

WINTER 2026 NEWS



EU institutions agree strategic priorities for 2026 at Council summit

On 18 December 2025 the European Council, the European Parliament and the European Commission agreed a joint set of strategic priorities for the Union's work in 2026. These priorities centre on strengthening economic resilience, supporting competitiveness, advancing the green and digital transitions, and enhancing social and territorial cohesion. Leaders emphasised the need to promote sustainable growth and investment, including in strategic value chains and infrastructure, while ensuring that policies reinforce the internal market and deliver tangible benefits for citizens and businesses across the Union. The agreed priorities also highlight the importance of supporting quality employment, inclusive social protection systems, education and skills development, and addressing regional disparities.

More information can be found [here](#).

HOUSING POLICY NEWS



Build Europe's team with the European Commission's Housing Task Force

European Commission publishes its European Affordable Housing Plan

On 16 December 2025 the European Commission published its European Affordable Housing Plan, setting out a comprehensive framework to support Member States in addressing housing shortages and rising affordability pressures across the Union. The Plan marks a major step in EU housing policy, recognising that housing challenges have become structural and require coordinated action at European level. The Plan outlines a package of measures designed to increase the supply of affordable homes, accelerate delivery, and improve access to housing for households facing the greatest difficulties. It places strong emphasis on boosting new construction while also scaling up renovation of the existing housing stock, particularly where this can improve energy efficiency and reduce long-term housing costs. A central pillar of the Plan is the mobilisation of investment. The Commission proposes to strengthen and better align EU funding instruments to support affordable housing projects, with a focus on leveraging public and private capital more effectively. Improved access to finance, risk-sharing mechanisms and support for large-scale and socially impactful projects are highlighted as key enablers to increase



housing supply. The Plan also addresses regulatory and administrative barriers that slow down housing delivery. Member States are encouraged to simplify planning and permitting procedures, reduce unnecessary administrative burdens and improve coordination between levels of government. According to the Commission, these reforms are essential to translate investment into completed homes within reasonable timeframes.

Prior to its publication, on 9 December 2025, Build Europe held a private meeting with the European Commission's Housing Task Force to discuss the content of the Plan. While Build Europe acknowledged that the Plan reflects several recommendations shared throughout 2025, it stressed that its publication inaugurates the start of a delicate (and critical) implementation phase. Build Europe reiterated the need for a clear economic reading of the housing crisis, underlining that speculative or financialised behaviours are largely a consequence of structural housing shortages rather than their primary cause. In this context, the Association welcomed the Commission's intention to further analyse market dynamics and strongly supported the launch of a European housing audit aimed at identifying regulatory and administrative barriers that constrain housing supply and increase costs.

The Plan is expected to guide legislative, financial, and policy initiatives throughout the next phase of the EU housing agenda.

More information can be found [here](#).

Revised SGEI Decision adopted with clearer framework for social and affordable housing

On 16 December 2025, the European Commission adopted the revised Decision on Services of General Economic Interest (SGEI Decision). The revision updates EU State aid rules to facilitate investments in affordable housing at national, regional and local level, while also simplifying, updating and clarifying several elements of the existing framework. Throughout the consultation process leading to the adoption of the Decision, Build Europe provided detailed inputs to the EU institutions, focusing in particular on legal clarity, proportionality, and the need to preserve a level playing field. From Build Europe's perspective, two elements of the final text are especially significant. First, the Decision confirms that social housing SGEI remains limited to disadvantaged households or socially less advantaged groups, including people experiencing homelessness, who

due to solvency constraints are unable to access housing at market conditions. Second, it clearly states that affordable housing SGEI should be open on equal terms to all market participants able to provide such services, regardless of their legal status or public or private nature.

Compared to the draft text submitted to consultation, the final Decision no longer includes a reference to a so-called “mixed SGEI” combining social and affordable housing within a single regime. Build Europe had explicitly opposed the introduction of this hybrid category, arguing that it would blur legal boundaries and risk market distortions. The final framework now clearly rests on two distinct regimes, social housing SGEI and affordable housing SGEI, each with its own conditions regarding beneficiaries, pricing and access for providers. At the same time, the Decision preserves the possibility for Member States to promote social mix at project level, notably by allowing a limited share of social housing to be allocated to non-disadvantaged households, without recreating a hybrid SGEI regime. While welcoming these clarifications, Build Europe notes that the notion of a “limited share” of non-vulnerable households is not defined at EU level, leaving Member States a margin of discretion in implementation. If applied too broadly, this could have effects similar to those raised during the consultation, particularly in terms of market distortion and reduced access for private operators beyond social housing. For this reason, the key issue now lies in national implementation. Build Europe will work with its members to closely monitor how the revised SGEI rules are applied in practice, with particular attention to proportionality and the effective preservation of fair competition.

More information can be found [here](#).

European Parliament study maps housing needs and impacts of scarcity across the EU

On 15 December 2025, the European Parliament published a study prepared for its Special Committee on the Housing Crisis examining housing needs across the European Union. The report provides an in-depth assessment of affordability, availability, and housing quality, as well as the broader social and economic consequences of housing scarcity across Member States.

In line with Build Europe’s analysis, the study finds that housing shortages have become a structural issue in large parts of the EU, particularly in major urban areas. It identifies persistent gaps between housing demand and supply, driven by rising construction costs, limited land

availability, complex regulatory and administrative procedures, and labour shortages in the construction sector. At the same time, demographic trends such as urbanisation, smaller household sizes, population ageing, migration and the expansion of short-term rentals continue to intensify demand pressures. Affordability emerges as a central concern throughout the analysis: a growing share of households face housing cost overburden, with the impact especially severe for low-income households, young people, single-parent families, migrants and people with disabilities. The study highlights that housing scarcity extends well beyond the housing market itself, affecting labour mobility, social inclusion, educational outcomes and public health. The report also examines the role of financialisation in housing markets. It argues that increased investment activity and speculative behaviour can exacerbate price pressures and reduce access to affordable rental housing, particularly in areas already affected by supply constraints. However, these dynamics are presented as interacting with existing structural weaknesses rather than acting as a standalone cause of the crisis. Finally, the study reviews the contribution of EU legislation and funding to housing outcomes. While EU policies have helped improve housing quality, notably through energy efficiency and climate related measures, their impact on affordability and supply remains uneven across Member States. The report calls for a more integrated and coordinated approach at EU level, supported by better data, clearer definitions, and targeted investment, to effectively address housing shortages and affordability challenges across Europe.

More information can be found [here](#).

European Parliament's HOUS Committee examines evidence gaps and data priorities

On 27 January 2026, the European Parliament's Special Committee on the Housing Crisis held a dedicated meeting focused on strengthening the evidence base for EU housing policy. The session brought together contributions from the European Commission's Joint Research Centre, Eurostat and the OECD, with the objective of assessing available data, recent analyses and remaining gaps relevant to the European Affordable Housing Plan.

The Joint Research Centre presented its ongoing work to support EU housing policy, highlighting its role as the Commission's scientific service. Since the creation of the Housing Task Force, the

JRC has been developing new datasets and analytical tools covering house prices, housing investment needs, short term rentals, vacant housing, intergenerational fairness, and the energy performance of buildings. Particular attention was given to new pan European datasets, including a harmonised housing price and transaction database at NUTS 3 level and a digital building stock model covering more than 270 million buildings. These tools are intended to help identify areas with acute housing shortages, high renovation needs and potential for repurposing existing buildings for affordable housing.

The JRC also presented new estimates of housing investment needs, indicating that around seven million additional dwellings will be required between 2025 and 2035 to meet unmet demand, with needs heavily concentrated in major cities, capital regions and areas experiencing strong economic growth or tourism pressure. Analysis of price drivers confirmed that both macroeconomic factors and place-based determinants matter, with higher prices observed in areas combining strong demand dynamics with weak supply responses.

Eurostat's presentation focused on recent trends in EU housing statistics. Members were presented with evidence showing a sharp increase in house prices since 2013, more moderate but persistent growth in rents, and a significant decline in residential building permits since 2021. Eurostat underlined the value of population and housing census data, geospatial statistics and new interactive tools to better capture housing costs, tenure patterns and construction activity across the Union.

The OECD contribution placed EU developments in a broader international context. It highlighted long-term increases in real house prices across OECD countries, strong urban rural price gaps, and growing affordability pressures for low-income households. The presentation also pointed to structural issues such as insufficient housing investment, delayed household formation among younger generations and persistent homelessness, while stressing the importance of comparable and reliable data to design effective policy responses.

Across all presentations, a common message emerged on the need to close critical data gaps. Speakers highlighted the lack of consistent information on vacant and underused dwellings, the limited understanding of short term rental dynamics, the obstacles constraining housing supply, and the long time horizons required to assess intergenerational impacts. The discussion confirmed that improving housing data will be essential to support evidence-based decision making as the EU moves into the implementation phase of its housing agenda.

More information can be found [here](#).

Council of the EU publishes research paper on the structural nature of Europe's housing crisis

In January 2026, a new research paper titled “*One roof, many realities: Europe’s complex housing crisis*” was published by the Analysis and Research Team of the Council of the European Union. The study provides a comprehensive overview of housing challenges across the EU, highlighting the structural nature of the crisis and the wide diversity of housing systems, market dynamics and policy constraints across Member States. The publication shows that housing affordability pressures have intensified sharply over the past decade. House prices across the EU increased by more than 60% between 2015 and 2025, while rents also rose steadily, particularly in urban and economically dynamic regions. As a result, housing costs now absorb a growing share of household income, with urban households and lower income groups disproportionately affected. The report underlines that these trends are compounded by external shocks such as the pandemic, energy price volatility, geopolitical instability and demographic change.

A central finding of the paper is that housing supply has persistently lagged behind demand. New residential construction has struggled to recover from the long-term effects of the financial crisis, and more recently from higher interest rates, rising construction costs, labour shortages and administrative delays. The slowdown in building activity has contributed to structural shortages, especially in cities and high-demand regions, while the existing housing stock remains largely old and energy inefficient, driving up living costs and energy poverty.

The publication concludes that there is no single solution to Europe’s housing crisis. While EU-level action can support investment, data collection, and policy coordination, effective responses must reflect national housing systems and local conditions. The report calls for a balanced approach that addresses supply constraints, affordability, housing quality and financial stability, while avoiding measures that could unintentionally worsen shortages or inequalities.

More information can be found [here](#).

New study published on housing affordability and price dynamics

In January 2026 a new academic study appeared in *Habitat International*, analysing how housing markets respond to shifts in supply and demand across different national contexts. The research examines price and rent behaviour alongside construction activity, offering an updated perspective on the drivers of housing affordability and the consequences of persistent supply constraints. The study finds that when housing supply fails to adjust to rising demand, both purchase prices and rents are pushed upward, with the greatest impacts felt by lower-income households and in regions experiencing strong economic growth. In markets where supply can expand more readily, price pressures are less pronounced, underscoring the role of structural constraints (including land availability, regulatory complexity and limited construction capacity) in shaping affordability outcomes. By comparing different country cases, the authors show that restrictive planning regimes and high construction costs can amplify the effects of demand shocks, leading to greater volatility in housing costs over time. The analysis also highlights that access to credit and broader macroeconomic conditions interact with these structural factors, influencing both investor behaviour and household decision-making.

Overall, the study points to the importance of supply-oriented policy measures to enhance housing affordability. It suggests that reducing administrative barriers, expanding construction capacity, and improving the responsiveness of housing markets to demand can help mitigate price and rent escalation, particularly for vulnerable groups.

More information can be found [here](#).

ESPON publishes RESH case studies on housing and regional supply challenges

On 10 December 2025, the European Spatial Planning Observation Network (ESPON) released a set of RESH case studies examining how housing affordability pressures and supply constraints vary across different territorial contexts in Europe. The publication compiles detailed local and regional evidence to complement the broader quantitative analyses of the RESH (Regional Experiments for Sustainable Housing) project, offering insight into specific drivers, patterns and responses in selected locations across Member States. The case studies document how diverse socio-economic and spatial factors combine to shape housing market outcomes. For example, in

regions with strong economic growth and tight labour markets, such as major metropolitan areas and dynamic intermediate cities, the studies find that high demand and limited land availability have led to steep price increases and rental pressures. In contrast, several rural and peripheral regions face different challenges, including declining populations, low investment and a mismatch between housing supply and local needs. Across the cases, common themes emerge. One is the role of regulatory and administrative systems in influencing how quickly housing can be delivered and adapted to local demand. Complex permitting procedures, fragmentation in governance and lack of coordinated planning are identified as factors that slow down new construction and renovation in many contexts. Another is the interaction between housing markets and labour mobility, with cross-border commuting and regional economic specialisation shaping demand patterns in ways that standard national statistics may overlook.

The case studies also highlight innovative local approaches to addressing housing challenges. These include targeted land-use policies, tailored financing mechanisms, partnerships between public authorities and non-profit developers, and strategies to repurpose underused buildings for residential use. By documenting these experiments, the publication provides a rich evidence base for policymakers seeking context-sensitive solutions.

More information can be found [here](#).

FISCAL & FINANCIAL NEWS

European Commission's quarterly euro area report highlights slower house price growth and mixed housing demand signals

In December 2025, the European Commission published its Quarterly Report on the Euro Area, providing an updated assessment of macroeconomic trends and sectoral developments across the euro area. The report notes that the housing market remains a key component of broader economic dynamics, with significant implications for affordability, investment and consumption. On the demand side, the report finds that real disposable incomes continued to grow in 2025, supported by wage increases and falling inflation. This improvement in purchasing power has sustained consumer demand, including for housing, even as interest rates remain historically

elevated compared with pre-pandemic levels. However, demand growth has become more heterogeneous across Member States, with stronger pressures in urban and high-growth regions and softer activity in less dynamic areas, reflecting uneven economic conditions and labour market outcomes. House price growth in the euro area continued to moderate in the second half of 2025. After sharp increases earlier in the decade, the pace of price growth slowed significantly, with some countries reporting stable or only mildly rising prices in the most recent quarters. This moderation is partially attributed to rising construction costs, limited availability of new housing and tighter financing conditions. While headline inflation for housing components remains elevated compared with other categories, the divergence between price and rent dynamics persists, with rents generally rising more gradually than purchase prices.

On the supply side, the report emphasises structural constraints that continue to limit housing delivery. Residential investment has lagged behind overall economic growth for much of the past decade, and the stock of housing remains insufficient to meet current and projected needs. Building permit data presented in the report show continued weakness in approvals in several Member States, reflecting ongoing regulatory and administrative bottlenecks as well as cost pressures in construction materials and labour.

The report also flags risks associated with high levels of household debt in certain segments of the euro area. While most debt remains concentrated among longer-term, fixed-rate mortgages, elevated indebtedness may constrain future consumption and investment decisions if economic conditions deteriorate or financing conditions tighten further.

More information can be found [here](#).

EIB Group scales up support for housing under the European Affordable Housing Plan

At the end of 2025, the EIB Group announced a major increase in its support for housing across the European Union, doubling its planned financing to six billion euros in 2026. This reinforced commitment is intended to contribute directly to the implementation of the European Affordable Housing Plan and to help address persistent shortages and affordability pressures in many Member States. The increased financing will support a mix of new housing construction, renovation of existing buildings and innovation in the housing sector. A particular focus is placed



on improving energy performance, accelerating delivery and supporting solutions that can be replicated at scale. The EIB Group also aims to work more closely with national promotional banks, local authorities and housing providers to ensure that funding reaches projects with strong social and territorial impact.

Alongside lending, the EIB Group plans to expand its advisory and investment platforms to help structure housing projects and combine EU funds with public and private financing. This approach is designed to improve project preparation, reduce risks and mobilise additional investment.

More information can be found [here](#).

EIB Group report highlights housing alongside education and health investments

On 14 January 2026 the European Investment Bank published a new report analysing the role of EIB Group financing in addressing opportunity gaps across three key social sectors: education, health and housing. The publication provides an overview of past investment trends and outlines how the Bank's support contributes to improved access, quality and sustainability in these essential areas. The report shows that EIB Group financing has increasingly targeted projects that generate long-term social impact, including energy-efficient renovation of existing buildings, new housing supply and improved housing quality. While investment in education and health infrastructure remains substantial, the housing component is identified as a growing priority, reflecting wider public policy concerns over shortages, affordability pressures and regional disparities in access to adequate homes.

According to the analysis, EIB Group support for housing combines direct lending with advisory and blended finance instruments designed to mobilise additional public and private capital. The report highlights that targeted financing can help overcome structural constraints and transaction bottlenecks that often slow down housing delivery, particularly in areas with acute demand pressures. By facilitating investment in both new construction and the renovation of existing housing stock, the EIB Group aims to support more balanced territorial development and contribute to broader economic and social resilience.

The publication situates housing investment within the broader context of social infrastructure financing, underscoring that access to affordable and quality homes interacts with educational outcomes and health. Stable housing conditions, the report argues, can improve educational



attainment and health outcomes by reducing stress and instability for families, thereby creating positive spillovers across sectors.

More information can be found [here](#).

ENVIRONMENTAL & TECHNICAL NEWS

European Commission announces the launch of its new EU Construction Platform

On 17 December 2025, the European Commission held an online launch event for the EU Construction Platform. The platform is an online hub designed to facilitate dialogue, share information, and support the green and digital transition of Europe's construction ecosystem. It acts as a one-stop shop for stakeholders, offering tailored access to news, policy updates, funding opportunities, best practices and learning resources.

More information can be found [here](#), [here](#), and [here](#).

Build Europe responds to Commission call for feedback on the Construction Services Act

On 4 December 2025, Build Europe submitted its feedback to the European Commission's call for evidence on the future Construction Services Act, welcoming the initiative as an opportunity to improve the functioning of the Single Market for construction and installation services. In its contribution, Build Europe stressed that Europe's housing crisis is primarily driven by structural supply constraints at national and local level, including slow permitting procedures, regulatory fragmentation, labour shortages, and rising costs. While cross-border construction services can help ease some pressures, Build Europe highlighted persistent obstacles such as limited mutual recognition of qualifications and certificates, incompatible construction site cards and divergent professional requirements, which continue to hinder efficiency and mobility.

Build Europe called for a proportionate EU framework focused on removing practical barriers, strengthening mutual recognition and reducing administrative duplication, while avoiding prescriptive approaches that could restrict innovation or add new compliance burdens. It also



underlined the importance of a fair level playing field between private, public and non-profit actors in housing delivery. Build Europe's feedback can be found [here](#).

Following the call for feedback, on 13 January 2026, the European Commission launched a public consultation on the Construction Services Act, which will remain open until 20 April 2026. Build Europe will prepare and submit a response in due course. More information can be found [here](#).

European Commission unveils environmental simplification package to accelerate permitting and support strategic projects

On 10 December 2025, the European Commission presented a package of measures to simplify environmental legislation in the areas of industrial emissions, circular economy, environmental assessments, and geospatial data. The changes will contribute to reducing the administrative burden for businesses, while keeping the EU's ambitious objectives to protect the environment and human health. It will accelerate and streamline permitting processes for all projects, in particular in strategic sectors, such as strategic digital projects, critical raw materials projects and affordable housing, facilitating the transition to a clean and digital economy in the EU.

The legislative proposal will now be submitted to the European Parliament and the Council for adoption.

More information can be found [here](#).

Build Europe attends Construction 2050 Alliance's meeting

On 20 January 2026, Federico Nahuel Lazzari, Secretary-General of Build Europe, participated in a meeting organised by the Construction 2050 Alliance, which brought together more than thirty European organisations and senior European Commission officials to discuss EU housing construction policy and the role of the construction sector.

Discussions focused on the implementation of the European Affordable Housing Plan and the new EU strategy for housing construction. Key issues included permitting delays, administrative complexity, access to skills and the need to strengthen the competitiveness of the construction sector. Participants agreed that closing the gap between housing supply and demand requires a more productive, visible and coordinated construction ecosystem at EU level. Governance within the Alliance and the future role of the High-Level Construction Forum were also

discussed, with broad support for giving them a stronger strategic and political role. Members agreed to jointly prepare a position paper ahead of the Antwerp III Industrial Summit on 11 February and the informal Council meeting on 12 February, and to continue working together throughout the year to ensure the sector's voice is heard at EU level. Moreover, European Commission officials Barbara Bonvissuto and Pieter Staelens presented the European Affordable Housing Plan and took part in exchanges on labour mobility and skills shortages. They clarified that no changes are planned to existing EU rules on posting of workers or social security coordination, which are addressed in separate processes. Discussion therefore focused on border regions, where labour mobility can help ease local skills shortages, and on better mutual recognition of qualifications and training certificates. Participants stressed that any action in this area should support SMEs, respect national systems and avoid creating new administrative burdens, while recognising that labour mobility is only one of several tools needed to improve housing delivery and affordability.

More information can be found [here](#).

Build Europe attends workshop on soil sealing and land take guidance

On 21 January 2026, Build Europe attended an expert workshop organised by WSP for the European Commission on best practices to address soil sealing and land take, as part of the preparation of updated EU guidance supporting the implementation of the EU Soil Strategy for 2030. The workshop brought together a wide range of stakeholders, including public authorities, researchers, practitioners, and Commission representatives, to provide targeted feedback on the draft guidance. Discussions focused on the land take hierarchy, policy and legislative instruments, spatial planning and urban design, land recycling and brownfield redevelopment, as well as complementary measures such as green infrastructure and building design. Participants emphasised the need for flexible, locally adapted solutions, clearer terminology, better monitoring tools and a balanced assessment of environmental, social and economic impacts.

Throughout the exchanges, it was underlined that there is no single solution to reducing land take and soil sealing. Effective action depends on how measures are designed and implemented on the ground, taking into account local conditions, governance structures and long-term impacts. The feedback gathered during the workshop will be used to refine the draft guidance,



which is intended to support Member States, local authorities and private actors in implementing the Soil Monitoring Law and advancing the long-term objectives of the EU Soil Strategy.

More information can be found [here](#).

Commission study examines potential of Digital Building Permits

On 7 January 2026, the European Commission published a study on the potential impact of implementing Digital Building Permits (DBP) within the EU construction sector. The study provides a comprehensive analysis of current practices and systems related to building permit processes in six Member States and evaluates the benefits and challenges of transitioning to a digital format, including potential efficiency gains, cost savings, and reduction of administrative delays.

More information can be found [here](#).

European Commission encourages a life-cycle framework for low-carbon construction materials

On 16 December 2025, the European Commission published a communication inviting Member States, industry stakeholders and standardisation bodies to develop a common calculation framework for assessing the life-cycle carbon emissions of construction materials. The initiative responds to the challenge of reducing the carbon footprint of buildings throughout their entire life span, from the extraction of raw materials through production, transport, construction, use and end-of-life. The communication highlights the growing urgency of addressing embodied carbon in the built environment. While operational energy performance of buildings has been the focus of past regulation, the Commission notes that the emissions associated with construction materials themselves (particularly concrete, steel and other energy-intensive inputs) now represent a significant share of total emissions in the building sector. A shared methodology for measuring and comparing these emissions is seen as a necessary prerequisite for transparent reporting, fair competition and sound investment decisions.

A harmonised life-cycle calculation framework would allow public authorities, private investors and developers to compare products on a consistent carbon basis and to prioritise lower-carbon alternatives. The communication also points to existing voluntary schemes and emerging

standards as important starting points, but emphasises that further work is needed to ensure alignment with broader EU climate and industrial policy goals.

By encouraging collaboration between standardisation organisations, technical experts and market actors, the Commission aims to accelerate the adoption of low-carbon materials in construction. Such a framework could ultimately feed into future public procurement rules, building codes and green investment criteria, reinforcing the contribution of the construction sector to the European Union's climate neutrality objectives.

More information can be found [here](#).

Commission report highlights potential of office conversions for affordable housing

In January 2026, the European Commission published a report examining how the conversion of vacant office buildings into affordable housing can contribute to addressing housing shortages while supporting climate and land-use objectives.

The report finds that office-to-housing conversions can provide faster and more resource-efficient housing solutions than new construction, particularly in high-demand urban areas where office vacancies have increased since the COVID-19 pandemic. Based on case studies from several Member States, it shows that such projects can deliver high-quality, energy-efficient homes and, under the right conditions, be economically viable, although they often require public support and regulatory flexibility. The publication identifies key success factors, including streamlined permitting, adaptable building regulations, financial incentives and strong cooperation between public authorities, developers and local communities. It concludes that repurposing underused office stock can make a meaningful contribution to affordable housing supply and is relevant for the implementation of the forthcoming European Affordable Housing Plan.

More information can be found [here](#).

European Construction Observatory publishes report that maps skills needs in the construction sector up to 2030

In January 2026, the European Construction Observatory published a report analysing current and future skills needs in the construction sector, looking ahead to 2030. The study examines how structural changes linked to the green and digital transitions, demographic trends and regulatory developments are reshaping skills demand across construction activities. According to the report, the sector is facing persistent labour shortages, driven by an ageing workforce, difficulties in attracting young workers and growing demand for construction and renovation. These shortages are expected to intensify in the coming years, particularly in occupations linked to energy-efficient building, renovation of existing stock, and the deployment of low-carbon construction methods. The analysis highlights increasing demand for both technical and transversal skills. Alongside traditional construction trades, there is rising need for competences related to digital tools, data use, building information modelling, off-site construction and innovative materials. Skills linked to energy performance, life-cycle thinking and compliance with evolving regulatory requirements are also becoming increasingly important.

The report underlines the role of education, training and upskilling in addressing these challenges. It points to the need for stronger links between training systems and labour market needs, improved attractiveness of construction careers, and better anticipation of skills demand at national and EU level. By providing a comparative overview across Member States, the study aims to support policymakers and stakeholders in designing targeted measures to ensure the construction workforce can meet future demand up to 2030.

More information can be found [here](#) and [here](#).

NEWS FROM BUILD EUROPE MEMBERS

Bulgaria - Bulgaria joins the euro area

On 1 January 2026, Bulgaria joined the euro area. This is a historic milestone for the country and a significant opportunity for people and businesses across the euro area.

More information can be found [here](#).

France - Laurent Beaugiraud elected President of Pôle Habitat FFB

On 15 January 2026, Laurent Beaugiraud was elected President of Pôle Habitat FFB, member of Build Europe, by the organisation's Board of Directors. He will formally take up his mandate on 2 April 2026, following the General Assembly, succeeding Grégory Monod, who had held the position since 2019.

More information can be found [here](#).

France - French government launches large-scale housing recovery plan

In January 2026, the French government announced a major shift in housing policy, unveiling a recovery plan aimed at delivering two million homes by 2030, or around 400,000 new dwellings per year. French Prime Minister Sébastien Lecornu described housing as a national emergency that cannot be postponed and set out one of the most ambitious construction targets of the past decade. The plan combines strong incentives for private investment with renewed support for social housing. A new tax scheme for private landlords will replace the former Pinel system, offering amortisation-based tax benefits in return for long-term rental commitments and applying across the whole country. At the same time, the government will ease financial pressure on social housing providers in the 2026 budget, allowing them to step up construction and renovation at a time when nearly three million households are waiting for a social home.

More information can be found [here](#).

France - French National Assembly adopts landlord tax incentive

In January 2026 the French National Assembly approved a new tax regime for private residential landlords designed to encourage investment in rental housing. The measure allows landlords to deduct a fixed annual percentage of a property's value from taxable income, with higher rates for intermediate and social rentals, in exchange for a minimum nine-year rental commitment. The status still needs confirmation in the final 2026 budget law and may be adjusted as it moves through the legislative process.

More information can be found [here](#).

Germany – BFW Board of Directors meets in Brussels to discuss EU housing and construction policy

On 26 and 27 January 2026, the Board of Directors of BFW held a meeting in Brussels. Build Europe was among the invited organisations, alongside Member of the European Parliament Christian Doleschal and European Commission representative Pieter Staelens, who presented the European Affordable Housing Plan. Discussions covered key EU files, including the Energy Performance of Buildings Directive, with a focus on zero-emission buildings, overall energy performance, life-cycle assessment and the “worst-first” approach to renovation of the existing stock. The meeting also provided insights into broader EU policy initiatives affecting housing, construction and growth, highlighting that while national housing markets differ, common challenges related to housing shortages, financing and regulation are shared across Member States, underlining the value of continued dialogue and cooperation at European level.

More information can be found [here](#).

Germany – Germans criticise insufficient government action to tackle housing shortages

A majority of Germans believe that there is too little affordable housing available.

More information can be found [here](#).

UK – HBF's survey finds construction output could rise strongly with the right support

In a briefing published on 4 November 2025, the Home Builders Federation (HBF), member of Build Europe, presented new findings from its latest State of Play report, based on a survey of small and medium-sized home builders in England and Wales. The survey shows that despite ongoing cost pressures, planning delays and regulatory complexity, SME builders believe their output could increase by 56 percent a year on average if the right policy measures were in place. Respondents highlighted several barriers to growth, including cumulative viability pressures, difficulties securing planning permissions, limitations in local authority capacity, and issues with infrastructure provision. Nearly all surveyed builders said that taxation and the regulatory environment are major obstacles to business growth. The report also found that easing planning complexity, increasing the availability of small building sites, and providing targeted support for first-time buyers were among the priority areas where intervention could unlock additional delivery. According to the survey, if these constraints were addressed, SME home builders could contribute a total of around 100 000 new homes annually, equivalent to roughly one-third of the Government's 300 000 homes per year target. The briefing underscores the importance of policy reforms that improve planning efficiency, reduce costs and support smaller developers in scaling up their contribution to housing supply.

More information can be found [here](#).

Ukraine – Housing for IDPs outlines its 2025–2026 pipeline for displaced Ukrainians

Housing for IDPs has announced its vision and project pipeline for 2026, setting out a series of concrete housing projects aimed at providing safe and long-term accommodation for internally displaced and vulnerable Ukrainians. Established in 2022, the Ukrainian non-profit foundation brings together multidisciplinary expertise to convert unused buildings, renovate existing structures and work with local authorities on new housing solutions.

The initiative has already delivered several projects, including apartment renovations and the purchase of homes for displaced families, and now plans to expand its impact through a pipeline



of redevelopment and renovation projects across multiple regions. The proposed projects focus on repurposing former public buildings and dormitories, with the objective of creating stable housing while supporting local communities and recovery efforts.

More information can be found [here](#).

Build Europe's upcoming activities

- 12 February 2026: Special Joint Committee meeting (online)
- 30 April 2026: High-Level Construction Forum (Brussels)
- 11-12 May 2026: Informal Ministerial Conference on Housing (Lefkosia, Cyprus)
- 27-29 May 2026: Build Europe Congress in Cambridge (UK)