



Tweede Kamer

DER STATEN-GENERAAL

European Commission
Mr. Dan Jørgensen, Commissioner for Energy and Housing
Wetstraat 200
1040 Brussels
Belgium

The Hague, 27 March 2025

The housing crisis in Europe: an urgent call for more room in the EU's state aid rules for affordable housing

Dear Commissioner Jørgensen,

We would like to draw your attention to a recent decision by the Dutch House of Representatives to declare the announced revision of the EU's state aid rules on housing a priority file and urgently call in a letter to the Commission for more room in the EU state aid rules for affordable housing.

Europe is facing a housing crisis, affecting millions of families and young people. In the Netherlands, the housing shortage amounted in 2024 to 401.000. The percentage of household income spent on housing has also risen dramatically. Rents and house prices are soaring. The housing crisis is not only affecting people who rely on social housing, but also middle-income households. There is severe market failure in the housing sector, preventing middle-income groups – especially those in crucial professions for social cohesion and the vitality of urban areas in the Netherlands – from accessing affordable and energy-efficient housing. The situation has become so urgent, that people are forced to postpone major life decisions, such as starting a family. Police officers, nurses, and teachers, for example, cannot find a home near their place of work. This is going terribly wrong. The housing crisis is not only causing personal hardships but is also disrupting society and deepening labour shortages.

We would like to raise awareness of this market failure in the Netherlands. We understand that other countries in Europe are facing similar challenges. That is why we urgently call on you to give more room in the EU state aid rules for affordable housing. We want to address this issue in a way that does not distort the market. By that, we mean that all investors – whether social housing corporations or institutional investors managing pension fund capital responsibly – must be involved in building more mid-rent housing. This will enable people to move forward with their lives, ensuring that children have teachers in their classrooms and that the elderly can receive care.

We need policy flexibility. This must also be arranged with minimal regulatory burdens and as quickly as possible. We are stuck. It is crucial to find effective solutions that allow all Member States to determine precise implementation at the local level. After all, housing policies are structured in very different ways across Europe.

We therefore welcome the recognition in the political guidelines for the new European Commission that there is a European housing crisis and measures will be proposed to support Member States in addressing these issues, following inter alia the joint statement adopted in November 2023 by a group of seven Member States asking for more room in the EU's state aid rules for affordable housing for middle-income households.

We look forward to further discuss the importance of more room in the EU's state aid rules for affordable housing during the meeting that the Dutch parliamentary committee on housing will have with you on 7 April 2025.

On behalf of the Dutch House of Representatives,

Yours sincerely,

Merlien Welzijn

Member of Parliament and EU-rapporteur for the revision of the Commission's State aid rules to enable housing support measures

Wytske Postma

Chair

Committee on Housing and Spatial Planning