



Informal conference of EU Ministers responsible for Housing Declaration of the Ministers

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Nice, 8 March 2022

Common challenge: providing affordable, sustainable, decent and resilient housing which contributes to the quality of life

Preamble

The EU Ministers responsible for housing, invited by the French Presidency of the Council of the European Union on 8 March 2022 in Nice, held an informal meeting on the theme of providing affordable, sustainable, decent and resilient housing that ensures the quality of life.

This meeting took place in the context of health-crisis, occurring natural disasters related to climate change and rapid urbanisation processes. The COVID-19 pandemic has led to a re-evaluation of our relationship to housing and our living environment, and has contributed to exacerbating already existing difficulties, in particular, the lack of affordable housing, energy poverty, more generally the issue of energy efficiency, and challenges in the implementation of circular economy. In addition, national housing policies need to be adapted to altered working and living patterns while also better addressing housing exclusion of more vulnerable groups, in line with Principle 19 of the European Pillar of Social Rights, on housing and assistance to the homeless.

In terms of process, emphasis was placed on the importance of taking into account the work already carried out on sustainable and affordable housing issues, the great diversity of situations in the Member States, notably between urban and rural areas but also between areas with a growing or declining population, the need to integrate local authorities and regions in the process, as well as the need to strengthen collaboration between institutions, Member States and territorial authorities and, finally, the importance of setting up tools to better understand the issues related to housing.

We, the EU Ministers responsible for Housing, acknowledge:

- The European Union's Cohesion Policy 2021-2027;
- The final declaration of the 19th informal meeting of European Housing ministers of 10 December 2013;
- The United Nations Geneva Charter on Sustainable Housing and its objective to "ensure access to adequate, affordable and healthy housing for all" endorsed by the *United Nations Economic Commission for Europe* on 16 April 2015;
- The 2030 Agenda adopted by the UN on 25 September 2015 with the Sustainable Development Goals;
- The New Urban Agenda adopted at the UN Conference on Housing and Sustainable Urban Development in Quito on 20 October 2016;
- The Pact of Amsterdam, adopted at the Informal Meeting of Ministers responsible for Urban Matters on 30 November 2016 in Amsterdam, establishing the Urban Agenda for the EU;
- "Guidance Paper on EU regulation & public support for housing", Urban Agenda for the EU - Housing Partnership, 23 March 2017;
- The opinion of the European Committee of the Regions "Towards a European Agenda for Housing" of 1 December 2017;
- The Davos Declaration - Towards a high-quality Baukultur for Europe! approved by European Ministers of Culture, 20-22 January 2018;
- "Boosting Investment in Social Infrastructure in Europe", Report of the High-Level Task Force on Investing in Social Infrastructure in Europe, 11 June 2018;
- The Urban Agenda for the EU and especially the Housing Partnership's Action Plan adopted on 4 December 2018;
- The Urban Maestro project launched on 14 February 2019;
- The European Citizens' Initiative "Housing for all" registered on 18 March 2019;
- The Council Conclusions on Circular Economy in the Construction sector, 8 November 2019;
- The European Green Deal, presented by the European Commission on 11 December 2019;
- The Circular Economy Action Plan, presented by the European Commission on 11 March 2020;
- The Action Plan "Critical Raw Materials Resilience: Charting a Path towards greater Security and Sustainability" on 3 September 2020;

- The New European Bauhaus initiative, announced by the President of the European Commission in her 2020 State of the Union speech on 16 September 2020;
- The European Commission's "Renovation Wave" strategy, published on 14 October 2020 and the Affordable Housing initiative as announced in the Commission's strategy;
- The study "Housing policies in the European Union" on behalf of the German Ministry of the Interior, Building and Community, presented during the German EU Council Presidency, published on 6 November 2020;
- The New Leipzig Charter, adopted on 30 November 2020 at the Informal Meeting of Ministers responsible for Urban Matters;
- The Territorial Agenda 2030 – A future for all places, adopted on 1 December 2020 at the Informal Meeting of Ministers responsible for Territorial Cohesion;
- The European Parliament's resolution of 21 January 2021 on the access to decent and affordable housing for all;
- The Recovery and Resilience Facility, 18 February 2021;
- The Council Conclusions on the Renovation Wave that repairs the economy now, and creates green buildings for the future, 11 June 2021;
- The Lisbon Declaration on the European Platform on Combatting Homelessness, 21 June 2021;
- Horizon Europe's mission for "100 climate neutral and smart cities" by 2030, launched on 28 September 2021;
- The study "Housing 2030 - Effective policies for affordable housing in the UNECE region" by the UN Economic Commission for Europe, UN-Habitat and Housing Europe launched on 6 October 2021;
- The report of the Open Method of Coordination (OMC) group of Member States' experts focusing on high-quality architecture and built environment for everyone, launched on 6 October 2021;
- "Place and Life in the ECE – A Regional Action Plan 2030", launched on 6 October 2021;
- Level(s), A common language for building assessment, European Commission DG Environment, published on 13 October 2021;
- The Union for the Mediterranean Strategic Action Plan for Sustainable Urban Development towards 2040, adopted on 28 November 2021, along with a dedicated plan on the housing dimension containing specific actions;
- The Council Conclusions on culture, high-quality architecture and built environment as key elements of the New European Bauhaus initiative, 30 November 2021;
- The Ljubljana Agreement and the Multiannual Working Programme adopted on 26 November 2021 at the Informal Meeting of the Ministers responsible for Urban Matters.

We observe that:

1. Rising housing rents and real estate prices as well as the lack of affordable housing notably in urban areas but also in some outlying areas are common trends in the European Union. In fact, an increasing number of low and middle-income households living in the EU are experiencing challenges to access and sustain affordable housing.
2. 70% of the EU population lives in urban areas and more than 82 million households face difficulties in financing their rent¹. 17.1% of the EU population lives in overcrowded accommodation and 10.3% of the population spends more than 40% of its income on rent².
3. Homelessness rates are rising and energy poverty is a persistent scourge in many Member States. An increasing number of households in the EU are considered energy-poor, as they cannot afford keeping adequate levels of comfort in their home due to the high energy demand of their house and the increasing energy prices. The renovation of buildings can be one of the tools, among others, to fight against energy poverty.
4. There are significant inequalities as regards availability and access to adequate housing, particularly for young people, families with children, including single parents, migrants and people with disabilities. People with disabilities and elderly people face physical barriers in accessing housing, including social housing, which calls for a greater adaptation of housing.
5. These inequalities hamper economic growth by limiting professional mobility and the attractiveness of areas undergoing economic transformation. In areas with stagnant or diminishing population, often combined with an increasing share of elderly people, it is a problem both to build such new dwellings as are needed and to renovate the existing housing stock, increasing the differences and tension between regions. In addition, it poses risk for increasing social disparities in cities as certain neighbourhoods are being either gentrified or deprived.
6. The EU's building sector plays a significant role in achieving the climate targets and implementing the European Green Deal. Buildings are responsible for about 40% of total energy consumption and 36% of energy-related greenhouse gas emissions in the European Union. It is necessary to increase the energy efficiency of buildings, to promote the use of energy from renewable sources, reuse abandoned and/or unused and extend the durability of existing buildings, implement measures to reduce construction waste and increase the availability of green infrastructure. In the effort of reducing the life-cycle emissions in the construction sector and attaining climate goals, incorporating principles of circular economy (such as durability, adaptability, designing for disassembly, etc.) in the renovation and construction of buildings can have a significant effect.
7. More than 220 million buildings in the European Union, or about 85% of the building stock, were built before 2001. They neither are designed to address current and future challenges linked to the climate crisis nor are in line with the EU's ambitious medium and long-term climate goals. Their renovation represents a crucial potential for reducing energy consumption and greenhouse gas emissions to reach the 2050 carbon neutrality goal. Apart from the climate neutrality perspective, the comprehensive renovation of the housing stock has a direct impact on the maintenance costs of housing. Nevertheless,

¹ *Policy guidelines for affordable housing in European cities, 2018, European Urban Agenda, Housing Partnership*

² *Report on access to decent and affordable housing for all, January 2021, European Parliament*

the scale of this challenge calls for collective vigilance with regard to the ambitiousness of the objectives, the necessary resources to be allocated to it, the need to bear in mind the social dimension of renovations, notably the risk of insecurity of tenure after renovation, and the consideration of existing cultural and heritage values, while it is inclusive towards low and middle income households.

8. Climate change and the lack of mitigation can have far-reaching consequences, especially for households living in areas that are particularly vulnerable. Renovation of buildings could also contribute to the improvement of resilience to natural disasters, notably stability and safety of buildings.
9. The renovation of buildings can also give a powerful contribution to the twin transitions (digital and green transitions), for instance it can bring on the uptake of digital solutions. It is necessary to ensure that this digital transition is inclusive towards SMEs and does not exclude vulnerable citizens.
10. The construction sector faces an enormous challenge to achieve the energy and climate European targets, while at the same time providing a sufficient number of additional affordable homes. It can also make a significant contribution to job creation and economic growth after the COVID-19 pandemic. At the same time, many countries are faced with shortage of skilled professionals and rising construction costs due to the lack and high prices of construction material, longer delivery periods and rising energy prices.
11. A consistent integrated place-based approach should be implemented, as already outlined notably in the Renovation Wave strategy: urban planning and designing must be reconsidered with a view to contributing to improving the energy efficiency of cities as a whole.
12. The COVID-19 crisis has reinforced inequalities in access to affordable and sustainable housing in some Member States, as well as pushed more people across the EU into housing cost overburden. The pandemic has also highlighted the need to rethink the spatial planning and the design of housing to integrate the new expectations of citizens in terms of uses and quality of life. It has furthermore evidenced the vulnerability of homeless people to public health crisis.
13. In order to prevent urban sprawl and aiming to rationalize the use of land and protect biodiversity, especially in urban areas, state-owned and local authority-owned land, or brownfields, can represent a highly valuable spatial resource for urban renewal including affordable and social housing. In addition, extensions to existing buildings, where appropriate regarding the quality of life, can contribute to effectively reducing the renovation cost burden and increasing supply of homes.

We, EU Ministers responsible for Housing, declare:

14. **The housing and construction sectors are key to deliver on the climate objectives** set in the European Green Deal, the relevant strategies (Circular economy action plan, Renovation Wave, New European Bauhaus, etc.), the sustainable development goals and to consolidate the European Pillar of Social Rights.
15. These sectors are at the crossroads of policies such as energy, environment, climate, urban and territorial development, cohesion, social justice, industry, competition or the Single Market which affect housing policies at different levels of governance and depend on them. Therefore, **better coordination of policies in this area is needed**. These sectors also have an impact on and a role to play in preserving, developing, promoting and enhancing aesthetical, cultural and heritage values, for high-quality architecture in the built environment.
16. Housing and construction policy is an exclusive competence of the Member States and/or Regions, thus **requiring a place-based approach** (in terms of social, cultural, historical, geographical, climatic aspects, i.a.) since most of the investments in housing, including sustainable construction and renovation projects take place at the local level, due to the key role played by regional and local authorities across Europe in putting the Member States' housing policies into practice.
17. The Ministers underline the importance of providing homes of **good quality which are well connected** (including green infrastructures and smart buildings), **situated in mixed-use, compact and dense areas with a high-quality living environment and which are close to working areas**.
18. The Ministers support the **reuse of abandoned and unused buildings and their function-wise conversion**, when and where possible, in order to reduce land take and construction waste. In areas of shrinking population, the amount of housing should be adapted accordingly, in order to avoid poor maintenance due to vacancy. Vacant housing units of very poor spatial placement, poor construction quality and no importance of heritage may be dismantled for urban renewal.
19. The Ministers acknowledge that **increasing the affordability of housing is dependent on the supply of new or renovated quality housing**. All efforts to improve permitting procedures and provide financing opportunities for new housing development or renovation are encouraged.
20. The Ministers acknowledge that **a circular building sector will guarantee economic growth, long-term employment** (e.g. repair, recycling, remanufacturing) and will have **a positive impact on the climate and environment** notably in terms of emissions, materials and waste management.
21. The Ministers acknowledge that **efficiency as well as volumes of new construction and renovation can be increased by industrialisation and standardisation**, e.g. factory-built buildings and renovations with factory-produced construction elements, and by digitalization and automation. These processes, which encourage innovation, can be promoted if considered as more sustainable from both an economic and environmental perspective, while respecting quality and aesthetics of the built environment.
22. While the construction sector can contribute significantly to the creation of local jobs and economic growth after the COVID-19 pandemic, the already existing serious shortage of skilled personnel might be emphasized by the introduction of new technological

approaches such as digitalization, industrialization and automation, as well as circular economy. The Ministers ask the European Commission to **reinforce its support for education and training at all levels of the construction and renovation value chains**.

23. The Ministers recommend that **additional housing supply takes into account criteria such as qualitative spatial efficiency** based on an integrated urban development approach, while **actively reducing land take and containing urban sprawl**.
24. With this declaration, the Ministers commit themselves to **better promote Member States' policies** related to affordability and access to housing, design and planning, renovation and sustainable, circular and resilient construction (and its products) carried out under fair competition with fair working conditions, **in order to draw common lessons and share good practices among the Member States and the local and regional authorities**. These exchanges of good practices could include the promotion of specific housing policies addressing the challenges faced in areas with a declining population.
25. The Ministers recommend **the exchange of good practices related to the challenges and opportunities created by tourist accommodation platforms**, ensuring that low and middle-income families are not priced out of the private housing and rental market.
26. The Ministers commit themselves to **continue the work resulting from the ministerial conference on housing and construction of 8 March 2022** and invite the future presidencies of the Council of the European Union to continue this work.
27. In this perspective, the Ministers agree on **the organisation of regular meetings of Ministers responsible for housing** and of annual meetings of the network of European focal points responsible for housing, to strengthen affordable, sustainable and inclusive housing in Europe.
28. The Ministers recommend defining, together with local and regional authorities, **strategies to increase the availability of affordable, well connected, decent, energy-efficient, decarbonised, sustainably designed, accessible and resilient housing, situated in socially mixed neighbourhoods**. These strategies should be part of an integrated urban development approach and could include the management of cultural heritage, promotion of high-quality architecture and public spaces design and planning.
29. The Ministers recommend **pursuing the measures of the national recovery and resilience plans** in favour of investment in affordable, decent, sustainable and resilient housing, **to continue deploying the Renovation Wave and also start implementing the New European Bauhaus Initiative**, by prioritising renovation of accommodation that can contribute to achieving the European climate targets and by ensuring the economic and social sustainability of the renovation rate.
30. Particular emphasis should be placed on **the new projects deployed within the framework of the New European Bauhaus initiative promoting sustainability, design, aesthetics innovation and inclusion** supported by the European Commission and all European Institutions. A participatory and inclusive approach should be promoted in order for the civil society and all related organisations to be part of this initiative, with regard to the use and well-being of their living places. The New European Bauhaus implementation must include all levels of governance, especially the local and regional level and a place-based perspective combining all layers on the ground.

31. In this perspective, the Ministers invite the European Commission to support their efforts to promote the **development of participatory and inclusive housing solutions, based on sustainable strategies for the use of urban space**. The rich diversity of affordable housing solutions across European countries and cities (“housing continuum”) is a source of mutual inspiration and has the potential to diversify the supply side. For instance, community land trusts can be a useful tool for some Member States.
32. With regard to access to housing, the Member States will act, or continue to act, to **combat existing inequalities in access to adequate, safe, well-designed, affordable and inclusive housing and homelessness solutions** as well as better protect the rights of tenants and owner-occupiers and improve the transparency and stability of housing markets.
33. In this context, the Member States ask the European Commission to carry out a **comparative study on the different mechanisms in place in the EU to curb the increase in rents and sale prices of housing**. Such a study would provide Member States with a range of actions implemented within the EU and an assessment of their effectiveness in slowing down, or not, the evolution of the market.
34. The Ministers acknowledge that significant European funding has already been made available for renovation of buildings through the Multiannual Financial Framework and recovery funds. European funding should complement national and regional support schemes in the housing and construction sector. Therefore, the Ministers ask the Commission to **facilitate access to information on European funding dedicated to the housing and construction sector**. The Ministers ask the European Investment Bank Group, which is a major financier of social and affordable housing to **continue and develop further its financing and advisory services** for sustainable social and affordable housing, but without competing with or replacing national and regional support schemes.