(English version)

Question for written answer E-000258/26
to the Commission
Elsi Katainen (Renew)
(22 January 2026)

Subject: Housing policy and housing finance outside growth centres

Jobs and workers are an important part of the development of rural and sparsely populated areas. Many areas that lie between central urban areas face the challenge of attracting sufficient new employees to fill job vacancies. This is mainly the result of the housing policies pursued in the areas concerned and the collapse in house prices. Potential employees want to live in high-quality, comfortable homes. It is often impossible to build new flats and houses when the collateral value of property has collapsed and it has become more difficult than ever to get a loan in these areas. The same applies to the renovation of old flats and houses. The euros invested in improving the condition of a home are not reflected in a corresponding increase in market value or in collateral value. It is almost impossible to start new housing companies owing to the low value of collateral.

Stakeholders in a number of areas, including in Finland, have noticed that this is a problem and are looking to solve it through cooperation and projects, with the aim of reforming municipal housing strategies, streamlining construction and renovation activities, and developing new financing models for housing.

Jobs created outside central cities and growth centres are valuable for the green transition, the bioeconomy, food security and overall security, for example. In order to ensure the availability of skilled labour, attention must be paid to the availability of high-quality flats and houses, valuation practices and reasonable appraisal of new investments.

1. Has the Commission already taken initiatives, and will it take initiatives in the future, to attract new employees to jobs created outside central urban areas by means of better housing policy?

2. Does the Commission intend to intervene in banking regulation to alleviate the collapse in housing prices and the strict determination of collateral values for rural properties, which is hampering access to credit, construction and renovation?

Submitted: 22.1.2026

Answer given by Mr Jørgensen on behalf of the European Commission
(15 April 2026)

The Commission recognises the importance of addressing territorial disparities and promoting balanced development, including in rural and peripheral areas.

The Commission agrees on the value of job creation outside central cities and for that reason EU Cohesion and rural development policies as well as other policies and initiatives ([1]) are intended to foster job creation throughout the EU.

Strengthening regional social economy ecosystems can be a way to stimulate job creation and foster community initiatives that help regions to thrive.

Cohesion policy funds have significantly supported housing, transport, and other services to improve quality of life and attractiveness.

In addition, the mid-term review Regulation ([2]) allows Member States to allocate additional funding for affordable housing ([3]). The European Affordable Housing Plan ([4]) aims to tackle housing shortages, including in rural areas.

Rural development support under the Common Agriculture Policy is also contributing to improving the quality of life and promotion of economic activity in rural areas, notably under Leader approach ([5]) and investments in basic services in rural areas ([6]).

The proposed EU budget for 2028-2034 will further streamline funding, enabling targeted support for affordable housing, reforms, and broader priorities like social cohesion, climate goals, and demographic change.

([1]) E.g. Social Economy Action Plan; the 'Talent Booster Mechanism' set up as an initiative to harness talent in EU's regions (see COM(2023)32 final of 17.01.2023) (https://ec.europa.eu/regional_policy/policy/communities-and-networks/harnessing-talent-platform_en).

([2]) Regulation (EU) 2025/1914 of the European Parliament and of the Council of 18 September 2025 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, OJ L, 2025/1914, 19.9.2025, https://eur-lex.europa.eu/eli/reg/2025/1914/oj/eng.

([3]) This Mid-term Review Regulation provides flexibility and incentives for Member States to allocate funding for affordable housing beyond the already planned EUR 7.5 billion for energy efficiency and social housing. Furthermore, a new financial instrument model for housing was developed by the Commission and the European Investment Bank, to help Member States to leverage Cohesion policy funding with other resources.

([4]) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52025DC1025.

([5]) https://eu-cap-network.ec.europa.eu/networking/leader/leader-explained_en.

([6]) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2115&qid=1772195915416.

The objective of banking regulation is to ensure that banks operate their activities in a sound and resilient manner, thus contributing to the stability of the European financial system.

Achieving an adequate degree of resilience for banks contribute to their capacity to withstand shocks through the economic cycle, thus contributing in a continuous manner to the financing of the economy.