

# UIPI REACTS TO THE EUROPEAN COMMISSION'S HOUSING PACKAGE

**Brussels, 16 December 2025** — Today, the European Commission published its long-awaited **Housing Package**, marking the first comprehensive attempt at EU level to respond to Europe's growing housing challenges. The package brings together four key initiatives: the [European Affordable Housing Plan](#), the [European Strategy for Housing Construction](#) a revised [State aid framework for housing under the services of general interest Decision](#), and a [Communication on the New European Bauhaus](#).

The European Affordable Housing Plan takes the form of a Communication structured around **four pillars and ten actions**. It combines EU-level actions with recommendations addressed among others to Member States. While housing remains primarily a national, regional and local competence, the Commission focuses its intervention on areas where it holds clear responsibilities, such as State aid, short-term rentals and greater use of EU financial support, while formulating guidance for Member States in other areas, seeking to remain in line with the subsidiarity principle.

*"The Plan brings no major surprises. It largely consolidates initiatives already announced or underway and streamline them. It is a delicate balancing act between action and respect for competences. Its real added value is the political signal it sends: housing is on the agenda!"* said Emmanuelle Causse, Secretary General of UIPI.

## A more flexible State aid framework

The most concrete and immediate measure in the package is the revision of the State aid rules for housing, formally recognising affordable housing as a Service of General Economic Interest (SGEI). The revised framework aims to give Member States greater flexibility to support affordable housing, notably through simplified procedures and reduced notification requirements.

From UIPI's perspective, while the pressure on middle-income households and the need to facilitate access to social and affordable housing in some local markets are undeniable, any extension of public intervention must be underpinned by robust, objective and enforceable criteria to ensure legal certainty and proportionality. Although these challenges are acknowledged in the revised SGEI Decision, the framework still falls short in this respect, leaving wide discretion to Member States. This risks inefficient use of public funds, failing to reach those who need it most, and distorting competition.

### Cutting red tape and boosting supply

The need to cut red tape to accelerate housing supply is widely recognised in the real estate and construction sector. The commitment in the Plan to map EU legislation affecting housing supply and affordability, and to identify unnecessary administrative burdens, is therefore especially welcome, as it tackles cumulative regulatory impacts and overlaps that UIPI has consistently drawn attention to.

The same applies to the objective of strengthening productivity and capacity in the construction sector. Addressing skills shortages, supporting innovation and the scaling-up of modern construction methods, securing access to raw and secondary materials, and improving access to services can support higher output and lower costs. This is further reflected in the [European Strategy for Housing Construction](#) published alongside the Plan.

For property owners, the test will be delivery: whether this translates into real simplification, faster and more predictable permitting, better access to buildable land, and conditions that effectively mobilise private investment to increase housing supply.

### Scrutinising and supporting structural reforms

The Plan walks a fine line, seeking to attract more private capital into housing while simultaneously announcing increased scrutiny of speculative behaviour and housing vacancy. Action against short-term, profit-driven investment practices may be considered legitimate, but it raises questions about how this balance will be achieved in practice and what concrete outcomes the additional data collection is expected to deliver. Transparency should not lead to additional administrative burden and become an end in itself, rather than an effective policy tool.

The Plan also places renewed emphasis on structural reforms, notably through a stronger use of the European Semester to guide national housing policies. While this may improve monitoring and peer learning, its practical impact remains to be seen. Past experience shows that housing-related recommendations have had mixed follow-up, reflecting the reality that these areas remain largely a national competence and that it is for Member States to decide how to act.

For UIPI, in any case, a key consideration regarding any future guidance to Member States is that it must actively support housing supply and investment. In sensitive areas such as taxation, rent regulation and housing use, guidance should avoid measures that risk discouraging investment or constraining supply.

### Supporting vulnerable groups and improving access to housing

The Plan sets out a broad approach to supporting vulnerable groups and improving access to housing across different segments, including homelessness, young people, students, trainees and apprentices. It promotes housing-led solutions, increased investment in social and affordable housing, and the exchange of good practices as key tools to address housing exclusion.

For UIPI, any effective approach should be constructive and go hand in hand with full respect for property rights, legal certainty and a fair balance of responsibilities between landlords and tenants. Sharing and scaling up good practices that successfully combine tenant protection with the safeguarding of owners' rights, support a constructive role for the private rental sector and foster access to homeownership are essential to delivering sustainable, long-term housing solutions.

In this context, the Plan's focus on student accommodation provides a constructive example. Measures such as supporting dedicated student housing, mobilising investment and exploring rental guarantee schemes to facilitate access to the private rental market show how balanced risk-sharing can widen access to housing while preserving market confidence and sustaining private investment. This is what we highlighted in [UIPI's analysis of the private student housing market](#).

### Focus on short term rental

Short-term rentals represent a limited share of the overall housing stock, but they have become a highly visible and politically salient issue in the housing debate. The Plan announces a forthcoming legislative initiative on STRs, building on Regulation (EU) 2024/1157, with the aim of providing public authorities with a clearer, data-driven and proportionate framework to manage STR activity in areas under housing stress.

For UIPI, a coherent approach implies building on the implementation of the existing Regulation and its emerging evidence base, rather than moving immediately to further legislative action. At the same time, any approach to STRs must be part of a broader and more balanced housing policy that also addresses the long-term private rental sector. In many Member States, long-term rentals face heavier regulatory and fiscal burdens than short-term lettings, which can unintentionally incentivise owners to exit the long-term market. From a public policy perspective, this is counterproductive, as a well-functioning private rental sector plays a key role in housing stability and affordability.

Emmanuelle Causse concludes:

*"Overall, the European Commission's decision to place housing high on the political agenda is positive. The challenge now is to ensure that this expanded scope for action is handled with care as, in housing policy, doing the right things matters more than doing many things. Success will depend on proportionate measures, respect for competences, market dynamics, and close cooperation with those who own, finance and manage Europe's housing stock."*

In this context, UIPI stands ready to continue engaging constructively in upcoming initiatives, including the European Housing Alliance, EU Housing Summit, and related cooperation frameworks.

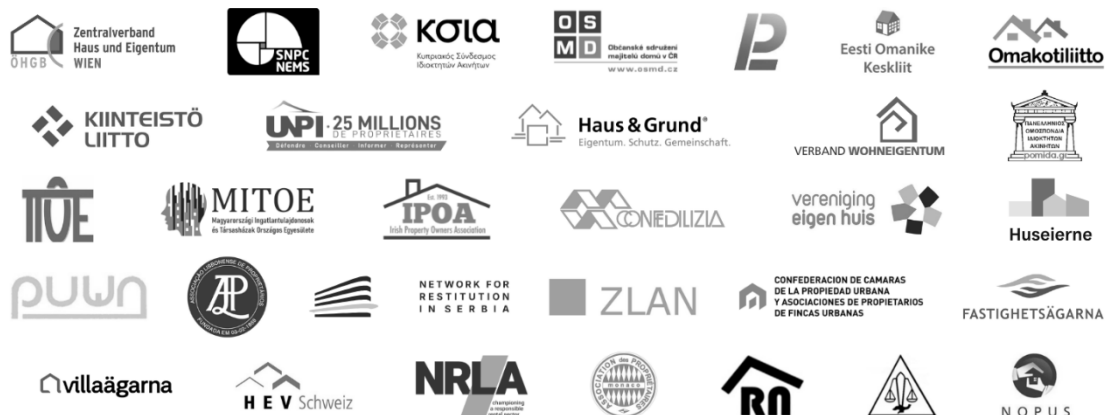
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## About UIPI

The International Union of Property Owners (UIPI), the largest pan-European non-profit association of both home owners and private landlords. UIPI comprises 31 organisations from 28 countries, which, jointly, represent more than 5 million private property owners and around 25 million dwellings all over Europe.

The interests of the sector we represent correspond to the concerns and needs of a substantial part of the European population. As shown by Eurostat, almost 70% of EU citizens are owner-occupiers, whereas almost another 20% of the population is housed in the private rented sector.




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