Affordable Housing Needs Europe
Europe Needs Affordable Housing

#HousingForAll

Declaration of Portimão
Contribution of socialist local and regional leaders on housing – 5 April 2024

We, progressive locally and regionally elected politicians, deplore the fact that the lack of affordable, adequate, social and sustainable housing is fuelling a housing crisis all over Europe, a crisis that is exacerbated by rising living costs and energy prices at a time when climate change is accelerating.

We consider that housing should feature among our top political priorities for the 2024 European Elections and we call for a European Plan for affordable housing. For us, housing is a basic human need and a fundamental right that must be safeguarded for everybody. Housing policies must be designed to serve the common good and create a good quality of life for all in a sustainable future.

Today, more than 160 million people are overburdened by housing costs, according to Eurostat, demonstrating the need for affordable and social housing in Europe. In concrete terms, average rents in the EU were almost a quarter higher at the end of 2023 than at the start of 2010, and the average cost of a house in the EU was almost 50% higher in mid-2023 than at the same time in 2010. The investment gap in housing is also estimated at a minimum of EUR 57 billion per year. Furthermore, 47% of young Europeans between the ages of 18 and 34 are still forced to live at home with their parents. Only 17% of students and young people have access to student housing. Housing accounts for 40% of the EU's energy consumption and 36% of Europe's greenhouse emissions. There are at least 900 000 homeless people sleeping rough or in emergency accommodation on any given night in the EU, and there is often a lack of legal and structural resources to prevent evictions.

Against this background, EU policies, legislation and funds must contribute towards decent, safe and affordable housing for all that meets the climate goals and allows for sustainable and inclusive communities.

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We propose the following measures:

1 Support housing for the common good: increase the EU's supporting competences, EU legislation, funding and knowledge to maintain and enhance good housing policies across EU states, regions and cities.

2 Implement housing as a human right: continue translating the European Pillar of Social Rights (in particular principle 19) and the initiatives of the associated action plan into programmes and schemes, including funding, to prevent homelessness as far as possible and solve it rapidly whenever it does occur. Ending homelessness sustainably is more humane and cost-effective than managing it.

3 Increase public investment in housing by including, in the European Semester and fiscal-structural plans, revised housing cost overburden and energy poverty indicators, especially with regard to gender inequalities, and a quantitative national public investment target for public, social and affordable housing in all EU Member States, with financial sanctions if this goal is not reached.

4 Use the next funding period of the European Regional Development Fund (ERDF) to build new social housing units in all European regions, and ensure that any housing project involving EU funds earmarks 30% of funds for social and affordable housing for the middle- and low-income households. We also propose increasing ERDF investment in public transportation, health services, high- and middle-school education, and green spaces in peripheral residential neighbourhoods that are affected by segregation.

5 Call for housing-related investment under cohesion policy to be complemented as of 2026 by a European Investment tool succeeding Next Generation EU that earmarks at least 10% of investment for affordable housing.

6 Develop innovation in housing at European level. To solve the housing crisis, including its gender, ageing and environmental dimensions, exchanging good practices by setting up a dedicated EU housing platform is crucial in collecting data, in adapting regulatory norms and in developing innovative ways of managing housing, for example through co-ownership, community-led and cooperative housing.

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7 Recognise social and affordable housing for all – and not only for disadvantaged people or socially less privileged groups – as a service of general economic interest (SGEI) and call upon the next European Commission to amend the SGEI exemption decision so that Member States, regions and cities have the option of setting up State-aid schemes under the SGEI exemption decision, including schemes that benefit middle-income households.

8 Develop a 'housing affordability check' at Member State level, in particular to address homelessness and establish a common set of indicators measuring housing affordability at European level.

9 Devise an EU Strategy for Combating Homelessness by building on the European Platform on Combating Homelessness, with an operational budget and work programme for the period 2024 to 2030 and a Council Recommendation on Ending Homelessness.

10 Establish an EU plan for tackling the student housing crisis to acknowledge that students across Europe are confronted by a substantial lack of available and affordable accommodation.

11 Acknowledge that short-term rental housing jeopardises tenant rights and disrupts local communities, causing displacement and gentrification. Request the full implementation of the new EU framework to regulate short-term rentals and mitigate the impact of short-term rental digital platforms on housing markets, particularly as regards platforms' obligations to comply with local and regional regulations and to inform local and regional authorities about housing units used for short-term rentals.

12 Establish, with European cities and regions and with the support of tenants' unions, a common framework for local rental price control and rent stabilisation systems. The European Union should encourage Member States and local and regional authorities to put caps on rents and link rents to the energy performance of buildings, implementing the principle of housing cost neutrality after renovation.

13 Increase the European Commission's vigilance in terms of market regulation in the housing sector, by taking action to counter speculation and money laundering in the housing market at EU level through an EU-wide real estate transaction transparency registry including the beneficial owner of the respective property, thus ensuring that every tenant knows the owner's identity.

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14 Create a European housing shield modelled on the Youth and the Child Guarantees to ensure that Europeans of all ages have an enforceable right to decent housing, and call for a universal right to shelter with minimum requirements set at European level.

15 Broaden the approach to renovation and circularity to foster local supply chains, quality job creation, social enterprises and biodiversity; phase out fossil-fuel-powered heating systems in housing by 2050, encourage the installation of environmentally friendly heating systems and insulation, and establish financial support programmes, especially for vulnerable households.

16 Use the revenues of the EU emissions trading system (ETS) and the Social Climate Fund to finance grants to help vulnerable EU citizens renovate their homes and to finance climate housing allowances for those in need – jointly managing this scheme with regions – and establish a comprehensive policy to overcome energy poverty and to ensure that the Renovation Wave and the Affordable Housing Initiative make housing more affordable across the EU.

17 Promote new aesthetic and comfort standards for housing in general and social and public housing in particular through the New European Bauhaus initiative or the European Responsible Housing Initiative, in order to make the densification of cities more acceptable, limit urban sprawl and increase co-design and resident participation.

18 Develop intergenerational housing, especially where older people and students, apprentices and trainees can be mixed together and thus benefit from exchanges between generations and preferential housing costs, and promote these experiences under projects co-financed by the EU to reinforce cohesionand universal design in Europe.

19 Raise awareness of the gender dimension in housing policies: gender pay and pension gaps make it harder for women to find affordable housing. In the criteria for allocating social and affordable housing, priority consideration should be given to the situation of single-parent families, most of which are women-led, and the discrimination they suffer when seeking housing.

20 Request that the European Commission, in partnership with the European Economic and Social Committee and the European Committee of the Regions, organise an annual EU summit on social and affordable housing, bringing together all the stakeholders involved in coordinating the Member States' actions on social and affordable housing, based on a multi-level approach and respect for the principle of subsidiarity.