



LIEGE DECLARATION

ON THE OCCASION OF THE EUROPEAN CONFERENCE
OF HOUSING MINISTERS UNDER
THE BELGIAN PRESIDENCY OF THE EU COUNCIL

« Affordable, decent and sustainable housing for all »

5 March 2024

Access to housing is of fundamental importance as it protects individuals against poverty and social exclusion.

Housing affordability is a growing challenge in the European Union, the importance of which has been exacerbated by COVID-19 pandemic, Russia's war of aggression against Ukraine and global trends. Although there is no single set of indicators commonly used to measure housing affordability, several trends point to a growing lack of housing affordability: as the European Commission states, "*housing affordability is a growing challenge in the EU*"¹. The European Parliament has also taken up the issue, adopting a Resolution on "*access to decent and affordable housing for all*" on 21 January 2021.

This diagnosis is also made by the OECD². In concrete terms, the 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. In many regions of the EU, these price increases have outstripped the growth in average incomes³. In 2022, almost one person in ten in the EU faced a housing cost burden, i.e. lived in a household where total housing costs represented more than 40% of total disposable income, with a significant increase recorded since 2020. Among those at risk of poverty, the proportion is much higher, at three out of ten, and around 900,000 people are homeless on any given night. These trends have disproportionately affected specific demographic groups, intensifying the overall housing crisis.

In the meantime, around three quarters of EU households say that the cost of meeting their housing needs represents a "financial burden" for them. This is particularly true of low-income households (less than 60% of median income). In many EU Member States, the percentage of low-income households facing a financial burden is significantly higher than that of middle- or high-income households.

Furthermore, with most of the European population living in urban areas, it is also important to consider the needs of different kind of urban and rural areas, who require specific strategies and policies. European Mayors have furthermore underlined the promotion of the right to affordable, qualitative and sustainable housing as their number one EU policy priority in the recently adopted **Brussels Declaration**.

Housing markets are very different from one country, region or city to another. One of the underlying factors is the diversity of demographic patterns in the different territories of the EU. Despite our different situations, we share common problems by high house prices, together with an increasing lack of affordable housing supply, are preventing European citizens from accessing adequate housing.

At the same time, the energy and environmental transition represent a potential for growth for the housing sector in the EU. **The European Green Deal** implements a deep transformation of our economic model towards a more sustainable one. Our aim is to rapidly increase the supply of affordable, social collaborative and cooperative housing to meet pressing social needs and to ensure that Europe's housing stock is better adapted to the new requirements of quality, accessibility, resilience, functionality and energy efficiency in the face of climate change and natural disaster.

As reaffirmed in the recent **Gijón Declaration** signed under the Spanish Presidency of the EU Council, there is a strong case for shared policy solutions at European level to address these challenges and promote inclusive and affordable housing in the respect of **the subsidiarity principle**.

The challenges posed by the housing affordability for all are also an opportunity for the Member States of the European Union: the benefits of substantial investment in affordable and social housing.

¹ European Commission. (2023). *Proposal for a joint employment report from the Commission and the Council*. (COM (2023) 904 final).

² OECD. (2023). *Confronting the cost-of-living and housing crisis in cities*

³ European Commission, (2022). *Housing Market Developments in the Euro Area: Focus on Housing Affordability. Discussion paper 171*. Frayne, C. et al.

The benefits of public investment in affordable housing are manifold. As well as meeting a basic human need, guaranteeing access to decent, affordable housing also has positive spin-offs and contributes to wider policy objectives, and even to savings for public finances in the long term. More specifically⁴:

- Investing in affordable housing has a proven **multiplier effect on the local economy**, creating local employment opportunities and retaining investment in the local and regional economy.
- The availability of affordable housing is a **key factor influencing work-related mobility and determining access to employment opportunities** and is therefore essential to the competitiveness of our economies.
- The link between housing conditions and health and well-being has been increasingly documented over the years. The role of housing as a **social determinant of health** has become even clearer recently in the light of the COVID-19 pandemic.
- Last but not least, “greener” and sustainable housing is essential if we are **to reduce CO2 emissions and combat climate change**. In addition, public policies to promote energy-efficient renovation are also a response to fuel poverty.

IN LINE WITH THE PRINCIPLE OF SUBSIDIARITY, WE, THE EU MINISTERS RESPONSIBLE FOR HOUSING, WITH THIS LIÈGE DECLARATION, RECOGNISE THE NEED TO DEVELOP A NEW APPROACH BASED ON COOPERATION BETWEEN COUNTRIES AT EUROPEAN LEVEL ON THE ISSUES OF:

- **THE AFFORDABILITY AND ADEQUACY OF HOUSING DEVELOPMENT TO MEET SOCIAL, ECONOMIC AND TERRITORIAL NEEDS.**
- **THE RENOVATION, ADAPTATION AND RESILIENCE OF THE AFFORDABLE AND SOCIAL EUROPEAN HOUSING STOCK AGAINST THE CLIMATE CHANGE AND NATURAL DISASTER.**

THEREFORE, WE RECOGNISE:

The need to improve access to affordable, decent, and sustainable housing for all in the European Union.

The lack of affordable housing and the necessity to ensure housing and finance solutions to lower and middle-income households, people at risk to be homeless and homeless people, and other vulnerable groups, as well as young people and people with disabilities, considering their specific needs.

Securing direct access to and retention of decent affordable housing as the best way to prevent the growing homelessness and housing exclusion.

The affordable housing crisis transcends national borders and may affect the economic and social cohesion of the European Union.

The housing crisis exacerbates **social exclusion and economic inequality in the European Union**. The most vulnerable citizens, including people on low incomes, single-parent families, larger multi-child families, the elderly and homeless people, are often the most affected by excessive housing costs.

The need to take into account specific situations of disadvantage in access to housing and any other grounds of discrimination **referred to in Article 10 of the TFEU and Article 21 of the EU Charter of Fundamental Rights**.

Access to affordable and decent housing is a crucial element in **the economic development and integration of the European Union**. It could also have a severe impact on the demographic trends in the Member States. The challenges of renovating and increasing Europe's housing stock can significantly

⁴ OECD, (2021) “Better Housing Policies in the Post-COVID-19 Era”

contribute to the economic development of the European Union. Indeed, investing in affordable housing has a proven multiplier effect on the local economy.

Access to affordable housing is a **key factor influencing work-related mobility and determining access to employment opportunities**. Excessively high housing costs hinder the free movement of individuals, thus compromising the fundamental principle of the free movement within the European Union. Workers and students who wish to move within the European Union to find better professional or educational opportunities often come up against barriers related to access to housing.

IN ORDER TO OVERCOME THESE CHALLENGES, WE PROMOTE:

The development of policies to promote access to affordable, decent, sustainable, and adequate housing in the European Union with the cooperation between all levels of the EU member states under the principles of subsidiarity.

More Investment

The development of public and private investment and the opportunities offered by European Union funding to meet the shortage of affordable and social housing and the decrease of new affordable housing construction.

The development of public and private investment and the opportunities offered by European Union funding to improve the condition of existing housing stock, aiming a life cycle approach, considering residential buildings are responsible for a significant part of energy consumption and greenhouse gas emissions in the European Union and that the energy and sustainability transition in the built environment will be accompanied by measures to improve social cohesion and the quality of the living environment

The development of new finance solutions to assist lower and middle-income households, people at risk to be homeless and homeless people, and other vulnerable groups, as well as young people and people with disabilities, considering their specific needs.

Better governance approach

The development of a holistic, collaborative, and multi-governance approach to overcome the challenges of affordable, decent and sustainable housing, and create inclusive communities where everyone can flourish and prosper.

The development of better cooperation between the EU member states and European institutions in the housing sector under the principle of subsidiarity and the recognition of national, regional and local authorities efforts to provide EU citizens with affordable and adequate housing by strengthening regulatory tools and developing a comprehensive strategy in places where barriers have emerged.

The strengthening of the collection of European statistics based on specific standard European indicators, definitions and parameters on the housing sector, with a particular focus on social and affordable housing and housing exclusion.

More Innovation

The development of new partnerships between the private sector, non-governmental organisations, and public institutions to develop innovative affordable housing solutions, such as co-operative housing, social and community housing, and mixed housing programmes.

The development of new modes of architectural design and the different forms of housing that on the one hand guarantee inclusion in affordable housing for all without discrimination and on the other allow construction costs to be reduced and circular buildings.

The development of policies reducing housing vacancy, promoting the upward extension of buildings or the restructuring of non-residential buildings to create affordable housing, in particular in the context of urban development policies by using tools and principles such as the New European Bauhaus

The development of industrialisation and digitalisation technologies to support the delivery of new housing and renovation of existing housing.

AT EUROPEAN LEVEL, WE CALL FOR A EUROPEAN NEW DEAL FOR AFFORDABLE AND SOCIAL HOUSING

IN ACCORDANCE WITH THE PRINCIPLE NINETEEN OF THE EUROPEAN PILLAR OF SOCIAL RIGHTS AND WITH THE COMMISSION'S SOCIAL RIGHTS FRAMEWORK ACTION PLAN (2021-2030), WE CALL FOR:

1. The European Commission, in partnership with the European Parliament, the European Economic and Social Committee and the European Committee of the Regions, should organise an **ANNUAL EU SUMMIT** on social and affordable housing, bringing together all the stakeholders involved in the implementation of Member States' actions on social and affordable housing, on the basis of a multi-level approach and exchange of best practices in compliance with the principle of subsidiarity.
2. The European commission should develop an **EU PLATFORM** to urgently support national, regional and local partnership to end housing exclusion.

EU PLATFORM as a functioning system and toolbox for housing focal points:

SHARES best practices to increase supply of affordable and social housing, to amplify the renovation of housing stock and exchange the useful data to draw up a report on the state of housing at European, national, regional and local level.

ENCOURAGES long-term national, regional and local partnerships between housing providers, social services and local authorities to deal with prevailing support needs.

VALUES the significant European financial resources available to provide high level energy performance affordable housing and renovation of the European affordable and social housing stock.

SUPPORTS skills development social services providers, local authorities and actors from the social and affordable housing sector.

WORKS closely together with the European Platform on Combatting Homelessness (EPOCH) to address the specific needs of people at risk to be homeless and homeless people, and promotes policies to lower the risk of housing inclusions.

The European Commission to strengthen its cross-sectional support for national, regional, and local policies in the housing sector, by simplifying access to information on the possibilities for support from European instruments, including access to funding.

3. The European Commission to take better account of the repercussions of EU policies on access to housing and housing exclusion in its impact assessments.
4. The European Investment Bank to reinforce its support to social and affordable housing sector, renewing its lending to social and affordable housing providers, and providing advisory services to address the supply shortage.

IN CONCLUSION, THE MINISTERS RESPONSIBLE FOR HOUSING, WITH RESPECT FOR THE PRINCIPLE OF SUBSIDIARITY, CALL FOR A EUROPEAN NEW DEAL FOR AFFORDABLE AND SOCIAL HOUSING TO SUPPORT THE DEVELOPMENT OF POLICIES TO FACILITATE ACCESS TO AFFORDABLE, DECENT AND SUSTAINABLE HOUSING FOR ALL BASED ON A MULTI-LEVEL GOVERNANCE AND SHARING GOOD PRACTICES AND SUCCESSFUL EXPERIENCES FROM DIFFERENT MEMBER STATES WITH THE SUPPORT OF THE EUROPEAN INSTITUTIONS.

LIEGE, 5 MARCH 2024

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