

(English version)

Question for written answer E-002175/25
to the Commission
Elena Kountoura (The Left)
(30 May 2025)

Subject: Strengthening the role of local authorities in addressing the housing crisis in the European Union

The housing crisis is affecting more and more regions in the EU, with particular intensity in urban centres, islands and remote areas. Local authorities are on the front line of the crisis, facing diverse and often unique challenges, which require solutions tailored to specific local needs. Their active participation is therefore essential for the development and implementation of national housing strategies and for the effective implementation of EU policies. However, access to European financial instruments for local authorities, especially small municipalities, remains limited. ⁽¹⁾ To strengthen their capacity to implement housing programmes, there is a need to create specific European programmes and fast-track funding mechanisms for sustainable social and affordable housing, to allocate part of cohesion policy funds directly to local authorities in a targeted manner and to provide technical assistance to mature housing projects, in particular in municipalities without technical capacity.

In view of the above:

1. Does the Commission intend to strengthen the institutional participation of local authorities, including island and small municipalities, in the design and implementation of housing policies under cohesion policy after 2027?
2. Does the Commission intend to establish specific mechanisms for direct and rapid financing of municipalities for social and affordable housing projects from cohesion policy funds?
3. Does the Commission intend to support the creation of public funding intermediaries and the provision of technical assistance for the implementation of housing projects by municipalities with limited technical capacity?

Submitted: 30.5.2025

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

1. Cohesion policy after 2027 will continue to be guided by its core principles of shared management, multilevel governance and partnership, with regional and local authorities playing a key role in programming and implementation, while strengthening local communities through targeted, place-based investments.
2. The EU's financial programmes can already be mobilised to support social housing initiatives. Improving access to these instruments could help local and regional authorities better respond to these needs. In the 2021-2027 period direct funding to cities, including for housing, is provided for innovative actions and capacity building through the European Urban Initiative. Furthermore, the Commission has recently adopted a proposal ⁽¹⁾ to provide flexibilities and incentives for Member States which would allow them to redirect funding to housing under the Cohesion policy Funds.
3. Cohesion policy programmes' authorities are defined by the Member States. The managing authority may identify intermediate bodies to carry out certain tasks under its responsibility ⁽²⁾. Accordingly, technical assistance is available at the initiative of a Member State ⁽³⁾. The Commission also provides capacity building ⁽⁴⁾ and technical assistance. That includes advisory support in cooperation with the European Investment Bank, including fi-compass ⁽⁵⁾, JASPERS ⁽⁶⁾ and the Pan-European Investment Platform for affordable and sustainable housing.

¹ ⁽¹⁾ The existing European Union financial instruments that can be mobilised to support social and affordable housing initiatives are not sufficiently accessible or adapted to the needs of local and regional authorities. The complexity of application procedures, the lack of technical support and the inadequate direct allocation mechanisms often act as structural barriers for cities and municipalities wishing to access such funds.

⁽¹⁾ Proposal 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 mid-term review (COM(2025) 123) https://ec.europa.eu/regional_policy/sources/communication/mid-term-review-2025/regulation-proposal-mid-term-review-2025_en.pdf.

⁽²⁾ In accordance with Article 71 of Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy.

⁽³⁾ Articles 36 and 37 of Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy; more details available at 2021-2027 Technical Assistance in profile | Cohesion Open Data: <https://cohesiondata.ec.europa.eu/stories/s/jt9x-jd6i>.

⁽⁴⁾ Inforegio — Capacity building for cohesion policy https://ec.europa.eu/regional_policy/policy/how/improving-investment_en.

⁽⁵⁾ <https://www.fi-compass.eu/>.

⁽⁶⁾ <https://jaspers.eib.org/>.