



New EU rules to help local authorities tackle the housing crisis

Brussels, 9 September 2026

The Commission today proposed the [Affordable Housing Act](#) to support Member States and cities address housing affordability and availability in areas facing the greatest pressures. **The lack of affordable housing has become one of the most urgent concerns for Europeans.** According to the latest Eurobarometer, over 50% of city dwellers consider housing as an immediate and urgent problem where they live. Today's proposal helps addressing these concerns. The housing crisis also weakens our competitiveness, by limiting labour and educational mobility. Therefore, it is essential to address it.

In some cities and popular tourist destinations, where pressure on housing is strongest, the increasing use of housing for purposes other than primary residence can aggravate local availability and affordability. The **Affordable Housing Act** responds to these highly localised concerns. **It gives public authorities the legal certainty when they choose to act, based on local specificities, within EU law.**

Some Member States have already taken measures to ease such pressures, but have been faced with legal challenges about the compatibility with EU law. The **Affordable Housing Act** brings clarity and predictability, and addresses the request of Member States and municipalities for **greater legal certainty** on how they can act in the context of the EU's single market.

Ursula **von der Leyen**, President of the Commission said: *"A year ago, I promised to tackle Europe's housing affordability. Today, we are taking one step in this direction. By providing more clarity and support to local authorities and communities, anchored in local realities. Lack of affordable housing is a matter of concern for so many of our European citizens. Essential workers and students cannot afford to live where they serve and study. But most importantly, it is about fairness. Today, we are delivering for all Europeans "*

Legal certainty for authorities protecting housing affordability and availability

The Affordable Housing Act provides the first-ever **common European framework for assessing housing-related measures affecting the single market**. It leaves the decision on whether to act, and which measures to adopt, to the competent authorities. **Housing policy choices remain national, regional and local.**

The Act is designed to provide legal clarity to authorities, when they choose to take action, in areas under housing stress, while safeguarding the Single Market and **fully respecting the principle of subsidiarity**.

The new rules are designed to help competent authorities identify **"areas under housing stress"** using a common methodology. Where authorities choose to restrict the use of housing, for instance for short-term rentals or vacant dwellings, they must show that this contributes to local housing pressures and ensure that any **measures are targeted, necessary and proportionate**.

As regards **short-term rentals**, any measure must be targeted at activities that reduce the housing stock available for long-term use, especially where their scale, frequency or commercial character aggravate housing pressure. Before introducing restrictions, authorities must also demonstrate that short-term rental activity has had a significant adverse effect on housing affordability or availability for at least three years, and that less restrictive measures would not be equally effective. They must apply and enforce the [EU Short-Term Rental Regulation](#), including its registration requirements and the removal or disabling of listings that do not comply with them, and, where available, use the data collected under that Regulation to support their assessment.

Short-term rentals are not the only form of non-primary use of housing that can aggravate housing

pressures. Authorities are also taking measures affecting the acquisition or use of residential property, for example to address **second homes or prolonged vacancy**. The Affordable Housing Act also provides a clearer framework for such action. The Act protects legal certainty and legitimate expectations: conditions linked to acquisition cannot apply retroactively, appropriate transitional arrangements must be provided, and measures addressing long-term vacancy should take into account justified periods of non-occupation.

For residents in areas under pressure, the aim is that **measures taken locally are better targeted, better supported by evidence and reviewed over time**, and that they are accompanied by measures to increase housing supply. Investors and property owners operating across several local markets will benefit from more clarity on the EU legal framework.

The proposal is accompanied by a [Recommendation on housing affordability and supply in areas under housing stress](#). It supports authorities in their efforts to increase housing supply in areas that need it most, including through faster planning and permitting of new construction renovation and repurposing buildings and facilitating investment. Authorities are also encouraged to concentrate such efforts to increase housing supply via **Housing Acceleration Plans**. Together, the legislative proposal and the Recommendation help authorities preserve housing affordability and availability while accelerating the additional housing supply the EU needs. The Act is one component of the [European Affordable Housing Plan](#), alongside the [new State aid rules for affordable housing](#) and the [European Strategy for Housing Construction](#).

Next steps

The legislative proposal will now pass to the European Parliament and the Council under the ordinary legislative procedure. In parallel, the Commission will continue collaborating closely with Member States and all relevant stakeholders to implement the [European Affordable Housing Plan](#).

Background

The **Affordable Housing Act** delivers on President Von der Leyen's [State of the Union address of September 2025](#), where she announced that the Commission would have tackled housing affordability with a legal initiative. It is a flagship initiative under the [European Affordable Housing Plan](#) and complements EU action to mobilise public and private investment in social and affordable housing and to reduce the time and cost of building and renovating homes. It also complements [existing EU rules on short term rentals](#) applicable since May 2026, which aims to improve transparency and access to data, while the Affordable Housing Act sets out the framework for assessing and justifying housing-related measures.

For more information

[Questions & Answers on the Affordable Housing Act](#)

[Factsheet](#)

[Proposal for a Regulation establishing a framework for measures in Member States to safeguard housing affordability and availability](#)

[Commission Recommendation on housing affordability and supply in areas under housing stress](#)

[Making housing affordable - Housing - European Commission](#)

[European Affordable Housing Plan](#)

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Quote(s):

"A year ago, I promised to tackle Europe's housing affordability. Today, we are taking one step in this direction. By providing more clarity and support to local authorities and communities, anchored in local realities. Lack of affordable housing is a matter of concern for so many of our European citizens. Essential workers and students cannot afford to live where they serve and study. But most importantly, it is about fairness. Today, we are delivering for all Europeans."
Ursula von der Leyen, President of the European Commission - 09/09/2026

"Housing is, above all, a place to live, a place to enjoy, to feel safe, and to ensure that we can develop our capacities and strengths. Houses and apartments also have a legitimate economic value, which explains why many people invest in real estate. However, we are facing a terrible crisis that prevents many citizens from accessing housing. When the market fails to deliver something as fundamental as an affordable home, public authorities have a responsibility to act. With the Affordable Housing Act, we are providing legal certainty to local authorities, enabling them to take action and address one of the biggest problems of our time."

Teresa Ribera, Executive Vice-President for Clean, Just and Competitive Transition - 09/09/2026

"Housing is not just a commodity. It is a right, and a fundamental pillar of human dignity. Europeans should have the possibility to live, work and stay in the places they call home. They should have the possibility to find an affordable and decent home in the place where they wish to build their life. While building new and renovating remain essential, we urgently need to make better use of the homes we already have. The Affordable Housing Act gives our Member States and cities the tools to make more affordable homes available, especially in the areas most impacted by the crisis. With this common European tool, we can truly bring a change in people's lives. "

Dan Jørgensen, Commissioner for Energy and Housing - 09/09/2026

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