and synergies between housing and social inclusion policies, including how the EU and its Member States can improve and secure social and affordable housing that is both inclusive and sustainable.

2.2. In 2023, 10,6 % of people in EU cities were living in households that spent over 40 % of their disposable income on housing compared to 7 % in rural areas ([1]). This cost overburden is increasing, highlighting a trend that is socially and economically unsustainable.

([1]) https://ec.europa.eu/eurostat/web/interactive-publications/housing-2024?utm_source=chatgpt.com#housing-cost.

2.3. The EESC has recently adopted a number of opinions on the EU's housing crisis, including TEN/841: Social housing in the EU – decent, sustainable and affordable ([2]).

2.4. The COVID-19 pandemic and the Russian war of aggression against Ukraine, among other factors, have caused significant problems in the housing sector. Higher building costs, as well as supply chain disruptions and restrictive lending on the part of banks have added to the crisis. The general decline in housebuilding across the EU ([3]) is also contributing to the shortage of affordable housing. This shortage worsens health, deepens inequalities and causes young people to delay starting a family, affecting the EU's birth rate.

2.5. Housing costs have increased significantly faster than wages. This growing gap between income and housing expenses, combined with the broader cost-of-living crisis, has intensified the housing crisis. Structural factors, such as demographic changes and a rising number of households due to more diverse living arrangements and shifting family structures, further exacerbate the situation.

2.6. Between 2010 and 2023, the construction producer prices for new residences in the EU rose by 52 % ([4]). Around 17 % of the EU population lived in overcrowded homes and 11 % were unable to keep their home adequately warm because of energy poverty. Eurostat data from October 2024 show that rent had increased by 3 % over the previous year, while house prices had gone up by 2,9 % and had more than doubled in nine EU Member States since 2010.

2.7. Short-term rentals significantly drive up housing costs and reduce long-term rental availability in EU cities. Effective regulation – including data transparency, differentiated local measures, and tackling speculative investment and tax evasion – is essential to protect residents' housing rights and address broader housing crises and inequalities.

2.8. Housing markets across Europe attract increasing capital, as housing offers stability, security and predictable returns. In many Member States, a significant share of rental housing is provided by individual savers, while at the same time institutional investors increasingly treat housing as a financial asset. This dual development highlights the need to balance housing's economic and social functions. Rental housing remains essential to meet the needs of a large proportion of the population and to provide opportunities for owners. At the same time, the financialisation of housing drives up prices and undermines affordability ([5]). One way of reconciling these perspectives is to strengthen the public, non- profit and limited-profit rental sector with cost-based rents, while ensuring that regulation curbs speculative investment, supports long-term, stable returns and safeguards housing's role as a social good.

2.9. Access to affordable, adequate, sustainable, accessible, inclusive and resilient housing is both a social need and a social right and is one of the key principles of the European Pillar of Social Rights. It is also in line with the United Nations Universal Declaration of Human Rights as well as the United Nations 2030 Agenda for Sustainable Development, the Geneva UN Charter on Sustainable Housing, and the UN Convention on the Rights of Persons with Disabilities, and is recognised in the Council of Europe's revised European Social Charter and in the Charter of Fundamental Rights of the European Union. In practice, however, housing rights are treated differently across the EU.

3. **General comments**

3.1. The EESC welcomes the announcement of the first AHP and the appointment of a Commissioner for housing.

([2]) Opinion of the European Economic and Social Committee – Social housing in the EU – decent, sustainable and affordable (own-initiative opinion) (OJ C, C/2025/771, 11.2.2025, ELI: http://data.europa.eu/eli/C/2025/771/oj).
([3]) https://fiec-statistical-report.eu/european-union.
([4]) https://ec.europa.eu/eurostat/web/interactive-publications/housing-2024?utm_source=chatgpt.com#housing-cost.
([5]) European Central Bank: https://www.ecb.europa.eu/press/blog/date/2025/html/ecb.blog20250408~a2b4a99903.en.html.

3.2. Social factors that should be considered are accessibility, affordability, quality, infrastructure and inclusion of all members of society. Stable housing requires measures such as eviction protections for tenants who act bona fide and comply with their obligations, especially when landlords are commercial or institutional actors, where such measures should be mandatory. Landlords must also comply with their obligations and fully respect the rights of tenants.

3.3. Housing policy must also focus on education, employment and local economic development. Rising housing costs reduce tenants' and homeowners' purchasing power without compensatory landlord spending, leading to negative economic impacts ([6]). Construction and maintenance costs, along with increasing land prices, have added significant financial pressure to the housing sector in recent years.

3.4. When it comes to environmental factors, adequate water and waste management, along with green spaces, are essential. Tackling energy poverty by reducing energy costs and emissions is a priority, including investing in renewables (solar, wind, geothermal) and adopting advanced energy efficiency technologies.

3.5. Agricultural land should be converted with caution and land speculation restricted, prioritising renovating existing buildings, repurposing non-residential sites and developing brownfields. Zoning must ensure that a sufficient number of well-located lands at fair affordable prices are reserved for affordable and social housing, especially for non- or limited-profit providers, to support long-term affordability.

4. **The way forward**

4.1. The division of competences between the EU and the Member States in housing is complex and strongly characterised by subsidiarity. While housing policy remains under Member States' jurisdiction, the EESC points out that there is an urgent need for a coordinated EU response to address the shortage of affordable and sustainable housing. The housing crisis is exacerbated by the insufficient supply of sustainable and affordable housing in relation to need. We therefore need to use every means possible to increase the volume of affordable housing available for purchase or rent. To do this, we need to get all the players on board – public, non-profit and private housing providers.

4.2. The EESC recommends adopting an EU Housing Action Plan that prioritises a comprehensive new European Deal focused on affordable and sustainable housing, in order to establish a cohesive and effective housing policy. Public, non-profit and limited-profit housing providers should have access to long-term European financing through the proposed EIB pan-European investment platform.

4.3. The proposed action plan should provide Member States with guidance on spatial planning that supports sustainable urban development. This includes promoting urban mobility while ensuring that city dwellers retain access to all public services, transport infrastructure and green spaces.

4.4. As stated in opinion TEN/841, the EESC believes that it should be easier to access the EU's 19 existing support tools and funding streams with clear conditions linked to affordability criteria and by creating a transformation fund that harmonises all existing tools.

4.5. The EESC welcomes the Commission's plan with the EIB to create a pan-European investment platform for affordable, sustainable housing, including adapting State aid rules, launching the first European AHP and developing a housing strategy to boost supply. The new housing task force is a positive step. The Commissioner must develop an action plan and declare a housing emergency. It should be firmly established that all EU citizens have a fundamental right to adequate, affordable housing, supported by legislation and enshrined in EU primary law. Affordable housing should be defined as housing costs not exceeding 25 % of household disposable income.

([6]) https://research.wu.ac.at/de/publications/der-einfluss-steigender-wohnungsmieten-auf-den-konsum-eine-makro%C3%B6-3.

4.6. The EU lacks direct authority in housing policy, but it plays a significant role in shaping housing strategy by means of initiatives such as the Energy Performance of Buildings Directive, the new European Bauhaus Initiative and the Renovation Wave. Such initiatives are aimed at affordability, sustainability and social inclusion.

4.7. To meet EU housing needs, sufficient building land is needed in areas with population growth. The Nature Restoration Regulation (EU) 2024/1991 ([7]) and the Soil Monitoring Directive ([8]) must be finalised without compromising the availability of building land. Housing needs and local planning authorities' needs must be prioritised in implementing these Regulations. Flexibility at local level, where appropriate, would be helpful.

4.8. While housing cooperatives and not-for-profit housing providers across the EU are mainly financed through long-term loans, this loan-based model has supported affordable housing in many Member States, rising interest rates and construction costs limit further expansion. Adequate investment in housing is essential, focusing on affordable housing for young people and social housing as a key policy tool. Public authorities should improve access to low-cost financing, increase grants and offer tax incentives for social and affordable housing. Planning frameworks must be finalised quickly, and legal or procedural delays – such as long environmental assessments – streamlined to accelerate construction.

4.9. Housing cooperatives have a significant role to play in addressing the housing crisis in the EU. Home ownership cooperatives, co-ownership cooperatives and mixed-tenure cooperatives represent various aspects of the cooperative housing sector. In order to accelerate cooperative housing developments, national governments, the EU and the EIB must make start-up loans and grants available to cooperatives. Civil society organisations must also promote and encourage these types of developments.

4.10. The EESC calls for the mobilisation of both private and public investment, and improved access to mortgage loans for households, while including safeguards to prevent an increase in private bankruptcies.

4.11. A streamlined regulatory and administrative environment for construction companies is also essential, with clear rules to accelerate building processes, reduce costs, improve working conditions, ensure adequate wages, enhance sustainability and promote overall affordability. Furthermore, greater support for research, innovation and digitalisation through EU funds is needed to boost productivity in this sector.

5. **Social and affordable housing as a cornerstone of the AHP**

5.1. The EESC advocates greater scope for long-term investment in social housing and believes that public investment in accessible and affordable housing should be a priority for the new multiannual financial framework and should not be subject to the debt rules set out in the fiscal rules under the SGP.

5.2. Special attention should be paid to affordable housing for young people and social housing as a key tool in housing policy. The current focus on only the lowest-income households must be revised. State aid rules, especially the restrictive definition of SGEI, urgently need reform to include middle-income households and key workers. Broader access to affordable housing and transparent EU funding are essential for social cohesion and should enable social mixing, ensure long-term affordability and consider models geared towards promoting the common good.

5.3. The EESC recommends that every Member State should introduce the 'Housing First' programme and implement it by financially supporting approved non-and limited-profit housing organisations. Funding should only be made available to for-profit providers under strict social conditions, such as rent caps, long-term affordability guarantees and mandatory inclusion of vulnerable groups.

([7]) Regulation (EU) 2024/1991 of the European Parliament and of the Council of 24 June 2024 on nature restoration and amending Regulation (EU) 2022/869 (OJ L, 2024/1991, 29.7.2024, ELI: http://data.europa.eu/eli/reg/2024/1991/oj).

([8]) COM(2023) 416 final.

5.4. The EESC calls on the Commission to start producing annual reports, in the European Semester, on the state of housing in the EU, including detailed Member-State-specific data on available housing, housing needs, the proportion and type of owners and tenants, vacant properties, prices, affordability, and sustainability, to be approved by the European Parliament, the EESC and the CoR.

5.5. The EESC recommends that the AHP should include realistic EU-level goals for constructing new houses, and renovating derelict and vacant houses in 2026-2030. The Member States must ensure that sufficient lands is made available to non- and limited-profit housing providers at fair affordable prices.

5.6. The EESC recommends that all major residential developments include a binding quota of non- or limited-profit housing, ensuring social inclusion and housing accessibility.

5.7. The EESC stresses that tackling the housing crisis requires not only more funds, but also smarter financing approaches. With the annual investment shortfall of EUR 270 billion identified by the EIB, the transfer of resources within the current cohesion policy allocations is clearly insufficient. In this regard the EESC believes that cohesion policy should serve as the main framework for coordinating complementary instruments, mobilising public and private capital towards affordable housing solutions, with the EIB playing a central role in developing financial instruments tailored to different regional needs. Greater mobilisation of private investment is necessary.

5.8. There is significant untapped capital in European banks that could be used to finance social and affordable housing. One possibility would be to establish 'housing bonds' where individuals and banks could invest in such bonds to create a fund to be used and regulated by the Member State to finance social housing, cost rental housing and affordable housing to purchase.

5.9. There must be a major effort to integrate the most suitable and sustainable energy solutions available into social and affordable housing to reduce GHGs and help to alleviate energy poverty. In all new builds, energy systems should be chosen based on their environmental sustainability and long-term cost efficiency, ensuring that they are both climate-friendly and affordable to install and operate.

6. **Specific comments**

6.1. Boosting construction sector productivity is key to increasing the affordable housing supply. Digitalisation levels vary widely across the EU, requiring coordinated support for Member States to modernise building permit processes. Technologies such as building information modelling, AI, 3D printing, robotics and digital twins can accelerate construction, reduce errors and costs and lower emissions. Any savings must benefit consumers. Given the sector's fragmentation and the dominance of SMEs, targeted support is essential to ensure their participation in this transition.

6.2. The EU will need two million additional construction workers by 2030 ([9]), some likely from outside the EU. Women currently represent only around 10 % of the construction workforce ([10]). Increasing their participation is essential and requires targeted training, flexible working conditions and inclusive workplace cultures that challenge existing norms and support women's advancement.

6.3. The Commission should urge Member States to take decisive action against exploitative and substandard real estate development, which undermines quality, labour and environmental standards, and contributes to unsafe living conditions, rising housing costs, the displacement of vulnerable groups and the loss of social cohesion.

6.4. The Commission should press Member States to address the lack of affordable student housing, which creates inequalities in access to higher education, particularly for students from low-income or rural backgrounds. Publicly funded construction programmes for affordable and well-located student housing is urgently needed.

([9]) https://www.ituc-csi.org/more-than-two-million-workers-will-be-needed-in-the-construction-sector-in-europe-by-2030?lang=en.
([10]) https://ec.europa.eu/eurostat/databrowser/view/LFSQ_EGAN2__custom_16815444/default/table?lang=en.

6.5. There is a growing need to invest in accessible and affordable housing for older people, to allow these generations to age with dignity and independence while reducing pressure on care systems. A comprehensive housing strategy must respond to the diverse needs of people at all stages of life.

6.6. Article 19 of the United Nations Convention and the Rights of Persons with Disabilities underlines that persons with disabilities must have the opportunity to choose their place of residence much in the same way as those without disabilities, and not be obliged to live in a particular living arrangement. The new European AHP must have a specific focus on increasing the stock of housing that is accessible to persons with disabilities. The disability dimension should be mainstreamed into all housing programmes to ensure that housing is not only affordable and sustainable, but also accessible to all. In addition, housing indicators should be included in the national reform programmes and stability/convergence programmes.

Brussels, 18 September 2025.

The President
of the European Economic and Social Committee
Oliver RÖPKE