

Press Release

Europe's national and regional promotional banks and institutions back the European Commission's European Affordable Housing Plan with the ambition of providing EUR 375 billion in financing by 2029 to improve affordable, social, and sustainable housing in Europe

Brussels, December 16, 2025

Europe's national and regional promotional banks and institutions (NPBIs) are at the forefront of addressing the continent's housing crisis by delivering tailored solutions to meet the housing needs of their respective EU Member States. In this context, both the European Long-Term Investors Association (ELTI) and the European Association of Public Banks (EAPB) endorse the European Commission's landmark move of publishing its first European Affordable Housing Plan. To support this initiative and demonstrate their commitment, both associations estimate a collective total financing volume from their own members' resources of EUR 375 billion by 2029 to support affordable, social and sustainable housing in Europe. This substantial ambition underscores their dedication to responding effectively to the diverse housing challenges across EU Member States. In addition, NPBIs stand ready to continue bringing EU resources closer to national, regional and local needs.

Housing is an essential need for every citizen; it is a prerequisite for cohesion, helping to build communities that are resistant to social, economic, and geographic fragmentation. ELTI and EAPB welcome the European Commission's first European Affordable Housing Plan published today and the identified priority areas to support Member States to address structural drivers and unlock public and private investment.

NPBIs already deliver – and are prepared to do more

As presented in the collective [ELTI/EAPB brochure](#), promotional banks at national and regional level have been key players in bridging the market gap in housing financing by providing public support for housing for decades, as well as through specialised advice on social and affordable housing topics linked to investment in the sector. They are well placed to do so, able to maximise the impact of public resources thanks to their detailed knowledge of local markets, longstanding connections to public authorities and private investors, as well as their financing expertise.

To demonstrate their collective commitment, **looking ahead, national and regional promotional banks will aim to invest EUR 375 billion from own resources by 2029 into social, affordable, and sustainable housing.**

EU incentives to provide added value

Against this background, the increase of cohesion policy investments in affordable housing is strongly welcomed. In addition, the importance of affordable, social and sustainable housing should equally be reflected in the next Multiannual Financial Framework (MFF), by offering new opportunities for scaling up financing for housing, both under the National and Regional Partnership Plans (NRPPs) – with clear objectives in the NRPPs and a focus on affordable housing for the EU Facility – and under the European Competitiveness Fund - building on InvestEU. These programmes will be essential to unlocking and accelerating affordable and social housing projects, while also mobilising the private capital needed to scale up investment.

More generally, the “open architecture” model should be adopted as the cornerstone of any EU instrument under indirect management promoting affordable housing. This approach allows NPBs and international financial institutions (IFIs) to implement EU initiatives alongside the EIB Group, thus bringing EU financial resources closer to national, regional and local needs and responding effectively to the diverse housing challenges across EU Member States. Mobilisable instruments should include those with the highest leverage effects, including blending schemes that can effectively combine EU funded grants with financial instruments provided by promotional institutions

The intermediation model “EIB → NPB → beneficiaries” has proven to work exceptionally well, as it complements existing systems by leveraging both the EIB’s resources and the particular NPB’s local know-how, expertise and well-established business relationships on the domestic affordable housing market.

In parallel, the modernization of the State aid framework, particularly the rules applying to Services of General Economic Interest (SGEI), as well as further simplifications to banking regulation, should make it easier for Member States and NPBs to support affordable, social and sustainable housing.

Creating conditions for sustained Long-Term Investment

The European Affordable Housing Plan is part of a broader effort to tackle the housing crisis by improving coordination, scaling up effective financing models, and helping beneficiaries navigate available tools more easily. In line with the subsidiarity principle, respecting national and regional competences, this initiative has the potential to increase Europe’s response to the housing crisis.

The Plan includes several complementary measures - such as the launch of an expert advisory group to work on innovative financing solutions for Housing and the recommendation for Member States to establish on a voluntary basis, National Hubs on Housing to enhance coordination and collaboration amongst actors. These additional elements may provide a stronger and more coherent framework to support housing investment across the European Union.

ELTI and EAPB particularly welcome that the European Commission explicitly recognises the central role of NPBs when it comes to tackling housing crisis in Europe in a coordinated way. In addition, both associations support the concrete elaboration of the Pan-European Investment

Platform in form of a web portal. This initiative holds the potential of building a coordinated approach for sharing effective intervention models for the sector, allowing different funding mechanisms to be articulated and fostering synergies with existent systems.

Working together for Europe's housing needs

EAPB and ELTI remain steadfast in their commitment to close cooperation with the European Commission, the EIB Group, Member States, and regional partners.

By working together, we can create solutions that facilitate innovative financing, including revolving funds and funds of funds, mobilise private capital, and accelerate access to high-quality, affordable, and sustainable housing where it is most needed.

About EAPB: *The European Association of Public Banks (EAPB) gathers member organisations (financial institutions, funding agencies, promotional and public banks, associations of public banks and banks with similar interests) from 17 European Member States and countries, representing directly and indirectly the interests of over 90 financial institutions towards the EU and other European stakeholders. With a combined balance sheet total of about EUR 3.4 trillion and a market share of around 15%, EAPB members constitute an essential part of the European financial sector.*

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About ELTI: *The "European Long-Term Investors Association" represent a European-wide network of National Promotional Banks and Institutions (NPBIs) who offer financial solutions tailored to the specific needs of their respective country and economy. The association gathers 33 European long-term investors from 23 Member States across the European Union as well as candidate countries. With a combined balance sheet of € 2.9 trillion, ELTI's goal is to promote long-term investment in close alignment with the objectives and initiatives developed by the European Union in order to foster sustainable, smart and inclusive growth and job creation.*

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