

Fostering EU Cooperation to Enhance Financing for Affordable and Sustainable Housing

Brussels - On November 21, 2024, the European Association of Public Banks ([EAPB](#)) successfully hosted a high-level panel discussion on “**Shaping the Future of Affordable and Sustainable Housing in Europe**” at the Representation of the State of North Rhine-Westphalia in Brussels. The event brought together key stakeholders, including regulators, public banks, and social housing associations, to address the urgent need for a coordinated approach to financing social and affordable housing across Europe.

The event highlighted the **critical investment gap in social infrastructure**, with an estimated annual shortfall of **EUR 100-150 billion**, including **EUR 57 billion** specifically for housing. This underscored the need for both public and private investments to bridge this gap and ensure the availability of affordable housing across Europe.

As part of the European Commission's efforts, the [European Affordable Housing Plan](#) aims to enhance market liquidity, increase cohesion policy investments, and revise state aid rules to support energy-efficient and social housing. The panel emphasized that **public funds alone will be insufficient**, and that a comprehensive EU-wide approach that empowers each key stakeholder, including a clear definition of social impact financing and relevant financial instruments, is essential to attract private investment. The notion of affordability varies across jurisdictions and so do the solutions. Hence, public and promotional banks which have the **local knowledge** and **experience** are pivotal for the solution.

Experts in the field, including **Ms. Kim van Sparrentak**, MEP ([GREENS/EFA](#)), **Mr. Johannes Böhmer**, Vice-Governor of Social Development Strategy at the Council of Europe Development Bank ([CEB](#)), **Ms. Sorcha Edwards**, Secretary General of [Housing Europe](#), **Mr. Stefan Moser**, Head of Unit at [DG ENER](#), European Commission, and a representative of the European Investment Bank ([EIB](#)) as well as **Mr. Esa Kallio**, CEO of [MuniFin](#), and **Ms. Merle Becker**, (moderator), discussed key strategies for enhancing social housing investments, ensuring long-term sustainability, and the critical role of public banks in financing social housing projects. These banks, including the **EIB** and **CEB**, are essential in filling market gaps, ensuring energy-efficient, affordable, and inclusive housing, and supporting the green transition in social housing.

The EAPB is **committed to supporting affordable and sustainable housing** through cooperation at all levels, with its members working to bridge Europe's social investment gap, which is expected to reach **EUR 1.5 trillion by 2030**. EAPB members also take into account the green objectives when providing funding, aligning with EU sustainability goals and supporting energy-efficient housing solutions. As implementing partners under **InvestEU**, they are critical in directing funds to both sustainable development and the expansion of social housing.

In her opening speech, **EAPB President** and **CEO of [NWB Bank](#)**, **Ms. Lidwin Van Velden**, stated:

“To foster **affordable** and **sustainable** housing it is necessary to join forces and work together. **Public banks**, in partnership with **private entities**, must drive **investments** that meet both **social** and **sustainable** objectives. We are committed to fostering **cooperation** that enables **growth** and **change**, ensuring that affordable and sustainable **homes** are not just a vision but a reality for all.”

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Event takeaways are available [here](#) - Pictures are accessible [here](#) - For inquiries contact us [here](#)

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.