

## Call for evidence - Affordable Housing Act

The current housing crisis is weighing on people's budgets, access to property, and living conditions. Across Europe, households are increasingly confronted with rising rents, limited availability of affordable homes, and growing energy bills that further exacerbate housing stress. In many cases, housing stress is not only driven by purchase prices or rents, but also by high operational costs, particularly energy bills.

A holistic approach to affordable housing should not be limited to easing the burden of upfront construction costs but also consider operational costs. Energy and water efficiency technologies are already available and can play a central role in **protecting housing affordability** and **increasing supply of affordable housing**.

### Protecting housing affordability with efficiency

Today, roughly 75% of the EU building stock is energy inefficient, and around 75% of our heating and cooling needs are supplied by fossil fuel sources. Years of inaction have left Europeans exposed to energy price hikes. The **rollout of efficient buildings will lead to lower energy bills** and shield occupants from price shocks, ensuring long-term affordability.

Energy poverty remains a widespread challenge across the EU and is closely linked to the poor performance of the building stock. As such, it should be recognised as a core component of housing stress identification. Public authorities should rely on a combination of indicators including housing cost overburden, energy poverty metrics (such as arrears), and building performance data (such as EPC classes) to identify areas of housing stress.

National Building Renovation Plans (NBRPs) should play a central role in this effort. They can:

- ▶ Include dedicated sections on housing stress identification, using publicly available data to map vulnerable areas.
- ▶ Plan the renovation of vacant or underused buildings, transforming them into affordable housing options.
- ▶ Align with tools such as the Building Stock Observatory to ensure consistent data collection and monitoring across Member States.

Protecting the housing market must go hand in hand with enabling efficient solutions and technologies to reach scale. This requires regulatory stability and full, timely implementation of key EU legislations, notably the Energy Performance of Buildings Directive and the Energy Efficiency Directive. These frameworks are essential to guide investments, create market confidence and stability, and ensure that efficiency becomes a cornerstone of housing policy.

### Increasing housing supply through renovations and efficient buildings

Renovations can put vacant spaces back on the market and transform them into affordable housing options. Innovative approaches such as vertical extensions can further increase the number of dwellings within existing buildings, optimising land use while reducing construction costs and environmental impact. This approach supports a more efficient use of the existing building stock and contributes to denser, more sustainable urban development.

Unlocking this potential requires addressing bottlenecks such as long and complex permitting procedures. They should be streamlined, particularly for renovation projects that improve energy performance or increase housing supply. Digitalisation can play a key role here: the use of Building Information Modelling (BIM) can enhance efficiency, transparency, and speed across construction and renovation processes.

Scaling up affordable and efficient housing also requires adequate and accessible financing. Mobilising public and private investment will be essential to support households, de-risk projects, and accelerate the deployment of efficient solutions.

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### For further information

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### About Efficient Buildings Europe

Efficient Buildings Europe represents Europe's leading companies involved with the manufacture, distribution and installation of energy efficient products, equipment, and services for buildings. The members of Efficient Buildings Europe employ more than 280,000 people in these activities in Europe and have over 1,200 production facilities and office locations in the EU. The mission of Efficient Buildings Europe is to work together with the EU institutions to help the EU to move towards a more efficient use of energy in buildings, thereby creating an efficient, decarbonised, and flexible building stock that actively contributes to the achievement of Europe's commitments on climate change, energy security, and economic growth.

### Efficient Buildings Europe Members (2026)

