

# Commission takes action for more affordable housing across Europe

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With the first-ever **European Affordable Housing Plan** presented today, the Commission addresses one of the most pressing needs of European citizens: access to affordable, sustainable and good-quality housing.

With an average increase of house prices by more than 60%, and of rents by more than 20% in the past ten years, millions of Europeans are struggling to find a home they can afford. By hurting labour mobility, access to education, and family formation, the housing crisis is hampering both the **competitiveness** of the EU economy and our **social cohesion**. Tackling this crisis requires a truly **European effort anchored in local realities**.

The Commission will therefore support Member States, regions and cities by taking action where it can bring added EU value. This Plan focuses on **increasing housing supply, triggering investment and reforms**, addressing **short-term rentals** in areas under housing stress, and **supporting the people most affected**.

The Plan proposes measures for a more productive and innovative construction and renovation sector that will address the mismatch between **housing supply** and demand through the **European Strategy for Housing Construction**. The package also includes a Communication and a Council recommendation on **the New European Bauhaus (NEB)**. As an enabler for the clean transition, innovation and bioeconomy, the NEB supports projects that are sustainable, affordable and of high quality – mainly in the built environment. The NEB Academy re- and up-skills the construction ecosystem for sustainable and circular construction and supports innovation and research in the sector.

**Revised EU State aid rules** will make it easier for Member States to financially support affordable, as well as social, housing. The Commission will work with national, regional and local authorities to **simplify rules and procedures that restrict housing supply**,

with a particular focus on planning and permitting. A new legislative **initiative on short-term rentals** will support areas under housing stress.

The Commission has so far **mobilised significant investments - €43 billion** - in housing and will continue to do so under the next long-term EU budget. It is also developing a new **Pan-European Investment Platform** in cooperation with the European Investment Bank, national and regional promotional banks, and other international financial institutions.

By addressing the underlying causes of the crisis in a comprehensive way, this Plan will be particularly beneficial for **those most affected**: young people, students, essential workers, low-income and other disadvantaged groups. The Commission will mobilise new investment in student and social housing and help Member States put in place better solutions for homeless people based on Housing First principles.

## **Next steps**

The European Affordable Housing Plan is the first step to support Member States deliver more affordable, sustainable and quality homes across Europe. The Commission will now focus on implementation. A new **European Housing Alliance** between Member States, cities, regions, EU institutions, housing providers and associations, social partners, industry and civil society will drive the implementation of the Plan. The Commission will present a **progress report** before the end of this mandate. Keeping the political momentum to solve this crisis is also key and the Commission has announced the first-ever **EU Housing Summit** in 2026.

## **Background**

Addressing the European housing crisis is a priority in **President von der Leyen's [Political Guidelines](#)**. With the appointment of the **first-ever Commissioner for Housing** in December 2024, the EU took more responsibility to support Member States and regional and local authorities to find concrete solutions. The commitment to make housing more affordable and sustainable was reiterated during the 2025 [State of the Union address](#).

In October 2025, the European Council [called on the Commission to put forward an ambitious affordable housing plan](#) that respects subsidiarity and national competence,

followed by [Presidency conclusions](#) in December 2024. The Commission has also closely worked with the dedicated HOUS Committee of the European Parliament.

### **For more information**

[Questions and answers on the European Affordable Housing Plan](#)

[Factsheet on the European Affordable Housing Plan](#)

[European Affordable Housing Plan | Housing](#)

[European Affordable Housing Plan - Staff Working Document | Housing](#)

[New SGEI Decision](#)

[European Strategy for Housing Construction](#)

[Working Plan for the implementation of the Construction Products Regulation \(CPR\)](#)

[European Construction Observatory's report mapping the current skills needs](#)

[Communication on the New European Bauhaus \(NEB\)](#)

[Proposal for a Council Recommendation on the New European Bauhaus \(NEB\)](#)

[New European Bauhaus for clean transition and innovation](#)

[Science for Policy brief on Housing investment needs in the EU](#)

### **Quote(s)**



Access to affordable housing is a serious concern for many across Europe. To tackle this issue, we need joint efforts from different sides and a wide range of measures. We are taking action to help Member

States address citizens' and mayors' needs and market failures. Making sure there is sufficient housing available requires long-term investments. In terms of competition policy, our revision of State aid rules makes it easier for public authorities to invest in social and affordable housing.

***Teresa Ribera, Executive Vice-President for Clean, Just and Competitive Transition***



The housing crisis is not a European inevitability. With this new strategy, Europe is making a clear choice: to simplify, invest and innovate in order to build faster, more sustainably and at lower cost. By modernising the construction sector, removing administrative bottlenecks and turning the Single Market into a true industrial accelerator, we will, together with the Member States, transform a fragmented sector into a driver of competitiveness, social cohesion and European sovereignty. Building more homes also means strengthening confidence in Europe's ability to deliver concrete solutions for its citizen.

***Stéphane Séjourné, Executive Vice-President for Prosperity and Industrial Strategy***



Europe must collectively take responsibility for the housing crisis affecting millions of our citizens, and act upon it. This is not just about the roofs over our heads: it is our democracy which is at stake. Because if we don't solve this issue, we risk leaving a void that

extremist political forces will take. This Plan sets out concrete actions to make housing more affordable by triggering investments, regulating short-term rentals, cutting red tape and supporting the most impacted in our society. Because housing is not just a commodity. It is a fundamental right. We must mobilise every euro and do everything in our power to make sure that in Europe everyone can afford a decent place to call home.

***Dan Jørgensen, Commissioner for Energy and Housing***



The future of the New European Bauhaus is geared towards strengthening sustainability, circularity and innovation in the places we build, renovate and repurpose. We are expanding the toolbox of our existing NEB instruments to scale up, especially where the need for affordable and sustainable homes is the greatest.

***Jessika Roswall, Commissioner for Environment, Water Resilience and a Competitive Circular Economy***