CONFRONTATIONS EUROPE

AFFORDABLE AND SUSTAINABLE HOUSING IN EUROPE



Special report



CONFRONTATIONS EUROPE

THINKING AND ACTING

FOR EUROPE

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Michel Derdevet
President of Confrontations Europe

EDITORIAL: HOUSING: THE ISSUE AT THE HEART OF EUROPEANS' CONCERNS

For decades, housing remained the exclusive preserve of the Member States, in line with the Treaties, which consider that housing policies touch on areas deeply rooted in each country's local and fiscal realities (urban planning, land, property taxation and property law, spatial planning, etc.). Those days are over, and housing is now becoming a central concern for the European Union.

What has changed is the scale of the crisis. In ten years, house prices have risen by more than 60% across the Union. Rents have soared in Lisbon, Madrid, Berlin, Barcelona and Paris. Building permits have fallen. And the crisis no longer affects only the poorest; it is also hitting teachers, care workers, young professionals and middle-class families, who can no longer find a home where they work. And when a nurse can no longer afford to live in the city where she provides care, it is no longer a market problem; it is a problem for society.

Europe has taken note. It has appointed a Commissioner responsible for housing. In December 2025 it adopted a first European Affordable Housing Plan, then launched a European Housing Alliance. On 9 September came, at last, the (welcome) proposal for the Affordable Housing Act. In less than two years, housing has therefore entered the European agenda, willingly or not. The report that Confrontations Europe has chosen to devote to this subject looks back at this shift and asks a simple question: can Europe give itself the means to match its ambitions and resolve the housing crisis in the European Union?

For the European Commission, Matthew Baldwin, Head of the European Commission's Housing Task Force, defends a method: support without substituting, clarify the law without encroaching on subsidiarity, and mobilise public and private investment rather than promise a budgetary windfall that will not come. Cities, on the front line, welcome a paradigm shift. For Jaume Collboni, Mayor of Barcelona, Europe is finally recognising that the market does not regulate itself and that protecting the residential use of housing is an objective of general interest.

However, the enthusiasm is not unanimous. Renaud Payre, President of Foncier Solidaire France, led housing policy for the Lyon Metropolis and argued for years in favour of a European policy. Today he speaks of "hope disenchanted". He points to the absence of dedicated funds and to silences on rent control and vacant housing. He also highlights real risks for the French social housing model.

Lotfi Ouanezar, Director General of Emmaüs Solidarité, reminds us for his part that building more is not enough if the homes produced remain out of reach for the most vulnerable. Homelessness is rising in several Member States, and the European goal of ending it by 2030 is slipping away.

Finally, Leïla Chaibi, Member of the European Parliament and member of the Special Committee on the Housing Crisis, goes further: in her view, Europe recognises the crisis… but still protects the market. She considers the conditions imposed on cities by the Affordable Housing Act too burdensome, and calls for a dedicated European fund and for housing to be recognised as a fundamental right.

These perspectives differ on method and on the level of ambition, but they all agree on the essential point: housing is not an "asset" like any other. It determines access to employment, education and health. It touches on human dignity. The Letta report had already made the point: housing is an underestimated factor in European competitiveness.

The housing crisis also raises a democratic question. When people can no longer find a home where they live and work, trust in institutions gradually erodes and, ultimately, democracy itself is weakened. For Europe, the stakes are real. Citizens do not judge the Union on the division of competences, but on what it concretely changes in their lives. Housing is one of those issues on which it must show that it is useful.

Today, three choices appear decisive.

The first is budgetary. Within a few months, Europe managed to find €150 billion in loans for its defence and to relax its fiscal rules in order to rearm. Yet the Commission itself estimates that affordable housing needs around €150 billion of investment per year. If the security of the continent justifies an exceptional effort, the everyday security of millions of Europeans could clearly justify one too! Investment in social and affordable housing must benefit from the same flexibility under European fiscal rules. A European model cannot be defended in the long run if part of its citizens no longer have access to it.

The second challenge concerns cities. They are on the front line, they innovate, they take the political risks. They must therefore be able to access part of European funding directly, instead of depending entirely on national decisions.

The third priority concerns energy. It is no coincidence that a single European Commissioner now holds both energy and housing within the College. The energy renovation of buildings is a climate necessity, but also an urgent matter of social justice, as this autumn's secondary school student protests across Europe remind us. If this thermal renovation results in higher rents, it will drive out the very people it claims to protect. The energy transition and affordable housing must be designed, funded and assessed together.

The timetable makes this debate urgent. The Affordable Housing Act is now in the hands of the Parliament and the Council, and the next European budget is being negotiated. It is now that the decision is being made as to whether housing will receive real resources or remain a priority on paper.

Our report aims to contribute to this central debate, so that the decisions to come are made by listening to those who face these issues every day. The stakes are high: much remains to be done for housing to become a fundamental right for all Europeans.



Matthew Baldwin
Head of the European Commission's Housing Task Force

THE EUROPEAN COMMISSION AND THE HOUSING CRISIS: "IF IT'S A PROBLEM FOR EUROPEANS, IT'S A PROBLEM FOR EUROPE"
INTERVIEW WITH MATTHEW BALDWIN

Confrontations Europe : For many years, housing policy has been considered a primarily national competence, particularly when it comes to funding. Why has this issue become strategic at European level? We saw this in particular at the 2024 hearing of Commissioner Jørgensen, who was given the housing portfolio by President von der Leyen, in addition to energy.

Matthew Baldwin : To begin with, this is a completely new role: it is the first time we have had a Commissioner for Housing as such. That does not mean the European Commission had not looked at this issue before, but it was spread across several areas, without overall coordination. Housing was, and remains, a competence of the Member States, and in some cases a regional or local one. We do not plan to change that – the competence, in EU jargon, remains what it was. All our efforts are therefore aimed at supporting this fundamental national, regional and local competence in housing.

So why has the issue become strategic? Why do we have a Commissioner responsible for housing, a housing task force, and why are we so much more active today? We have drawn up the first European Affordable Housing Plan. The first answer is political: the issue has shot up the political agenda, because we are experiencing a crisis, or a squeeze, in affordable housing across Europe that hits urban areas hardest. It became an issue that could no longer be ignored at European level. President von der Leyen summed it up well when she said: "if it's a problem for Europeans, which it is, then it must also be a problem for Europe". But this does not change the competence of the Member States and local authorities: we act in support.

A few figures to understand what is at stake: average house prices have risen by more than 60% over roughly the last decade. Rents have risen by 20% on average, but in urban areas they are rising much faster, and new rental contracts even more so. Politically, this no longer affects only the poorest and the homeless, but increasingly middle-income households (teachers, firefighters, police officers) who are traditionally not eligible or not a priority for social housing, but who can no longer find what they need on the market, and can no longer afford to live in the communities they serve.

We are also seeing major effects on labour mobility, educational opportunities and family formation. All of these undermine Europe's competitiveness, as former Italian Prime Minister Enrico Letta stressed in his report, where he identified housing as an underestimated factor of competitiveness. He is right. We have a supply-demand crisis: demand is expected to grow by around two million homes a year, while most supply trends are going in the opposite direction — building permits have fallen by more than 20% since 2021.

That is the context that explains why we are acting, and why we believe certain factors justify a stronger European commitment on housing. The more detailed answer is that there are "pockets of competence", in our jargon, that justify it — in particular in relation to the Affordable Housing Act.

C. E. : In light of these needs, what was the initial ambition of the Affordable Housing Plan? Now that the Affordable Housing Act was published on 9 September, could you come back to the initial strategy and the policy objectives of the plan?

M. B. : You can see it in the mission letter that President von der Leyen addressed to Dan Jørgensen, Commissioner for Energy and Housing. It includes a number of elements, for example the pan-European investment platform, or the need to tackle the issue of short-term rentals. These were the first elements to come out of the consultation process, together with the call on Commissioner Jørgensen to present an affordable housing plan.

In her State of the Union speech last September (2025), the President announced that the plan would be finalised within the year, and promised a legislative initiative on short-term rentals.

The plan was produced very quickly after a broad consultation effort. It is a short, fairly readable plan that proposes a series of concrete actions: 34 actions across 10 themes, under four pillars, focused on the areas where we can best support national and local action. The stated aim is to tackle the various structural causes of the housing crisis — we do not think there is only one — with the goal of supporting affordable, sustainable and decent housing for all.

Here again, it is not about replacing national competence, but about strengthening our role in supporting, coordinating and amplifying action at national, regional and local level.

The main vehicle for this action is the European Housing Alliance. Some of the best things we can do are not only top-down legislative initiatives, but encouraging cooperation, mutual learning and the exchange of good practice. Housing markets and housing policies are very diverse across Europe, including within a single Member State. The aim is not to standardise them, but to encourage mutual learning, including on shared objectives such as promoting social and affordable housing, designing a revolving fund so that public money stays in the sector, or designing housing bonds. All of this is work in progress.

C. E. : This housing crisis affects Member States in different ways — shortages, soaring prices, difficulties for young people in accessing housing, whether to rent or buy their first home — along with issues related to the renovation of the existing stock and energy poverty. How does the recently unveiled Affordable Housing Act address these different structural causes, particularly regarding short-term rentals, which seem to be one of the pillars of the Act and one of the most discussed elements in recent weeks?

M. B. : If you look at which areas of the EU are under the most pressure, it is mainly urban areas — that is where the affordable housing crisis is most visible. We do not think short-term rentals are the only determining factor, but short-term rentals and what we broadly call the non-primary use of housing — second homes, vacant homes — are making the crisis worse. We are not using our housing stock in the best possible way.

A few figures: overall, only 1.2% of the total housing stock in Europe is used for short-term rentals, but this figure can be much higher locally. In central Madrid, for example, there are around 40 short-term rentals for every 100 homes on the long-term rental market. This does not mean that these rentals alone explain rising rents, but they can increase pressure on certain markets.

I mentioned an average of 20% — in Berlin, rents have risen by 59% over ten years, 75% in Madrid, 103% in Lisbon. The non-primary use of housing appears to be an aggravating factor.

What can Europe do? Action is already under way: restrictions are being introduced, sometimes by Member States, more often by local authorities. As these are restrictions on the freedom to provide services, they fall either under the Services Directive as regards short-term rentals, or directly under the Treaty rules on the free movement of capital and freedom of establishment as regards second homes.

There has therefore been a great deal of litigation – notably the case brought before the Court of Justice of the EU on short-term rentals, which concerned Paris, and there have been other examples on second homes since the 1990s.

Several cases have gone to court, notably brought by cities. The problem is legal uncertainty. We need to provide clarity, in a way that protects the subsidiarity of Member States, regions and cities.

Several Member States, including France, already have systems in place to identify areas where housing is under pressure. Our aim is not to replace these systems, but to help authorities demonstrate that the restrictions they wish to adopt comply with EU law. We are therefore proposing a common method for assessing housing pressure, together with European data made available by the Commission, to facilitate this work and reduce both the administrative burden and legal uncertainty.

This method combines the house price-to-income ratio, its evolution, and a forward-looking analysis of local supply and demand conditions. Authorities will be able to use more detailed data under the conditions set out in the text.

We are also proposing a more operational framework for assessing the justification, necessity, proportionality and non-discriminatory nature of measures: these requirements already exist in EU law. For covered measures concerning short-term rentals, we are also removing the notification obligation under the Services Directive, in order to simplify and speed up decisions.

So this is neither about imposing restrictions from Brussels, nor about changing the division of national competences. Authorities remain free to decide whether they wish to intervene and to choose the measures available under national law. What the regulation adds is a clearer framework for assessing their compliance with EU law, while preserving their housing policy choices.

Measures adopted before its entry into force would be excluded from the new regulation, but would remain subject to the EU law that already applies to them.

That covers the "demand" side. We are also making a series of recommendations on the "supply" side – non-binding guidance from the Commission to help local authorities tackle the crisis from that side as well, recognising that this will obviously take longer to bear fruit. The Affordable Housing Act, presented on 9 September, is now in the hands of the co-legislators for negotiation – and I am pleased that the Irish Presidency is keen to move this file forward.

C. E. : That brings me to the European Housing Alliance, launched in May, with a first meeting in mid-June. Three months on, what is your assessment of this format?

M. B. : First, we need to clearly distinguish between the Affordable Housing Act proposals — a standard Commission legislative proposal, accompanied by recommendations — and the European Housing Alliance in the broader sense. The Alliance will play no role in what now happens around the Affordable Housing Act.

The Alliance is not a single meeting, nor even a series of meetings. It reflects the fact that in different Member States — Germany, for example, where this is very pronounced — there is a federal level, a regional level, and then local levels, all involved to varying degrees in housing. The idea is to provide an inclusive and universal space where key housing issues can be discussed, bringing together national, local, regional and European levels to advance this objective at different levels.

There will be dedicated technical exchanges between Member States, for example. It is also important that housing ministers meet informally under each Presidency to share experiences and good practice. This needs to work at different levels, and in a targeted way — we are trying to set a clear work programme, not just a discussion forum. For example, later this year we will present the results of our work on the problems posed by speculation and the financialisation of the housing market.
Not everything has to depend on the Alliance — my colleagues in DG GROW run a high-level construction forum that can be seen as an offshoot of the Alliance in that context. Likewise, DG EMPL runs the European Platform on Combatting Homelessness — their role there is also fundamental. There is no need to reinvent the wheel: the discussions with cities that DG REGIO will hold as part of its new urban agenda proposals can take place in this forum.

The idea is to come together to affirm our commitment to tackling affordable, sustainable and decent housing for all, at all levels, in full respect of subsidiarity, by identifying where this forum can support action taken elsewhere.

C. E. : That brings us to another major issue: funding. What financial instruments exist today to act on housing? What can the Commission contribute at European level, and what funding options could be mobilised?

M. B. : A very important subject. To state the obvious: the massive increase in funding needed to support additional housing programmes — which concerns not only new construction, but also the renovation and conversion of the existing stock — is estimated at around €150 billion per year in Europe. All public funding in the EU, in France, at regional level, would never be enough on its own.

Even though a lot of money is already being mobilised, including at European level under the current Multiannual Financial Framework (MFF), over seven years we estimate that around €43 billion has been mobilised for housing. We managed to reprogramme cohesion funds, bringing in an additional one or two billion.

An additional €10 billion investment is planned for 2026-2027 under InvestEU. The Social Climate Fund can also be an additional source of funding.

The next MFF is still being negotiated. The Commission has proposed that housing become one of the specific objectives of the National and Regional Partnership Plans (NRPPs) – we hope new funding opportunities will be unlocked under this heading. We will work with Member States to identify the right housing-related investments and reforms. The EU facility also contributes to social and affordable housing, and the Erasmus+ proposal can provide housing support to facilitate mobility, learning and volunteering, including direct support for students and trainees. The European Competitiveness Fund also includes social infrastructure – social and affordable housing – among its general objectives.

All of this is on the funding side, but decarbonising buildings is the other side of the same coin – Commissioner Jørgensen always talks about affordable and sustainable housing. If you develop a project focused on reducing emissions or adapting homes to climate change, the other challenge is to make sure that housing remains affordable and accessible to all. We are keen not to treat these issues in separate silos.

We are also trying to make it easier for Member States to support housing under State aid rules.

Previously, heavy notification procedures were required to support housing outside a fairly narrow category of social housing. Under pressure from the Netherlands and others, we have broadened this to include "social and affordable housing" – this new category covering middle-income people who cannot find what they need on the market. It is not an obligation to spend in this area, but it removes an obstacle for those who wish to do so.

Beyond public money, we want to stimulate private investment. That is the purpose of the pan-European investment platform, which brings together a wide range of financial players: the EIB, which is stepping up its support; the Council of Europe Development Bank, traditionally very supportive of social housing; the EBRD in Central and Eastern Europe; and, crucially, national and regional development banks and institutions, such as the Caisse des Dépôts, which have played an important role in supporting housing supply across the EU. We worked with the group of national promotional banks (NPBs) and asked them how much they could contribute.

They came back with a figure of €375 billion that they plan to commit by 2029 to social, affordable and sustainable housing, including — but not only — through InvestEU. The EIB has also substantially increased its investment.

So funding is available, and the pan-European investment platform can help design the right ways to mobilise it, develop project pipelines, draw on the resources of the EIB and national promotional banks, and get players working in a more coordinated way.

In short, everything comes down to the funding to be deployed. No one should expect an additional financial windfall from the EU. We hope to continue the upward trend in support through these mechanisms, but the biggest long-term challenge is to mobilise responsible private capital, willing to support housing over the long term, rather than make a quick profit before pulling out. That is what the pan-European investment platform is tackling.

C. E. : In the next MFF, doesn't bringing funding together — previously spread across several programmes, including the roughly €43 billion you mentioned — under a single NRPP raise concerns about a risk of centralisation?

M. B. : I think the opposite will actually happen. When President Ursula von der Leyen presented the new MFF in July 2025, she used housing as an example of the greater flexibility given to Member States.

Previously, funding was compartmentalised in separate programmes — the regional development fund, the European Social Fund, etc. — and you had to fit your funding into each of these different funds. Now, by bringing everything together under the NRPPs, Member States have much more flexibility to support housing. We hope they will choose to devote more resources to it, even though they could choose to prioritise something else — so in reality it means more flexibility, and less centralisation from Europe.

What you may be referring to is the concern expressed by cities and regional authorities that they will receive less funding as a result. I understand. The question remains open. There are still robust mechanisms supporting regional funding, which managing authorities must take into account. Cities have long been calling for direct EU funding, which is not how our system currently works — even though there are ways for cities to receive funding. Cities such as Rome have said that financial support is a top priority, and we recognise that. Our website sets out the different channels through which cities and local authorities can receive European funding, but we recognise that this is a major concern. Ultimately, it is the Member States — and, in some cases, regional authorities — that remain the constitutional actors in our system; it is not for the Commission — or for me! — to reinvent this organisation.

C. E. : To what extent do the Affordable Housing Plan, and the legislation that follows from it, make the energy transition a central element in tackling the housing crisis?

M. B. : This is a very important issue for our Commissioner, Dan Jørgensen, who is responsible for both Energy and Housing. We share the same Director-General as the teams working on energy efficiency. The short answer is that we work closely together.

Under the pan-European investment platform, we are encouraging Member States to develop national housing finance hubs — similar to the work already under way on energy efficiency in housing — and we are inviting them to build joint hubs rather than separate ones. The agreement to set up the first of these hubs will be signed on the sidelines of the USH congress in Bordeaux, France. We are keen to avoid any artificial divide between financial support for energy efficiency and support for affordable housing.

We are working closely with the EIB and the Caisse des Dépôts, among others, on supporting the energy transition as well. Energy efficiency falls under mitigation, tackling our climate emissions (the plan also includes the goal of 100 climate-neutral cities in Europe by 2030).

The other dimension is adaptation: ensuring that the housing stock adapts to the impacts of climate change — extreme heat, as we saw this summer, floods, fires, earthquakes. Here I would like to draw attention to the ongoing work of the New European Bauhaus (NEB), which contributes both to the affordable housing plan and to energy efficiency efforts. It is closely linked to the Housing Alliance, providing tools, knowledge and practical solutions for more affordable, sustainable and decent housing. We published a communication on the New European Bauhaus as part of the affordable housing package, and the NEB continues to support sustainable and efficient use of the built environment, notably through the NEB Lab — a digital catalogue of good practices and models for affordable housing.

C. E. : To conclude, taking the end of the von der Leyen II Commission as a deadline, what indicators would you use to measure the success of the European Affordable Housing Plan? And in the longer term, what role do you see for housing in the European project in the decades to come, say by 2040?

M. B. : That is the right time horizon. We are the new kids on the block: a housing task force with a mandate that runs until the end of this Commission, towards the end of 2029. We want to deliver as much as possible of what is set out in the Affordable Housing Plan, and other ideas may emerge along the way. We are a small team working directly with the Commissioner, coordinating a great deal of work across the Commission. We have not mentioned, for example, our work on simplification — examining whether EU legislation affects the supply of additional housing.

All of this will take time, but it is a major priority, including this simplification agenda.

We want to build a solid and lasting body of work, recognised not only by the Commission but also by the Parliament and the Council as having real European added value, without encroaching on subsidiarity. I hope we can leave a strong legacy for the next Commissioner, by establishing affordable housing as a key European priority – not something we have to control or for which we need to develop new powers, but something we can support in a meaningful way.

As E. Letta pointed out, a truly functioning single market must take account of the factors that support it, notably labour mobility, but also the social dimension of the single market. Safe, affordable, sustainable and decent housing for all citizens is one of the fundamental social building blocks, alongside health and education. You cannot have good long-term healthcare or good educational outcomes without decent housing; if a child has no space to study, how can we expect them to make progress?

Housing can therefore play an important supporting role in many areas where the Commission has been seeking to make progress for years. And it is positive that we now have a dedicated focus and a growing European network of housing ministers and other stakeholders, giving actors the means to carry these issues forward at national and local level too.



Leila Chaibi
Member of the European Parliament (The Left, France), Member of the Special Committee on the Housing Crisis in the European Union (HOUS)

HOUSING CRISIS: EUROPE RECOGNISES THE CRISIS, BUT STILL PROTECTS THE MARKET

A year ago, the European Commission presented its first affordable housing plan. Nine months later, a first legislative proposal was made: the Affordable Housing Act, which will be followed by other texts. That the Union is finally taking up the issue is good news, but the essential point lies elsewhere. The European institutions treat the housing crisis as a market malfunction, to be corrected at the margins. I argue, on the contrary, that the Market is the main culprit and that this crisis is merely its consequence.

The crisis being experienced across Europe today is neither new nor unforeseeable. It has long been deeply rooted. Access to housing has been in crisis for decades, and homelessness, far from being a recent phenomenon, has generally worsened over time. In 2006, together with other activists, we founded the Jeudi Noir collective to denounce a situation that was already deteriorating in France: rents kept rising and access to housing was closing to ever wider groups, from students and young workers to the working poor, and then to the population as a whole. Every time the market has taken precedence over the right to housing, part of the population has been left behind.

The 2008 financial crisis then made the situation worse, and the political responses to it fell short. We faced two negative dynamics that we are still paying for today. On the one hand, when many borrowers were unable to repay their mortgages, entire neighbourhoods were put up for sale at rock-bottom prices, in Greece as well as in Spain and Ireland. Investment funds, which until then had invested only modestly in housing, saw a golden opportunity: a durable and profitable asset, whether occupied or not. The figures speak for themselves: between 2004 and 2024, the financial assets held in housing by these funds rose from €5 billion to almost €200 billion – a fortyfold increase!

On the other hand, during the euro crisis, States decided to implement austerity budget policies that claimed many victims and hit housing particularly hard.

At the very moment when public authorities should have taken back control and reinvested massively, the field was abandoned to private and financial actors.

We are paying the price today: speculative actors have settled in for the long term, prices have soared, wages have not. In ten years, house prices in Europe have risen by more than 60%. Real wages, meanwhile, have fallen by 2% over the last five years. The economic situation we are now experiencing, which is not new, hits the poorest first, but also the middle class. In many large cities, a reasonably well-paid employee can no longer find decent housing. Purchasing power is being eroded by inflation, and the cost of living, including rent, keeps rising.

Yet housing is not a good like any other, nor is it a market like any other. You can give up certain things in times of crisis, but you cannot give up a roof over your head. It is in this context that the EU's response was eagerly awaited.

European responses: a question of competences and disappointing first measures

Following Ursula von der Leyen's first speech in 2024, there was some hope. The Commission finally admitted that it could act: while housing does not fall within its competence, the internal market does, and it has a direct impact on housing. We were starting from a long way back, however. Throughout the previous term, I was told again and again that housing was not an EU competence, including when our Committee on Employment and Social Affairs adopted a first ambitious report on the subject (the Van Sparrentak report).

Despite this, since the start of this term, the first responses have not lived up to expectations. The European Affordable Housing Plan is the first of its kind, and that must be acknowledged, but it focused heavily on construction and the "simplification" of rules. In concrete terms, the European Commission launched a reform of State aid rules on public funding for housing. On the left, we were calling for them to be relaxed for social and very social housing. But the text creates a new category, "affordable" housing, which is in reality nothing more than public aid to the private housing stock. French social landlords are worried, because social housing budgets risk drying up in favour of this category.

At the same time, in the European Parliament, our special committee on housing adopted its report in March 2026. Unfortunately, its recommendations lean far more towards the construction lobbies, speculative funds and landlords than towards the people most affected by the crisis.

The Affordable Housing Act: regulating, but on what terms?

The Affordable Housing Act, the first legislation proposed in this area, aims to define housing pressure zones and to allow the regulation of short-term rentals and of vacant and non-primary homes within them. At first glance, this is an important step forward. Regulating tourist rentals and regaining control over vacant homes is the first step against the housing shortage and the growing imbalance between supply and demand. As a reminder, the supply of such rentals in Europe has increased by 93% since 2018, and one fifth of homes in the European Union are unoccupied (some associations estimate the number of vacant units at more than 47 million).

For this to work, the keys must be handed to the States so that they can legislate, but also to the cities, which are on the front line. The Act recognises that cities need a legal framework, but it imposes a real obstacle course on them. To be allowed to regulate, a city will have to prove three things: a "tight" market (a price-to-income ratio of at least eight), a correlation between demographic change and future housing supply and demand, and a significant negative effect of tourist rentals and vacant housing over the past three years. This is a lot to ask of local actors in whom the European Union nevertheless claims to have confidence. The message sent is counterproductive: regulate if you wish, but the market remains the priority.

Paris, Barcelona, Amsterdam and other ambitious cities have already faced a series of legal challenges in recent years when they began to legislate on the issue. This text does not put an end to the legal uncertainty it is supposed to combat; it risks codifying it, because where cities had so far been winning their cases, this text could change the game.

The battle has of course only just begun: Parliament is co-legislator and we will be negotiating the text over the winter. I will defend clear principles:

- Extend the scope of the regulation to all speculative investment. Tourist rentals and vacant homes are a first step, but speculative practice runs deeper and must be fully included.
- Ease the conditions imposed on cities: they must be able to use all the necessary levers without having to provide a considerable burden of justification.
- Place the burden of proof on platforms, not on cities. Airbnb and the like claim to have no impact on prices and shortages? Then let them prove it.
- Remove the time limit. These measures must be part of a long-term approach; housing needs legal stability.

Finally, property prices and rents are at the heart of the affordability crisis. It is therefore urgent to freeze, regulate and then bring down property, land and rental prices. The Union cannot impose this on a State, but it can stop obstructing those that decide to do so. To be useful on the ground, the Act must therefore explicitly give them this possibility, with legal certainty under European law.

Public construction and ambitious renovation

The Affordable Housing Act is only a first step, and the Union will continue to legislate. To this end, the European Commission intends to propose a reform of the construction sector before the end of the year. This sector is part of the solution, but everything depends on the type of construction encouraged. Faced with a powerful speculative market, the priority is to develop the public and social housing stock. Doing so means ensuring lower prices with better control of affordability for those who need it most, while reinvesting in a sector that is sorely lacking (only 7 to 9% of Europe's housing stock is currently public).

But focusing on construction also means overlooking one of the main policies to pursue: renovation. The existing stock is ageing and is less and less suited to accelerating climate change. We see it every year: heatwaves are becoming more frequent, and people live in homes that are ovens in summer and turn into poorly insulated, freezing homes in winter. The great wave of renovation has not happened despite the post-Covid recovery plans, partly because the funding needs are becoming enormous — and the longer we delay, the higher the bill will be.

Creating an ambitious fund in the next Multiannual Financial Framework

It is precisely on funding that the Union's ambition will be judged. The Commission estimates the investment needed for the sector at around €150 billion per year, but no figure has yet been proposed in the next Multiannual Financial Framework. Social and affordable housing is now an identified objective, but it is included within the overall 14% social spending target of the future national plans. This is progress, but one objective among many guarantees no amount and risks diluting funding. The best way to ensure adequate amounts is a dedicated fund, endowed to match the needs.

Several measures funded by an ambitious fund are legitimate. First, renovation: the related sectors are eager for it, it would create new jobs, and it would allow us to prepare for the climate change that is already affecting us.

A single fund would also be an opportunity to finally allocate a budget to the fight against homelessness. Between 900,000 and 1.3 million people sleep rough in the Union, and the situation gets worse every year. Finland has provided an example of a successful policy: Housing First. Thanks to a dedicated housing stock, managed by non-profit organisations, Finland has more than halved long-term homelessness. Transposing it to Europe will be difficult, but its principles can be applied everywhere: what is missing is funding and political will.

European funding could also be an opportunity to create a universal guarantee for tenants. The rental deposit has today become a discriminatory obstacle for many citizens; a public guarantee should exist to help everyone and turn this step into a formality, securing both tenant and landlord.

Changing paradigm: making housing a fundamental right above the rules of the Market

Solutions therefore exist to resolve a crisis that is already very deep, but if the EU wants to play a role and make housing truly "affordable", a paradigm shift will be needed in the long term.

First of all, funding is the crux of the matter, but we see every year that the rules of the Stability and Growth Pact hold back any ambitious national investment. Yet, at the request of the States, Brussels agreed to depart from its own rules to fund the defence sector, by activating the escape clause provided for. Nothing prevents the same being done for housing; the Treaties allow it, but the political will is lacking.

Second, housing must be recognised as a fundamental right. The Charter of Fundamental Rights already recognises the possibility of housing assistance, but we must go further: how can we work, start a family, stay healthy, and simply remain citizens if we have no roof over our heads? The right to housing is the precondition for all other rights, must therefore be treated as such, and must take precedence over market rules – which will ultimately require a revision of the Treaties to that effect.

The other crucial point is tenants' rights. Relations between landlords and tenants have become too unbalanced. In a sector treated as an ordinary market, a tenant is a consumer, and must have rights. It is time to propose a framework directive guaranteeing a common set of rights for everyone who does not own their home.

The European Union's plan to make housing affordable again has the merit of existing, but the crisis cannot be resolved through the market. The political battle is only just beginning. In the coming months, clear choices will have to be made: leave the market in control, or take back control of our homes, so that decent and affordable housing for all is finally more than a mirage.



Jaume Collboni
Mayor of Barcelona

For far too long, an idea that we now know to be false prevailed: that the housing market should regulate itself, while the capacity of public authorities to intervene should be ever more limited. The results speak for themselves: in many European cities, housing has become one of the main drivers of social inequality, forcing families, workers and young people to leave neighbourhoods where some have lived all their lives.

Barcelona knows this reality well. Like many other European cities, we have seen pressure on the housing market and the growth of certain economic uses reduce the supply of residential housing and push prices to levels that have become unaffordable for a growing share of the population. That is why we have defended a simple but fundamental principle: housing is a right and cannot be treated as a financial asset. A home must, above all, be a place to live.

This conviction has guided Barcelona's housing policies for several years. It is also why we welcome the historic step the European Union is taking with the presentation of the Affordable Housing Act.

The significance of this development goes far beyond the adoption of a new piece of legislation. Europe is recognising that the housing crisis calls for a new generation of public policies and that cities must have effective tools to act.

In this respect, the European Commission's proposal marks a paradigm shift. It no longer starts from the assumption that the market alone can correct existing imbalances. On the contrary, it recognises that in areas under strong housing pressure, public authorities must be able to intervene to safeguard the general interest and protect access to housing.

It is precisely this philosophy that has inspired many of the measures adopted in Barcelona.

We have consistently argued for instruments that make it possible to act on property markets under strong pressure, because we know that inaction also has consequences. When institutions choose not to intervene, it is residents who pay the price, as their cities become less and less accessible to them. Short-term tourist rentals are probably one of the most telling examples of this challenge.

No one can deny the economic importance of tourism for cities like Barcelona. Tourism generates activity, jobs and opportunities. But our own experience has also taught us that when economic activities take up a large number of homes originally intended for residential use, tensions arise that directly affect residents' ability to stay in their neighbourhood. That is why Barcelona has taken a clear decision: to return tourist apartments to residential use by 2028.

Some have presented this measure as a radical exception. Yet recent developments have shown exactly the opposite.

First, the Spanish Constitutional Court confirmed the legitimacy of proportionate public measures aimed at protecting the right to housing. Now, the European Commission itself explicitly recognises, in the Affordable Housing Act, that short-term tourist rentals can reduce the supply of housing available to residents, and that public authorities must be able to adopt measures to preserve the residential use of housing.

This recognition is particularly important because, for years, many European cities have had to defend their regulatory powers against those who considered any restriction to be unjustified interference. Today, Europe is sending a clear message: protecting the social function of housing is a legitimate objective of general interest.

From Barcelona's point of view, cities must retain their full capacity to act in this area. We are the level of government closest to citizens and the first to feel the direct effects of the housing crisis. We see prices rising and neighbourhoods losing their permanent residents.

That is why any European regulatory framework must strengthen, not restrict, the capacity of local authorities to act. Cities need clearly established competences, workable procedures and effective means to monitor and enforce compliance with the rules. A regulation that cannot be effectively implemented is, in practice, not a real regulation.

Making housing a priority is essential because, when speculative dynamics systematically push residents out, we lose far more than affordable homes. We also lose social diversity, roots in our neighbourhoods and our ability to build shared projects. Ultimately, it is democracy itself that is weakened.

The right to housing is increasingly becoming the right to stay. The right to remain in the neighbourhood where you grew up. The right to build your future in the city where you work. The right to ensure that cities remain places to live, rather than assets serving speculation. That, ultimately, is the challenge Europe faces today.

That is why housing has become a European political priority. It is not only a social issue. It is also an economic, territorial and democratic one.

For years, European cities have been carrying this message to the EU institutions. Through the "Mayors for Housing" initiative, which we launched with other major European cities, we have argued for housing to take a central place on the European agenda. The way the debate has evolved shows that this collective effort has paid off.

But the work is far from over.

The future European legislation opens up a historic opportunity, but this progress will need to be consolidated during the parliamentary negotiations and lead to tools that are genuinely effective for cities.

The good news is that Europe seems to have understood something fundamental: the housing crisis is not a collection of isolated local problems, but a European challenge that calls for European responses.

Barcelona will continue to work with the European institutions and with other cities to strengthen this agenda. We will do so with a strong conviction: reclaiming the right to housing also means reclaiming our democratic capacity to decide the future of our cities. Because cities can only thrive if those who bring them to life can afford to live in them.



Lotfi Ouanezar
General Director of Emmaüs Solidarité

HOUSING: EUROPE FACING THE HOMELESSNESS EMERGENCY

As the housing crisis now extends well beyond the most precarious households, the European Union is beginning to take up an issue long considered to fall essentially within the remit of the Member States. This shift was necessary. But it will not be enough if Europe reduces the crisis to a supply shortfall. Behind rising prices and rents lies a much deeper social crisis: that of inadequate housing and homelessness. Looking ahead to 2030, Europe's challenge must be not only to build more, but to effectively guarantee access to housing and the ability to stay in it.

A housing crisis that has become a European social crisis

The housing crisis is today one of the main social crises facing Europe. It is no longer limited to rising property prices in a few major cities. It is reflected in worsening housing exclusion, homelessness and energy poverty, but also in a supply of genuinely affordable housing that has become insufficient in many areas.

Between 2010 and 2025, rents rose by around 30% in the European Union and property prices by almost 60%. In 2025, nearly one in ten Europeans spent more than 40% of their income on housing. At the same time, around 1.4 million people are thought to be homeless in Europe every night, including nearly 400,000 children (FEANTSA – European Federation of National Organisations Working with the Homeless).

For Emmaüs Solidarité, these figures reflect realities observed every day: chronic saturation of emergency shelters, ever-longer waiting times for social housing, a growing number of working poor seeking help, the spread of hidden homelessness (forced accommodation with third parties first and foremost), trade-offs between housing, energy and other basic needs, and a growing number of rent arrears and situations that may lead to eviction.

In France, according to the Fondation pour le Logement des Défavorisés, at least 350,000 people are currently homeless. More broadly, nearly 320,000 people were housed in emergency or similar accommodation at the end of 2024.

This crisis hits the lowest-income households first. Across Europe, they spend on average 36.3% of their income on housing, compared with 18.9% for the population as a whole. Notably, 25% of people in the lowest income quintile spend more than 30% of their income on housing, compared with 7% in the second quintile and 3% in the third.

But we are also seeing a new kind of vulnerability: single-parent families, students and young workers, people in precarious employment, low-income older people and migrants are facing growing difficulties.

Homelessness is also ageing: in Hungary, almost one in two homeless people is now over 60 (compared with 13% in 2011), and Ireland, Spain and Luxembourg are also seeing a sharp rise in the number of older homeless people.

The middle classes are also facing growing difficulties: a significant share of their income goes on housing, limiting savings, mobility and access to home ownership.
However, the lowest-income households remain by far the most exposed. The challenge is therefore to respond to all needs without diverting funding intended for the most vulnerable (social and very social housing).

Moving beyond emergency management

With the Lisbon Declaration, the European Union set itself the goal of ending homelessness by 2030. A few years from this deadline, trends in several Member States show how threatened this goal is:

- +370% homeless people in Ireland in twelve years (2014-2026);
- A recent rise in homelessness in Finland after decades of decline;
- An explosion in recorded cases in Brussels.

The answer cannot be to keep increasing emergency shelter capacity indefinitely. Indispensable as it is, shelter treats the consequences of the crisis rather than its causes. These causes are structural: a shortage of affordable housing, poverty, family and professional breakdowns, or mental health problems.

We must therefore reverse the logic and invest massively in eviction prevention, social housing and Housing First, which makes rapid access to permanent housing the starting point of support rather than its end point. Rapid access to permanent housing is indeed one of the best responses to homelessness.

Finland remains a benchmark for Housing First, but austerity measures introduced since 2023 are undermining progress: homelessness rose there by 11% in 2024 — the first increase in ten years — and then by 20% in 2025.

The experiment carried out in France by Emmaüs Solidarité and Paris Habitat offers an illustration. With "Objectif Retour au bail" ("Back to the Lease"), the aim is to step in before a social housing household in arrears permanently loses its home. The lease is temporarily transferred to Emmaüs Solidarité, which acts as a rental intermediary and provides enhanced social support. The aim is to clear the debt, restore the household's rights and then return the lease to the household.

This approach profoundly changes the philosophy of public action: rather than repairing exclusion once it has happened, the aim is to prevent the loss of housing. At a time when emergency services are saturated, prevention must become an integral part of any European housing policy.

Europe finally enters the game

Legally, housing remains a competence that falls mainly to the Member States.
Yet the EU is already acting through the European Pillar of Social Rights, EPOCH, energy regulation, housing funding and the European Affordable Housing Plan, launched in December 2025.

The creation and subsequent extension of the HOUS special committee is a major political signal. Housing is rising to the same level as — and complementing — the ecological transition (cf. the Green Deal and the energy renovation of housing).

As a reminder, on 10 March 2026, the European Parliament adopted recommendations to curb the affordable and sustainable housing crisis. This vote highlighted the shortfall of 10 million homes and soaring costs on the property market.

The key decisions and measures of the vote were:

- **Support for investment** : stimulate construction and energy renovation.
- **Shorter deadlines** : speed up the granting of building permits (target: 60 days).
- **Oversight and regulation** : better regulate rents and furnished tourist rentals in high-pressure areas.
- **European Alliance** : exchange of good practice to make housing a guaranteed right.

The current crisis is accelerating this Europeanisation. The European Affordable Housing Plan (EAHP) represents an important policy shift in this respect. For the first time, the European Commission places housing within an overall strategy and recognises the need for European intervention in the face of a crisis that can no longer be left to market mechanisms alone.

This plan, with its several objectives, also reveals limits:

- **Increase housing supply:** 2 million "affordable" homes built per year per Member State.
- **Financial mobilisation (target €153 billion):** pan-European investment platform and sharing of good practice between Member States.
    - This positive signal does not guarantee that this funding will support the most social solutions, which require subsidies and cannot rely solely on "profitable" financing.
- **Regulation:** oversight of tourist rentals and speculation.
    - While the proposed regulation provides greater legal certainty for public authorities, in practice it risks reducing their room for manoeuvre.
- **Construction strategy**: digitalisation of permits, green materials and faster production of new housing.
- **Strategy for the existing stock**: rehabilitation and energy renovation.
- **Target groups**: vulnerable people, young people, students and essential workers.
    - This development should be welcomed. But it also calls for vigilance. According to FEANTSA and the Fondation pour le Logement, social and very social housing must remain a priority to prevent "affordable housing" from mainly benefiting the middle classes, at the expense of the social housing model.

Increasing supply is necessary, as is renovating the existing stock, improving energy performance and mobilising European funding. But building more does not guarantee that the homes produced will be accessible to those who need them most. The issue is therefore less the number of homes taken in isolation than their price, their status, their location and the people who can actually access them.

The very notion of "affordable housing" must therefore be handled with care. If it leads to an increasing share of public resources being channelled towards middle incomes without a parallel increase in supply for the poorest, Europe could address part of the crisis while allowing its most serious manifestation to worsen: exclusion from housing. Social housing must therefore remain a priority.

Certain financial tools should contribute to this: the European Investment Bank (EIB), the European structural funds and European social funds, support for social landlords and non-profit operators, and the adaptation of fiscal rules to encourage social investment (possible exclusion from the calculation of public deficits to allow States to invest?).

The energy transition must not come at the expense of the most vulnerable

The housing crisis has also become inseparable from the energy question. For low-income households, rising energy costs translate very concretely into being unable to heat their homes properly, trade-offs with food or health, unpaid bills and, in the most serious cases, a greater risk of losing their home.

The energy transition must therefore be a well-targeted social transition, funded sufficiently to be acceptable and to respond to the social emergency.

The energy renovation of Europe's building stock is therefore both a climate necessity and a social policy. But it must be designed as such. Support must reach first and foremost the households that do not have the resources to finance the work themselves, while mechanisms must protect them against sudden rises in energy costs.

Expectations of the Citizens Energy Package (CEP) are high.

Published on 10 March 2026, the Citizens Energy Package aims to place local renewable energy at the heart of the European Union's sovereignty and to reduce household energy bills, with the following main objectives:

- **Local sovereignty**: 90 GW of renewables in the hands of local actors and citizens by 2030;
- **Purchasing power**: lower network costs, local electricity sharing (energy communities) and tax reforms;
- **Tackling poverty:** strengthen support programmes and the Social Climate Fund.

The CEP must make it simpler to access support, ensure fairer pricing, and provide specific protection and support for low-income households.

In parallel, the Construction Services Act (launched in May 2025) aims to reduce administrative and regulatory barriers to cross-border construction and installation services in the EU, with the following main objectives: reducing the fragmentation of national rules, improving the recognition of qualifications in the building sector, and increasing sustainable and affordable housing.

By making construction easier, this initiative encourages modular solutions. While these reduce construction times and costs, they remain insufficient in the face of the structural shortage of genuinely affordable housing. Industrialised construction excludes vulnerable groups if the homes produced remain too expensive. The central question remains that of rents, market regulation and the funding of social housing.

Making 2030 a European social deadline

Europe has now recognised that there is a housing crisis. It is beginning to equip itself with instruments to respond. It remains to be determined by what results this policy will be judged. For Emmaüs Solidarité, three priorities should guide the European Commission between now and 2030.

The first is to make the fight against homelessness an effective European priority. The 2030 goal must be backed by common indicators, lasting funding and tools to measure the results achieved.

The success of a European housing policy cannot be judged solely by the number of homes built or the billions of euros mobilised: it must also be judged by the number of people lifted durably out of homelessness and inadequate housing.

The second priority is to protect and develop social housing. The spread of the crisis to the middle classes is a reality to which public authorities must respond, but social housing must remain the backbone of European housing policy, without diverting funding towards middle incomes.

Finally, the third priority for the Commission: Europe should favour public, cooperative, associative and non-profit operators when allocating its funding, where they can guarantee the long-term affordability of the homes produced.

While the EU considers homelessness a fundamental violation of dignity, and already has foundations in place, the challenge now is to turn these principles into concrete obligations and measurable results. Enshrining an effective right to housing could be one of the Union's priorities.

The real European challenge is not only to produce housing, but to guarantee everyone access to a home (and the ability to stay in it). It is an enforceable fundamental right, which must neither be neglected nor achieved at the expense of other basic needs. Housing is not only a financial asset or a market; it is a fundamental condition of human dignity and social cohesion, whether national or European.



Renaud Payre
President of Foncier Solidaire France, Lyon Metropolitan Councillor

EUROPEAN HOUSING POLICY: HOPE DISENCHANTED

The housing question has been catching up with the European Union for several years now. Faced with the scale of the crisis and the inability of many European men and women to find a home, and in response to advocacy by local and regional authorities and non-governmental organisations, the second von der Leyen Commission chose to act and adopted a European affordable housing plan at the end of 2025. As Vice-President of the Lyon Metropolis (2020-2026), involved in various European networks, I had the opportunity to advocate for a European housing policy. In this contribution, I look back at the diagnosis of the housing crisis as seen on the ground, at the need to tackle it at European level, and at the disappointments raised by this European plan.

The housing crisis seen from a French metropolis

The housing crisis has been affecting Europe for years, taking a particularly difficult turn in 2022. While the crisis had previously been above all a supply crisis, with too few land opportunities and reluctance among residents and elected officials alike to authorise new projects, from that point on demand slowed drastically, cooled by the lack of purchasing power of those who would nevertheless like to buy. Rising construction costs are driving up prices, and rising interest rates are leading hundreds of thousands of potential buyers to give up. Reading this crisis reveals two different visions.

For those who advocate regulation by the market, and by the market alone, this crisis can only be cyclical. The fight to be waged is therefore to get rental investment back on track so that each project breaks even. For others, it is clear that this crisis is structural. As housing costs keep rising, the question of land value must be raised. Indeed, land opportunities are bound to become scarcer if we want to reduce land take.

We will therefore need to rehabilitate, transform and add storeys, moving beyond simple formulas to build a rehabilitation economy and supply chains that can bring down the cost of high-quality rehabilitation.

The structural crisis is also one of welcoming, in our large cities, women and men who have migrated, including from within Europe, giving a new dimension to inadequate housing. Migration, partly linked to deep geopolitical destabilisation, is also the consequence of economic inequalities and climate disruption. The pressure will therefore not ease.

Having led housing policy for the Lyon Metropolis from 2020 to 2026, I would like to draw some lessons here about what worked and what is missing. The Lyon Metropolis is a local authority with a unique status, created in 2015. With a budget of nearly €4 billion, it drives projects and public policies across a territory of 1.5 million inhabitants. The housing crisis is particularly acute in this metropolis, where property activity intensified in the 2010s. Building a lot in a very short time raised the question of density. The issue was present in the 2020 local election campaign. In the first year of the term, even though my roadmap set out very ambitious targets for social housing construction, my role shifted towards crisis management, with the implementation in 2023 of an emergency plan to rescue or speed up blocked property developments: 7,000 homes will thus be built thanks to a subsidy to social landlords who bought unsold homes. French-style social housing, with its 130-year history, is a jewel to be preserved, both for the 70% of French people who are eligible for it and for the economy of the sector. Without social housing, it would be even harder to balance projects. Financing these homes through construction subsidies and long-term loans works. However, in a situation of high demand (in our territory, 9 out of 10 applications for social housing are not met), private housing requires the closest attention.

Yet two challenges remain in the private housing stock. First, transforming and rehabilitating homes to reduce energy poverty. Without support, it is very difficult to convince owners to carry out works. Without these works, tenants suffer in their homes and/or find themselves in difficult situations due to rising charges. Second, mobilising the private stock to produce affordable housing: at a time when rental investment is falling in France, the aim is to encourage reinvestment, while capping rents, and to carry out works. The equation is impossible without an ambitious housing improvement plan.

Such a plan necessarily requires a European initiative. This is partly what led us to mobilise at that level. We first had to find the common ground among the 27 Member States: creating the tools we lack to mobilise the private stock further by making it more affordable and by providing an alternative to the street and to inadequate housing. It was also essential to respect national specificities, especially when they work, as the French social housing model has clearly shown.

The story of a European advocacy campaign

The Lyon Metropolis has long been engaged at European level. Together with the City of Lyon, from the late 1980s onwards, the executives chose to give visibility to action at European level. Thus, before 2020, links had already been established with the main European networks dedicated to combating inadequate housing, including FEANTSA, the European Housing First hub.

Advocacy took on new substance in the 2020-2026 period, with the political will to focus the Lyon Metropolis's European action on social issues. Very quickly, for political reasons and to find new sources of funding, it became necessary to assert that without European advocacy, our housing policy would remain fragile.

The year 2022 marked a turning point, with the French Presidency of the Council of the European Union offering a superb opportunity and a window of opportunity. The Ministry of Housing took the initiative of a day in Paris dedicated to understanding homelessness, which we proposed to complement with a day in Lyon on homelessness as seen from the territories. That day brought together the main associations in the area, the Minister for Housing, Emmanuelle Wargon, and the Commissioner for Social Affairs, Nicolas Schmit. It demonstrated that without a European policy to combat inadequate housing, initiatives taken to provide shelter would remain experiments and would not offer systematic solutions to the 20,000 inadequately housed people in our metropolis. In 2021, during the Portuguese Presidency of the Council of the European Union, a European Platform on Combatting Homelessness (EPOCH) had been created. While a commitment was made to get Member States, cities and NGOs working together, cities struggled to be recognised and to have a say. Above all, few resources were devoted to this platform and to concrete action. In the wake of the Lyon day, we sought to strengthen this platform and to work towards opening it up to cities.

Our advocacy relied on the Lyon Metropolis's involvement in European networks fighting homelessness, particularly FEANTSA – Working Together to End Homelessness in Europe, and Eurocities (the network of major European cities).

By hosting the latter's Social Affairs Forum in 2023, Lyon regained a central place. As Vice-President of the Lyon Metropolis, I became Eurocities' Shadow Commissioner for Housing in 2024 and Chair of the Social Affairs Forum in 2025. This involvement in European networks would be our launch pad for housing advocacy.

Through these networks, we increased our meetings with Members of the European Parliament, the European Commission and the European Parliament.

In September 2023, together with Barcelona, we organised a day dedicated to housing policy. This initiative was made possible thanks to the support of the Parliament's URBAN Intergroup, then chaired by Jan Olbrycht (European People's Party). It became clear that national housing systems are very distinct. What they have in common: a private stock from which the lowest-income people are excluded, rampant homelessness and a need to revive construction. Following this day, and at the initiative of the new Mayor of Barcelona, Jaume Collboni, the Mayors for Housing alliance was formed, notably with the cities of Paris and Rome.

Advocacy for a European housing policy thus took shape, drawing on the earlier work of the parliamentary URBAN Intergroup but also on the commitment of MEPs (notably from the S&D, Greens and Left groups). At the time of the 2024 European elections, the demands were as follows:

- While employment is returning to Europe, employability is held back by the crisis and the cost of housing. No affordable housing, no jobs.
- A European housing policy must help finance affordable housing in Europe, taking into account the differences between the 27 Member States.
- A successful ecological transition requires a co-financing plan for housing renovation.
- The fight against homelessness and inadequate housing is a priority and must involve the major European cities that face it.

In a word: housing is a European reality that must mobilise the future Commission.

The European affordable housing plan: between disappointment and perverse effects

From her re-election on 18 July 2024, Ursula von der Leyen set the tone and the Commission presented its roadmap. The words were strong. So were the promises. "The share of income that households spend on housing has risen dramatically. Rents and house prices are soaring. At the same time, there is a significant and growing investment gap in social and affordable housing. To help Member States address these problems, I will appoint a Commissioner who will be responsible, among other things, for housing, and I will propose an unprecedented European affordable housing plan."

Seventeen months later, on 16 December 2025, the plan was presented, and the feeling was mixed: it contains symbols, disappointments and significant risks.

Symbolically, the cause of housing at European level has advanced. A European Commissioner responsible for housing and energy marks real progress. Dan Jørgensen holds this portfolio. The plan shows a willingness to combat speculation, with short-term rental platforms as its main target and the announcement of a new legislative initiative. On 9 September 2026, the Commissioner proposed an unprecedented zoning system defining high-pressure areas, allowing mayors to take measures to restrict short-term rentals to primary residences only. The fear, among local authorities as well as some NGOs, is that the burden of proof will be reversed by asking a great deal of local authorities: the fight must remain that of making it mandatory for platforms to share data, wherever the rental is located.

The commitment to create a pan-European investment platform dedicated to affordable housing is a step in the right direction. Its aim is to identify funding opportunities at European, national and regional level, and thus to coordinate EU instruments to revive the construction of affordable housing.

In concrete terms, the plan is disappointing. It disappoints because of the absence of dedicated funds. Admittedly, affordable housing is now identified as a specific objective of the future Multiannual Financial Framework. It can therefore be at the heart of national and regional partnerships or of the European Competitiveness Fund. However, the latitude left to Member States or regions may well prevent any strong impact. Financial innovation is lacking. The model of Community Initiative Programmes, which were successful in urban policy in the 1990s, could have allowed direct funding to cities, which are on the front line of housing policy.

The plan disappoints through its silences: on the concrete mobilisation of the private stock to provide affordable housing, on rent control, on tackling vacant homes, and on tackling energy poverty. The question of access to affordable home ownership could have been an attractive topic in light of the Community Land Trust movement or the Bail Réel Solidaire (a French shared-equity leasehold scheme).

European support for large public-interest land trusts buying land and offering affordable home ownership would undoubtedly have met the expectations of European men and women and would help revive construction by neutralising the cost of land. Finally, the fight against homelessness remains little explored, in the absence of powers given to the European Platform on Combatting Homelessness and of resources dedicated to a European Housing First programme.

Indeed, the plan presents risks. It does so by weakening national specificities that nevertheless work. Among the main risks: the damage done to the general model of French social housing. The intention to create two SGEIs (services of general economic interest) calls into question the economic balance of social landlords, achieved through the range of rent levels (from PLAI to PLS), as well as their spirit: housing 70% of the population. Reserving one SGEI for very social housing contradicts the foundations of social housing. As for the affordable housing SGEI, which sets, for example, a minimum allocation period of 20 years, it clearly does not correspond to French-style intermediate housing. At a time when we are going through this deep housing crisis, and solutions are emerging thanks to the action of social landlords and to the recovery plans of Action Logement and the Banque des Territoires, the European plan would undermine both social housing and intermediate housing providers. There is a strong risk of worsening the crisis by durably weakening players who have proven themselves, sometimes for more than a century.

At the end of these four years, the disappointments are there. Many of us argued for new EU competences, particularly in housing. We welcomed the creation of a European Commissioner for Housing. The result is not only weak in terms of resources, but also destabilising for the social housing model, which could be the big loser of this new European policy.

And yet, we have hope. For example, with the European anti-poverty strategy presented forcefully by the Vice-President of the European Commission, Roxana Mînzatu: a genuine European strategy to combat homelessness is finally emerging, and an anti-poverty plan has been proposed. This is the culmination of the work of a great many associations, MEPs and elected representatives from our major European cities. Of course, this plan will only become reality with dedicated financial resources and, in particular, a commitment from Member States.

This hope outweighs the rest. It strengthens the conviction that it is at European level that new horizons for action can take shape.