

(English version)

Question for written answer E-002173/25
to the Commission
Elena Kountoura (The Left)
(30 May 2025)

Subject: The need to strengthen the role of the new cohesion policy in deep renovations, energy upgrading of housing and affordable housing

Buildings account for approximately 40% of total energy consumption in the EU and 36% of CO₂ emissions, making them a key driver of climate change. ⁽¹⁾ Decarbonising the building stock through deep renovations is essential to achieving the EU's climate goals. ⁽²⁾ However, despite the establishment of European policies, ⁽³⁾ the social dimension of environmental policy has not yet been sufficiently integrated. ⁽⁴⁾ The lack of binding social clauses in European cohesion policy funding programmes increases the risk of phenomena such as 'green gentrification' or 'state-subsidised eviction by renovation' ('renoviction'), where renovations lead to rent increases and the displacement of vulnerable groups. ⁽⁵⁾

Considering that an estimated 800 000 social housing units require renovation each year, while around 1.5 million new homes are needed annually: ⁽⁶⁾

1. How will the Commission ensure that the 'renovation wave' is incorporated into cohesion policy through stable and adequately funded programmes after 2027 for the deep renovation of social housing, tackling energy poverty and prioritising the renovation of empty buildings for sustainable social and affordable housing?
2. Will the Commission consider establishing a European Renovation Loan ⁽⁷⁾ to cover capital needs towards a net-zero emissions building stock by 2050?
3. Does the Commission intend to propose the inclusion of social clauses for green public renovation investments from cohesion funds, in order to prevent rent increases and social exclusion following renovations?

Submitted: 30.5.2025

Answer given by Mr Jørgensen on behalf of the European Commission
(25 August 2025)

Supporting the swift implementation of the existing EU legislative framework to drive energy efficiency, emissions reduction and use of renewable energy in the housing sector is a priority for the Commission.

Cohesion policy will continue to be one of the key mechanisms to support building renovation and tackling energy poverty ⁽¹⁾. The Commission has proposed to facilitate the use of EU funds for affordable housing in the recent mid-term review of the cohesion policy under the current Multi-annual Financial Framework (MFF) ⁽²⁾. Vulnerable households will also benefit from the Social Climate Fund, as of 2026, including for the energy renovation of buildings ⁽³⁾.

Furthermore, with the European Affordable Housing Plan the Commission aims at supporting the increase of supply and access to sustainable and affordable housing ⁽⁴⁾.

The National Building Renovation Plans and the Energy and Climate Plans will support the coordination of reforms and financial support at national level.

To ensure a just transition, the Energy Performance of Buildings Directive (EPBD) requires Member States to address rent increase following energy renovation ⁽⁵⁾, including when EU funds are used.

On 30 June 2025, the Commission adopted an EPBD implementation support package ⁽⁶⁾, providing guidance to Member States on how to best implement this.

¹ See <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52021PC0802>

² Energy retrofitting of housing reduces carbon emissions, improves people's quality of life, reduces energy poverty and makes housing more affordable and resilient to energy price fluctuations.

³ For information on the financial instruments provided by the European Union and the EIB, see https://energy.ec.europa.eu/topics/energy-efficiency/financing/financing-building-renovations_en

⁴ See the report by Enrico Letta, 'Much More than a Market', April 2024.

⁵ Increasing housing costs exacerbate energy poverty and social exclusion, especially in Southern Europe, where the existing housing stock is old.

⁶ The EIB calculates that EUR 270 billion in investment is needed annually to meet these needs.

⁷ See https://www.climatestrategy.com/en/informe_23.php and https://www.europarl.europa.eu/doceo/document/TA-9-2023-0068_EN.pdf.

⁽¹⁾ Including social housing.

⁽²⁾ MFF — https://ec.europa.eu/regional_policy/sources/communication/mid-term-review-2025/regulation-proposal-mid-term-review-2025_en.pdf.

⁽³⁾ Including tenants and people living in social housing.

⁽⁴⁾ A public consultation within the Affordable Housing Dialogue is taking place currently and the European Affordable Housing Plan should be presented in Spring 2026.

⁽⁵⁾ Article 17 (17) and Article 17 (19) of Directive (EU) 2024/1275 on the energy performance of buildings (recast).

⁽⁶⁾ https://energy.ec.europa.eu/publications/communication-approving-content-notice-providing-guidance-recast-epbd-guidance-recast-epbd_en.

Regarding the post-2027 framework, the Commission will present proposals for the next MFF in summer 2025.

The Commission is aware of multiple options for the mobilisation of private finance. To identify and evaluate different options ⁽⁷⁾ the Commission is working with financial institutions.

The InvestEU Programme ⁽⁸⁾ already provides dedicated EU public guarantees to implementing partners and interested financial intermediaries ⁽⁹⁾.

⁽⁷⁾ Including an European Renovation Loan approach.

⁽⁸⁾ https://investeu.europa.eu/investeu-programme/investeu-fund_en.

⁽⁹⁾ These can be used for the development of dedicated energy efficiency financial products and energy renovation loans.