

The role of cohesion policy investment in resolving the current housing crisis

2024/2120(INI) - 10/09/2025 - Text adopted by Parliament, single reading

The European Parliament adopted by 462 votes to 142, with 63 abstentions, a resolution on the role of cohesion policy investment in resolving the current housing crisis.

Overview of the current housing crisis in the EU

Parliament recognises that the Union is facing a serious housing crisis that particularly affects urban and industrial areas but extends to all regions, especially those suffering from permanent geographical handicaps such as rural areas, islands and peripheral regions. **Tailor-made cohesion policy solutions and investments** are needed to address their specific needs, while respecting the right to remain of citizens who wish to remain in their home region.

Members called on the Commission to develop **targeted strategies** to address the specific problems faced by rural areas, such as vacant buildings, and to address the need for energy-efficient building renovation and net-zero housing to prevent rural exodus. In addition to cohesion policy, **other EU instruments and sources of financing**, as well as private investment, including that of the EIB, should be considered. Private sector participation and real estate investment should be encouraged to increase housing availability.

The resolution called for targeted measures to improve the working and housing conditions of the construction workforce and advocates making full use of the ESF+ to address the shortage of skilled workers in the building construction and renovation sectors. Given the shortage of affordable housing that is hampering labour mobility within the EU, the funding should also support temporary housing solutions for mobile workers, students, and young families to strengthen social cohesion and economic mobility. The Commission is invited to propose off-the-shelf State aid schemes to facilitate the swift authorisation of support measures at national or EU level.

Updated cohesion policy 2021-2027 to address the housing crises

Parliament called on the managing authorities of cohesion policy funds at national and regional level to use the opportunity of the mid-term review of cohesion policy programmes during the 2021-2027 programming period to at least **double the funding** allocated to affordable housing by giving regional and local authorities, as well as cities and urban authorities, more direct access to EU funding. It recommends that Member States develop national housing strategies.

Members called for streamlined and effective cohesion policy instruments to reduce regional disparities in access to affordable housing, and call for cohesion policy funds to be **simplified, transparent and accessible**.

The Commission is invited to:

- consider the current lack of affordable housing as a long-term phenomenon and propose that the current regulations relating to the ERDF and the Cohesion Fund, the ESF+ and the Just Transition Fund be revised to support investments aimed at mitigating the consequences of the housing crisis, particularly in cities;

- include new flexible and specific objectives concerning public, not-for-profit, social, affordable, cooperative and sustainable housing in the revision of the ESF+ and ERDF/Cohesion Fund regulations;
- propose to broaden the scope of cohesion policy support beyond the promotion of energy efficiency or renewable energy in housing and social housing, to include water efficiency and refurbishment and to integrate innovative and sustainable approaches that increase affordability;
- ensure that housing investments under cohesion policy include targeted measures to support young people, single-parent and low-income families, older people, women, children and marginalised groups affected by violence and discrimination to access affordable housing;
- propose an additional co-funding rate of up to 100% and exceptional pre-financing for several targeted priorities on affordable housing sector;
- define a flexible common EU framework for eligibility for social and affordable housing, with transparent and non-discriminatory criteria.

The resolution called for better access to finance to support investments in the local energy transition, particularly in initiatives related to energy efficiency, decentralised energy distribution, renewable energy and the sustainable circular economy.

Housing affordability in the future cohesion policy beyond 2027

Parliament considered that investments in affordable, decent, accessible and sustainable housing, including measures such as social, public and not-for-profit housing and affordable rental schemes for vulnerable populations, low- and middle-income households, and particularly large families, should be among the **strategic priorities** of the future EU cohesion funds under the next multiannual financial framework post-2027.

The Commission is invited, *inter alia*, to:

- develop comprehensive guidance and recommendations for Member States on leveraging integrated multi-fund approaches to support large-scale investment in social and affordable housing;
- integrate into its future cohesion policy the promotion of territorial resilience and support for communities and families, particularly in rural and island areas;
- include, as explicit political objectives in the post-2027 cohesion policy, the eradication of homelessness and the fight against inadequate housing and energy poverty among the lowest income populations.

Lastly, Parliament recommended the inclusion of long-term conditions for beneficiaries of Cohesion Policy funds for affordable housing in order to support the '**right to remain**' in inner cities where rents are moderate, particularly in areas facing housing pressure due to tourism, gentrification or speculative investments.