

CONCRETE EUROPE Position Paper on Affordable and Sustainable Housing

Contributing to Europe's Housing Future

Europe is facing an escalating affordable housing crisis, as demand increasingly exceeds supply in many urban areas. This imbalance is pushing low- and middle-income households into housing insecurity. The situation is further aggravated by limited public investment - driven in part by rising construction costs - and a growing shortage of skilled labour in the construction sector, particularly in cities such as Berlin, Paris, and Dublin. According to Eurostat¹, over 8% of the EU population spends more than 40% of their income on housing, surpassing the threshold for housing cost overburden. In 2024, the European Commission announced a comprehensive **European Affordable Housing Plan** to tackle the housing crisis by increasing public and private investment and revising state aid rules to support energy-efficient projects. As part of this plan, a dedicated **Strategy for Housing Construction** will be developed as a key component aimed at boosting housing supply by enhancing productivity and competitiveness in the sector. Concrete Europe fully supports this initiative, emphasising the three pillars of sustainability: environmental responsibility, economic feasibility, and social inclusion.

Concrete Europe aims to provide policy recommendations for the affordable and sustainable European Housing Plan, including the Strategy for Housing Construction, and outline concrete as a durable, energy-efficient, and recyclable material that meets affordable housing standards.

7 Policy Recommendations for the Affordable and Sustainable Housing Plan and the Strategy for Housing Construction

1. Promote Sustainable and Climate-Resilient Housing

The European Union (EU) should adopt a comprehensive approach to housing that ensures sustainability, resilience, and affordability. Housing policies must align with the EU Green Deal and Renovation Wave objectives by promoting the use of energy-efficient, low-carbon, and durable construction materials such as concrete. Financial incentives towards innovative leading technologies and solutions that can address housing affordability should encourage climate-adaptive designs, including improved insulation, flood-resistant structures, and smart energy systems. By streamlining permitting processes for sustainable renovations and new builds, the EU can support faster and more cost-effective housing delivery while reducing the environmental footprint of the construction sector.

2. Embed Circular Economy Principles in Housing Policy

¹ <https://ec.europa.eu/eurostat/statistics-explained/index.php?oldid=650485&utm>

To enhance resource efficiency and minimise construction waste, EU housing policies should prioritise the use of recyclable, long-lasting, and low-carbon materials like concrete. Publicly funded projects should adopt design-for-disassembly principles to enable material reuse and reduce environmental impact. Strengthening domestic supply chains and promoting the use of locally sourced, sustainable materials will bolster market resilience, reduce reliance on imports, and support affordability in housing construction.

3. Drive Digital Innovation and Workforce Development

Digital technologies in construction can significantly improve efficiency, quality, and sustainability. EU policymakers should encourage the integration of **Building Information Modelling (BIM)**, Artificial Intelligence (AI), and automated planning tools to improve design precision and reduce material waste. Houses built with **ready-mix concrete** can integrate technologies for energy efficiency, home automation, and smart building management, facilitating their connection with smart city ecosystems. Simultaneously, investment in vocational training, apprenticeships, and upskilling initiatives is essential to ensure that construction professionals can apply modern, energy-efficient methods. EU funding should support training programmes focused on sustainable practices, digital tools, and concrete technologies to address labour shortages and ensure high-quality housing delivery.

4. Expand Public Investment and Financial Support for Housing

In the next Multiannual Financial Framework (MFF), the EU should establish a dedicated **Affordable Housing Fund** to support member states in delivering social and affordable housing. Public-private partnerships should be incentivised to attract private sector investment while ensuring affordability and social equity. EU Structural and Investment Funds and future resources like the Social Climate Fund and ETS II revenues should be mobilised for housing projects, particularly in high-demand urban areas. Low-interest loans, green bonds, and innovation funds can attract private finance, while tailored schemes should support small developers and community-led housing initiatives.

5. Improve Public Procurement for Sustainable Housing

Public procurement frameworks must prioritise durable, energy-efficient, and low-emission building materials. Lifecycle cost assessments should become standard in evaluating bids, ensuring long-term value and performance. Procurement processes should be simplified to enable broader participation by small and medium-sized enterprises, supporting innovation and competition in sustainable housing delivery. Public procurement should consider long-term energy and cost savings through life-cycle costing, rather than focusing solely on initial expenses. The Level(s) framework and EPD methodologies should serve as a reference for assessing materials' sustainability and life-cycle performance in both public and private projects. Public authorities must lead by example to stimulate market uptake of durable and sustainable building solutions.

6. Ensure Comprehensive Fire Safety Standards

Fire safety regulations must be harmonised and rigorously enforced across Member States. EU policies should promote the use of **fire-resistant materials - such as concrete**, which does not burn, does not release toxic smoke, and maintains structural integrity even at high temperatures - along with advanced detection and suppression systems. Funding should be made available to retrofit older buildings to modern fire safety standards, protecting residents and ensuring compliance in both new and existing housing.

7. Strengthen Stakeholder Engagement in Housing Development

Effective housing policy requires inclusive dialogue. EU institutions should engage housing providers, community organisations, industry experts, and financial institutions in shaping policy and implementation. An annual ***EU Housing Summit*** would help coordinate efforts, share best practices, and track progress toward affordable, sustainable housing goals. Concrete Europe welcomes the establishment of the Commission's Housing Advisory Board, a dedicated expert group providing independent policy recommendations in support of the forthcoming European Affordable Housing Plan. We encourage the Board's members to deepen their engagement with the built environment sector and foster a constructive, solutions-oriented dialogue to ensure the success of this important initiative.

Concrete's Contribution to Affordable and Sustainable Housing

Concrete plays a crucial role in addressing Europe's affordable housing needs while supporting the EU's environmental and social objectives. As the EU moves toward delivering sustainable, inclusive, and climate-resilient housing, concrete's inherent properties (see below) make an essential partner in achieving the objectives of the EU Green Deal and the Affordable Housing Initiative.

- ✓ **Durability and safety:** Concrete offers exceptional durability, long lifespan, low maintenance, and superior fire, seismic and weather resistance. These qualities ensure long-term value and reduce life-cycle costs for both developers and residents.
- ✓ **Local availability:** Concrete is a local product with raw materials locally available. The key ingredient cement is also locally available as it is based on limestone which is widely and abundantly available. Concrete supports local employment and reduces reliance on imported construction materials, contributing to resilience and autonomy in supply chains - important aspects under EU industrial policy.
- ✓ **Environmental benefits:** Concrete supports climate goals by incorporating recycled content, minimising on-site emissions, and offering excellent thermal mass, which improves energy efficiency, improves thermal comfort and reduces energy bills. It also aligns with circular economy principles through design for reuse and recyclability.
- ✓ **Cost-effectiveness:** Concrete construction enables cost predictability and reduced waste through industrialised and optimised design and processes (Modern Methods of Construction), helping developers meet affordability targets while maintaining quality standards.
- ✓ **Accelerated delivery:** Concrete solutions - whether precast or ready mixed cast-in-situ - can shorten project timelines by enabling parallel workflows and more efficient on-site assembly, expediting delivery and reducing financing costs.
- ✓ **Design flexibility:** Concrete enables architectural versatility, allowing developers to create adaptable, attractive, and community-oriented housing solutions that meet diverse needs while maintaining affordability.

Conclusion

Concrete Europe strongly advocates a comprehensive approach to the housing crisis - one that combines environmental, economic, and social sustainability. Achieving this vision requires supportive EU policy frameworks, investment in industrialised and digital construction methods, and a skilled workforce. Through collaboration with European institutions, developers, and industry stakeholders, concrete can play a leading role in delivering affordable, resilient, and sustainable homes for all.