



Towards Quality, Sustainable and Affordable Housing in the EU?

EAPN's analysis of the EU Housing Package

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This report was drafted by Marie-Amah Kouadio, EAPN Senior Policy & Advocacy Officer, reviewed by Juliana Wahlgren, EAPN Director and Jessica Machacova, EAPN Senior Policy & Advocacy Officer. The report also counted with the contributions of FEANTSA. It was designed by Socheath Kan, EAPN Multimedia Communication Officer.

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Introduction

Housing is a fundamental pillar of poverty eradication. Access to adequate, affordable and secure housing is essential for living a dignified life and enabling people to participate fully in society. Yet across Europe, housing has increasingly become a source of insecurity and exclusion rather than a foundation for social inclusion.

Between 2013 and 2024, house prices increased by more than 60% in nominal terms across the European Union (EU), while rents rose by around 20% on average¹. As housing costs continue to rise faster than incomes, increasing numbers of people face difficulties accessing adequate housing. The housing overburden rate is much higher for households at risk of poverty. In 2024, one in twelve Europeans spends 40% or more of their disposable income on housing, while for households below 60% of medium income the share of households experiencing housing cost 132 overburden was 31.1% at EU level².

People experiencing poverty are among those most severely affected by what we will refer to as the current housing crisis. While the term describes the acute pressures facing housing systems today, housing insecurity has long been a structural problem, particularly for people on the lowest incomes. Rising housing costs affect households across all income groups, but their consequences are most severe for those with the fewest resources, who are more likely to face housing cost overburden, poor-quality or overcrowded housing, energy poverty and homelessness. For these households, **housing insecurity is not only a consequence of poverty, but also a driver that deepens poverty and reinforces social exclusion.**

Against this backdrop, the European Commission has placed housing higher on the EU agenda. The [Affordable Housing Plan \(AHP\)](#), together with the [Proposal for a Council Recommendation on Housing Exclusion](#) and the appointment of the first Commissioner responsible for Housing, marks an important step towards a stronger European response to the housing crisis. This renewed focus complements the EU's existing social commitments, particularly Principle 19 of the [European Pillar of Social Rights](#) (EPSR) which addresses access to social housing or housing assistance, protection against forced eviction and support for people experiencing homelessness. The [EU Anti-Poverty](#)

¹ European Commission (2025), *Commission Staff Working Document* [CELEX: 52025SC1053]. <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52025SC1053>

² European Commission (2026), *Commission Staff Working Document accompanying the EU Anti-Poverty Strategy*, SWD(2026) [document number to be confirmed]. https://employment-social-affairs.ec.europa.eu/document/download/7d9f4e26-5fa1-479e-9f60-b85e7504a416_en?filename=EC-SWD_anti-poverty_2026.pdf

[Strategy](#) (EU APS), also recognises adequate housing as an essential element of social inclusion and poverty prevention.

In the EU AHP, the European Commission states that “housing is not just a commodity but a fundamental right and a cornerstone of human dignity”³. This recognition is welcome. However, putting it into practice demands more than political recognition measures, that specifically address the barriers faced by people experiencing poverty and ensure that housing policies reach those who need them most.

Based on desk research undertaken by the European Anti-Poverty Network (EAPN Europe), this analysis assesses the housing package, and in particular the AHP from the perspective of poverty eradication. It examines whether the Plan provides the necessary tools to guarantee affordable, quality and sustainable housing for people experiencing poverty, identifies remaining gaps and puts forward recommendations to strengthen its contribution to the right to housing. A third part of the analysis focuses specifically on the proposal for a Council Recommendation on housing exclusion, assessing its potential to address housing exclusion and strengthen access to adequate and affordable housing for people experiencing poverty.

Prioritising housing in the EU’s social agenda

The housing crisis has gained unprecedented political attention at EU level. Although housing policy remains primarily a Member State competence, the scale and cross-border dimensions of the current crisis have strengthened the case for greater European coordination and action. For EAPN, the AHP represents an important development in this regard, placing housing more firmly on the EU policy agenda and recognising its links with social inclusion, economic security and people's quality of life.

From a poverty-eradication perspective, several elements of this engagement are particularly welcome. The Plan recognises housing affordability as a persistent challenge affecting millions of people and places greater emphasis on increasing investment in affordable and social housing. Related EU initiatives also increasingly recognise that tackling homelessness requires moving towards **person-centred, housing-led approaches** that prioritise access to stable housing as a foundation for social inclusion.

The stronger EU focus on housing is reinforced by a growing set of complementary initiatives. The **EU APS** identifies adequate and affordable housing as an important dimension of preventing and addressing poverty and social exclusion.

³ European Commission (2026), *European Affordable Housing Plan*.
https://housing.ec.europa.eu/european-affordable-housing-plan_en

Presented alongside the strategy, the **Proposal for a Council Recommendation on Housing Exclusion** is set to provide a more specific framework for addressing housing exclusion and homelessness, including through prevention, housing-led approaches and greater involvement of people with lived experience. The EPSR and its Action Plan provide the broader framework for strengthening social rights and upward social convergence.

Taken together, these developments may signal growing recognition that housing cannot be treated solely as a market or investment issue but must also be addressed as a social right and a prerequisite for participation in society. **However, the key question remains whether this political momentum translates into measures that effectively benefit those experiencing the deepest housing exclusion.**

Will the Plan actually deliver for people experiencing poverty?

The success of the AHP should ultimately be measured by its ability to improve access to adequate and affordable housing for people facing the greatest barriers. For EAPN, this means asking **who benefits from the proposed measures, whether they reach people experiencing poverty in particular people experiencing homelessness, and how the Plan contributes to poverty eradication.** This section examines these questions and identifies where stronger targeting, safeguards and policy coherence are needed.

Affordable housing must start with those experiencing poverty

The first challenge concerns the definition of affordability and the groups prioritised by the Plan. The AHP rightly recognises that many households struggle to access housing, and in doing so its framing often focuses on the difficulties faced by middle-income households. However, while these households face significant housing pressures, people experiencing poverty are often excluded from even the cheapest housing available on the market.

For households with very limited incomes, **housing affordability cannot be addressed simply by increasing access to market housing.** For EAPN, the issue goes beyond high rental prices to include persistent exclusion from housing markets, insufficient income, a lack of affordable housing options and discrimination.

Increasing supply is necessary but insufficient to eradicate housing poverty

The AHP rightly identifies housing shortages as one of the drivers of the housing crisis. Increasing supply is essential, but **more housing does not automatically mean more affordable housing**. Supply side measures alone cannot guarantee that people experiencing poverty will gain access to adequate homes.

The AHP approach to increasing supply encompasses both new construction and the more efficient use of existing housing stock, including through renovation and the repurposing of vacant spaces. However, for people experiencing poverty and homelessness, the more fundamental question remains: **what type of housing, at what price, and for whom?**

This is particularly important because housing markets do not automatically provide homes that are accessible to people on the lowest incomes. Without specific safeguards, **new supply may primarily benefit households with greater purchasing power**, leaving people experiencing poverty excluded from the housing market. Similarly, without adequate protections, the renovation of existing housing can improve quality while simultaneously increasing rents and displacing lower-income households.

This should include:

- **Stronger investment in public, cooperative, social and green housing**, alongside the protection, renovation and long-term preservation of the existing social housing stock.
- **Affordability and social targeting conditions attached to public investment**, ensuring that EU and national funding contribute to housing that is accessible to low-income households and people experiencing or at risk of homelessness.
- **Addressing financialisation and speculative pressures**, particularly in housing markets where prices and rents have become disconnected from local incomes.
- **Protection against excessive rent increases**, including appropriate rent ceilings and effective accountability and enforcement mechanisms.

Policy coherence with poverty eradication frameworks

Housing cannot be addressed separately from the other drivers and dimensions of poverty. The ability to access and maintain adequate housing depends on income adequacy, social protection, access to essential services and protection against discrimination. Conversely, housing insecurity and housing costs can deepen poverty

and prevent people from escaping it. **Housing policy and poverty eradication are therefore intrinsically linked and should not be contained to siloed approaches⁴.**

Both the AHP and the EU APS recognise the links between housing and poverty, but stronger connections between the two frameworks are needed. The implementation of the AHP should be guided by an explicit anti-poverty approach, while housing should be treated as a core pillar of the EU's poverty-eradication agenda. A **integrated approach** is needed, to bring together housing, social protection, employment, health, and access to essential services, rather than addressing these issues through disconnected policy frameworks.

For EAPN, greater coherence is also needed with other EU frameworks, including the **just transition agenda**, particularly where the costs of the green transition risk increasing housing and energy costs for low-income households, as well as the EU's anti-discrimination framework and the **Union of Equality**. Discrimination can be a significant barrier to accessing housing and disproportionately affect people experiencing poverty and social exclusion. Housing policy should therefore be designed and implemented in a way that actively addresses discrimination and inequalities in access to housing framework.

The **European Platform on Combatting Homelessness (EPOCH)**, launched in 2021 as the platform for EU cooperation on homelessness, is mentioned in the proposal, but its future role and development remain unclear. This is particularly concerning given the important role EPOCH can play in supporting Member States to make meaningful progress towards the objectives set out in the proposed Council Recommendation on Housing Exclusion. **Clarifying and reinforcing EPOCH's mandate, role and resources will be essential to ensure continuity of EU action on homelessness and to translate the Recommendation into effective policy coordination and implementation.**

A comprehensive approach therefore requires:

- **An explicit anti-poverty approach to the implementation of the Affordable Housing Plan**, with housing objectives fully integrated into the EU Anti-Poverty Strategy.
- **Stronger links with income adequacy and social protection policies**, recognising that housing cannot be affordable where incomes are insufficient to cover basic needs.
- **Coherence with the just transition and Union of Equality frameworks**, ensuring that climate policies and anti-discrimination measures contribute to, rather than undermine, access to adequate housing.

⁴ Ibid

- **Stronger EU coordination on homelessness**, including a reinforced role for EPOCH and clear links between the AHP, the EU Anti-Poverty Strategy and the Council Recommendation on Housing Exclusion.
- **Strengthen the monitoring of housing poverty and exclusion through EU social governance mechanisms**, by establishing appropriate indicators and targets. Complement the housing cost overburden rate in the Social Scoreboard with a specific indicator measuring housing cost overburden among people at risk of poverty or social exclusion, to better capture the disproportionate impact of housing costs on low-income households.
- **Adequate and dedicated funding** to ensure that commitments on housing, poverty eradication and homelessness can be effectively implemented.

On the proposal for a regulation establishing an affordable housing act

The **Proposal for a Regulation establishing a framework for measures in Member States to safeguard housing affordability and availability (Affordable Housing Act)** is presented as the EU's response to the housing affordability crisis⁵. However, its framing prioritises competitiveness and social cohesion over the recognition of housing as a fundamental right. By seeking to address affordability while avoiding negative impacts on the internal market, the proposal risks limiting public authorities' ability to intervene when market dynamics undermine access to adequate and affordable housing. Housing is not simply an economic asset: it is a precondition for dignity, health and social inclusion, and its provision cannot be left to market mechanisms alone.

The proposed Regulation could further constrain public intervention through demanding criteria for designating housing-stressed areas. Authorities must generally demonstrate a price-to-income ratio above eight, an increase over the preceding ten years, and a likelihood that pressures will persist over the following three years⁶. They must also establish that the relevant activity has adversely affected housing affordability or availability for at least three years⁷. These requirements risk delaying preventive action until housing exclusion has already intensified. They may also limit local authorities'

⁵ European Commission (2026), Proposal for a Regulation of the European Parliament and of the Council establishing a framework for measures in Member States to safeguard housing affordability and availability (Affordable Housing Act), COM(2026) 599 final, 9 September 2026. https://housing.ec.europa.eu/document/download/35c4d242-60cb-408e-8a96-6ddf8ad18a70_en?filename=Proposal%20for%20a%20Regulation%20-%20Affordable%20Housing%20Act.pdf

⁶ Ibid.

⁷ Ibid.

ability to regulate activities contributing to the loss of housing for permanent residence, including certain short-term rentals. Rather than necessarily reducing legal uncertainty, the framework could impose additional evidential burdens and narrow the scope for locally adapted housing policies.

To strengthen the right-to-housing dimension, the Regulation should:

- **Prioritise housing rights:** explicitly require assessments of the impact of relevant measures on access to adequate and affordable housing, particularly for people experiencing poverty, and safeguard proportionate public-interest interventions.
- **Enable earlier intervention:** revise the cumulative housing-stress criteria to include indicators such as rent burdens, evictions, homelessness, overcrowding and social housing waiting lists, without requiring authorities to prove that a crisis will persist for another three years.
- **Protect local regulatory powers:** preserve the ability of Member States and local authorities to regulate short-term rentals and speculative pressures where these undermine housing availability, including through proportionate, evidence-based restrictions.
- **Invest in non-market housing:** mobilise EU funding and financial instruments to expand public, social, cooperative and non-profit housing, with enforceable affordability conditions and long-term protection against market-driven price increases.
- **Monitor social outcomes:** assess whether the Regulation improves access to affordable housing and prevents homelessness and housing exclusion, rather than focusing solely on regulatory compliance and internal market considerations.

On the Council Recommendation on Housing Exclusion

Adopted on 19 October 2026, the **Council Recommendation on fighting housing exclusion** provides guidance to Member States on preventing and addressing homelessness and housing exclusion. Presented alongside the EU Anti-Poverty Strategy and following the European Affordable Housing Plan, it sets out a person-centred, housing-led approach combining prevention, support services and access to adequate, secure housing. Its impact will ultimately depend on Member States' willingness to translate this guidance into concrete policies, measurable objectives and sustained investment.

A welcome shift towards prevention and housing-led approaches

The Recommendation sends a strong political signal that tackling housing exclusion and homelessness is an essential part of poverty eradication. It recognises housing as a matter of human dignity and fundamental rights⁸ and calls for a shift away from managing homelessness as an emergency towards preventing housing exclusion and progressively ending homelessness through integrated, person-centred and housing-led approaches. This is particularly welcome for people experiencing poverty, for whom homelessness is often the most visible manifestation of deeper failures seeing their social rights upheld, particularly in access affordable and adequate housing.

The emphasis on **early prevention, stable housing solutions** and **greater availability of social and affordable housing**⁹ is therefore a step in the right direction. The Recommendation encourages Member States to adopt or strengthen national and regional strategic frameworks, with relevant, time-bound and measurable objectives. This provides an opportunity to move beyond fragmented interventions towards more systematic approaches to preventing and addressing homelessness.

The Recommendation also highlights the importance of better evidence and meaningful participation. It calls for regular, comprehensive, comparable and disaggregated data on housing exclusion and homelessness, including better assessment of the housing needs of people experiencing homelessness, responds to persistent gaps in knowledge and monitoring in parts of the EU¹⁰. These provisions could help address gaps in monitoring and ensure that policies better reflect the needs of people experiencing housing exclusion, although their impact will depend on how they are implemented nationally.

Yet the level of ambition must match the objective of ending homelessness

Despite these positive elements, important gaps remain. While the Recommendation combines emergency support with longer-term solutions, its implementation must ensure that emergency accommodation does not become a substitute for rapid access to adequate, permanent housing. A genuinely housing-led approach should prioritise stable housing, with support tailored to individual needs, rather than allowing emergency responses to become the default.

The Recommendation also needs to translate its commitment to housing-led approaches into concrete action. Member States should establish clear, measurable national objectives to progressively end homelessness, backed by implementation

⁸ Council of the European Union (2026), Council Recommendation on fighting housing exclusion, including homelessness, ST 14650/26, 19 October 2026.

<https://data.consilium.europa.eu/doc/document/ST-14650-2026-INIT/en/pdf>

⁹ Ibid

¹⁰ Ibid

plans, timelines and transparent monitoring. This should include scaling up Housing First ¹¹ approaches, expanding social and non-profit housing, and strengthening prevention measures such as eviction prevention and targeted rental assistance.

Similarly, EAPN is concerned that the emphasis on innovative financing could overshadow the essential role of public grants and subsidies in making housing genuinely affordable for people on the lowest incomes. Where private investment is involved, **stronger safeguards are needed to ensure that housing remains affordable and accessible over the long term**, rather than becoming subject to market pressures once initial funding or affordability requirements expire.

Finally, the proposal needs to be implemented with **sufficient resources**. The future of the European Platform on Combatting Homelessness and uncertainty around EU funding for poverty, social exclusion and homelessness, as part of the next [Multiannual Financial Framework cycle](#), make it particularly important that the Recommendation is backed by clear governance, monitoring and adequate financial support.

Conclusion

The AHP and Housing Package mark welcome progress in giving housing greater prominence on the EU agenda and recognising its importance for dignity, social inclusion and quality of life. Together with the EU APS, it creates an important opportunity to establish housing as a core pillar of poverty eradication.

Yet political recognition must translate into concrete improvements for people experiencing the most severe forms of housing exclusion. For people experiencing poverty, increasing housing supply alone will not ensure access to an affordable and adequate home. The Package must go further in prioritising low-income households, strengthening public and social housing, safeguarding long-term affordability and addressing the structural drivers of housing exclusion, including discrimination and financialisation. **This also requires stronger alignment with the European Semester, ensuring that housing affordability, poverty and housing exclusion are**

¹¹ European Commission (2016), *Housing First (Logement d'abord): Rapport de synthèse – Belgique*, Peer Review in Social Protection and Social Inclusion, Luxembourg: Publications Office of the European Union <https://ec.europa.eu/social/BlobServlet?docId=15710&langId=fr>

systematically reflected in Country-Specific Recommendations, monitoring and implementation of national reforms and investments.

A successful EU housing agenda must therefore be measured not by how much housing is built or how much investment is mobilised, but by **whether people experiencing poverty can access and maintain a safe, adequate and affordable home**. This requires a coherent, whole-of-society approach, strong links between housing and poverty-eradication policies, reinforced EU coordination on homelessness, and adequate and sustained public funding.



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