

(English version)

Question for written answer E-002174/25
to the Commission
Elena Kountoura (The Left)
(30 May 2025)

Subject: Challenges and gaps in the Commission proposal for European funding for affordable housing from cohesion policy funds

According to a recent opinion from the European Court of Auditors, ⁽¹⁾ the Commission proposal in the context of the mid-term review of cohesion policy, ⁽²⁾ which allows for the financing of investments in ‘affordable housing’ through cohesion funds, has gaps and carries the risk that the support will mainly benefit property owners, without hitting its real social target. While recognising the widespread lack of and urgent need to support affordable housing in the Member States, the proposal: a) is not accompanied by any definition of ‘affordable housing’, b) does not clearly define the types of eligible housing or the target social groups, c) is not based on any gap analysis to demonstrate where European intervention is most needed, and d) does not clarify how this expenditure will contribute in practice to improving the functioning of national housing markets.

In view of the above:

1. Does the Commission intend to propose a clear, commonly accepted definition of ‘affordable housing’ for the purposes of cohesion policy and to specify the types of housing that can be considered eligible for funding, as well as the social groups it seeks to benefit?
2. Does the Commission intend to carry out a gap analysis at Union level on affordable housing, in order to guide targeted interventions in the Member States?
3. What measures does the Commission intend to take to ensure that the funds are truly socially targeted and to avoid European support becoming an indirect tool for profiteering?

Submitted: 30.5.2025

Answer given by Executive Vice-President Fitto on behalf of the European Commission
(18 July 2025)

1. +2. On 1 April 2025, the Commission adopted measures to address strategic challenges as part of the mid-term review ⁽¹⁾, including amendments to the cohesion policy regulatory framework. New specific objectives have been proposed to allow greater flexibility in programming housing interventions. Member States are encouraged to adjust their programmes by reallocating funding to the new specific objectives, notably affordable housing. To incentivise Member States and regions to increase their cohesion policy investments in affordable housing, including social housing, reprogrammed resources may benefit from additional pre-financing in 2026 and higher EU financing rates. To enhance the effectiveness of investments, the Commission has proposed making reform-related costs eligible, including preparatory work to improve housing market regulations and permitting at local level.

Given the diverse definitions for affordability and housing across Member States, the proposal does not set a single EU-wide definition, in line with the principle of subsidiarity. Instead, Member States are expected to carry out needs assessments to guide reallocations, identifying eligible housing types and target groups in line with national systems and local needs to address housing shortages.

3. Programme amendments will need to be duly justified and require approval by the responsible monitoring committee to ensure scrutiny by stakeholders prior to the Commission’s assessment and approval. State aid rules need to be complied with to prevent market distortions. At the same time, the Commission will put forward the European Affordable Housing Plan.

¹ Opinion 02/2025 (pursuant to Article 322, TFEU) concerning the proposal 2025/0084 (COD) for a regulation of the European Parliament and of the Council amending Regulations (EU) 2021/1058 and (EU) 2021/1056 as regards specific measures to address strategic challenges in the context of the midterm review and the proposal 2025/0085 (COD) for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1057 establishing the European Social Fund + (ESF+) as regards specific measures to address strategic challenges, <https://www.eca.europa.eu/en/publications/op-2025-02>.

² A modernised Cohesion Policy: The mid-term review, https://ec.europa.eu/regional_policy/sources/communication/mid-term-review-2025/communication-mid-term-review-2025_en.pdf.

⁽¹⁾ COM (2025) 123 final.