

Challenges and priorities for improving housing affordability in the United Nations Economic Commission for Europe region

Athens, 29 April 2025

European Mortgage Federation - European Covered Bond Council



UNECE



Ambassador Tassos Kriekoukis, Greece
**Bureau Member of the UNECE Committee on Urban
Development, Housing and Land Management**

Housing Unaffordability

100 million +

Low and middle-income people in the UNECE region are housing cost over burdened

40% +

Of the disposable income are spent on housing

€21.7- €51.2 / m²

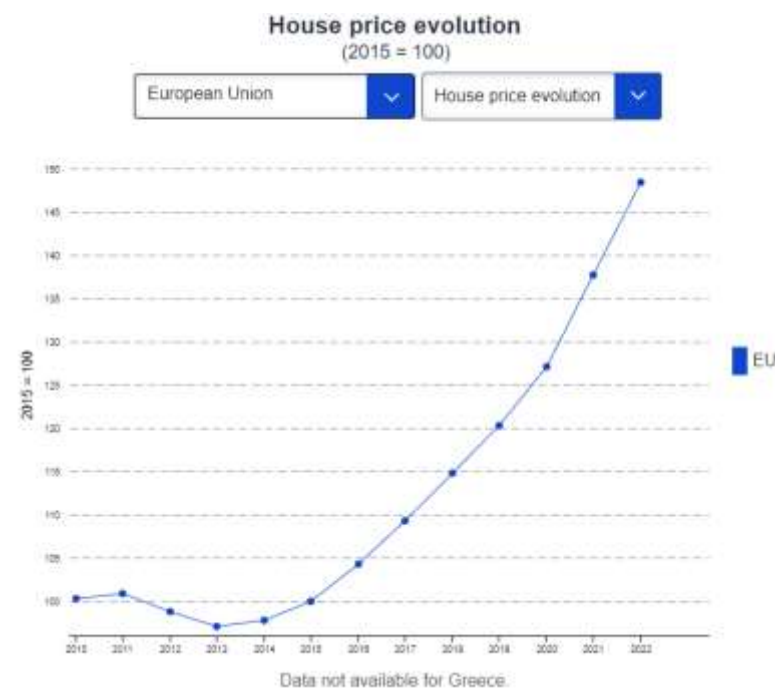
Median rent for a studio in European cities

Sources:

1. unece.org/sites/default/files/2021-10/Housing2030_study_E_web.pdf
2. [Housing in Europe – 2023 edition - Eurostat \(europa.eu\)](https://eurostat.ec.europa.eu/tgm/table?code=sdg_10_3_10)
3. [HousingAnywhere International Rent Index by City Q1 2024](https://www.housinganywhere.org/)

47%

Increase in the house prices in the EU between 2010 and 2022



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UNECE: The UNECE Committee on Urban Development, Housing and Land Management (CUDHLM)

[Geneva UN Charter on Sustainable Housing](#)

[Place and Life in the ECE](#)

[– A Regional Action Plan 2030](#)

Dedicated to promote:

- Affordable, adequate, climate-neutral housing
- Compact, inclusive, circular, resilient, smart and sustainable cities
- Transparent and efficient land use, and property registration



Housing and Land Management Unit

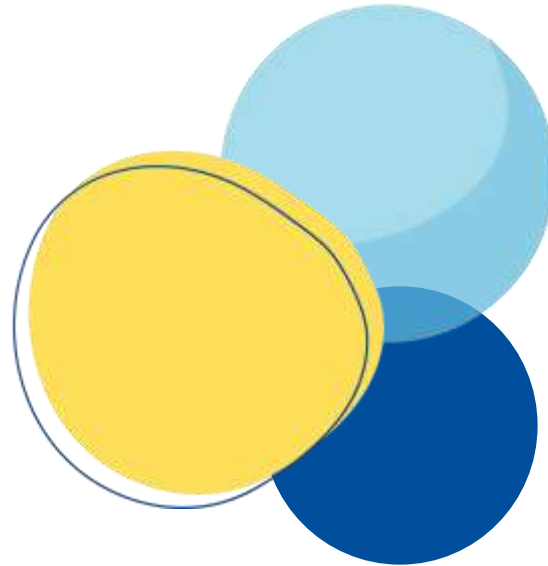
- CUDHLM
- Working Party on Land Administration (WPLA)
- the Real Estate Market Advisory Group (REM)
- the Forum of Mayors



Activities focused on affordable and social housing by UNECE

Capacity Building

- Social housing provision and housing finance
- Affordable housing



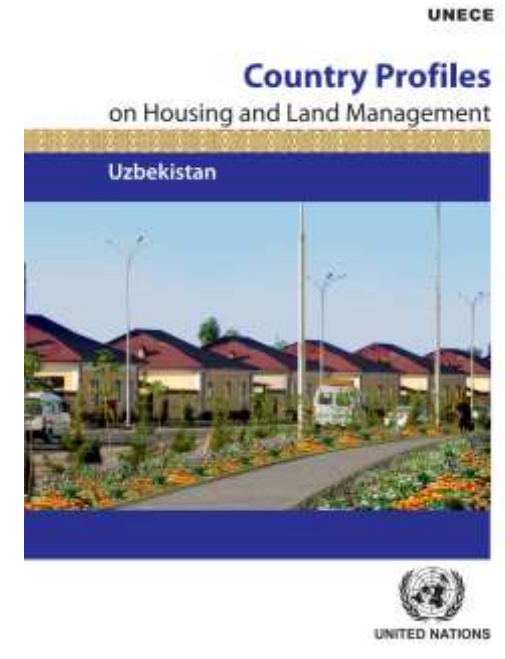
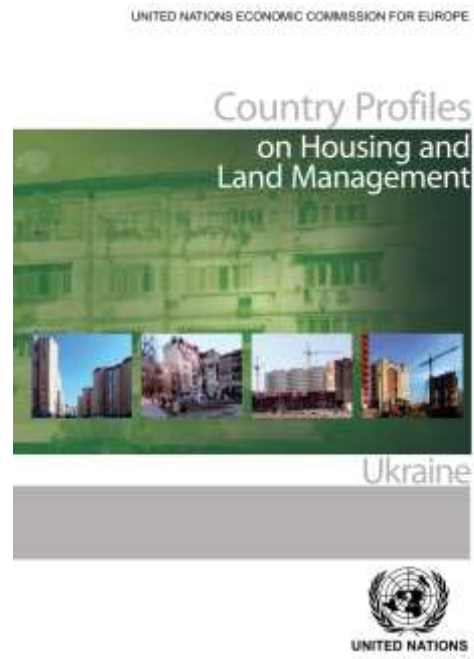
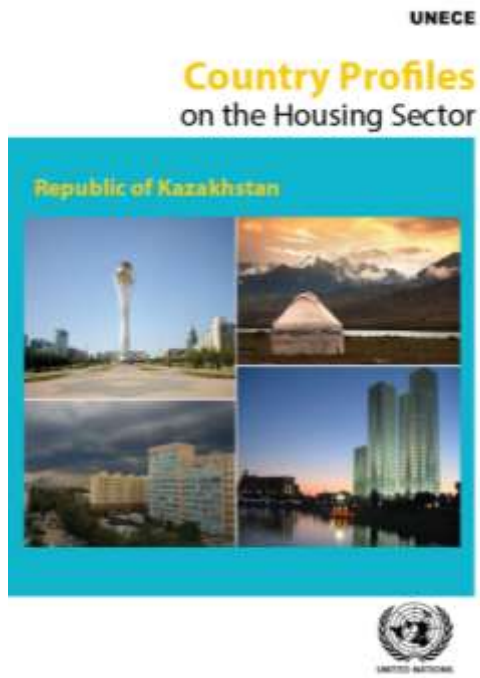
Collaboration

- International organizations
- Countries

Knowledge Sharing

- Workshops & symposiums
- Strategies
- Initiatives
- Studies & reports
- Ministerial meetings





Country Profiles on Housing and Land Management

- Albania: finalized in 2023
- Armenia: under preparation since 2024
- Montenegro: planned for 2025
- Uzbekistan: requested

Policy advice to implement UNECE guidelines on affordable, accessible, adequate and healthy housing

Framework Documents and Action Plans



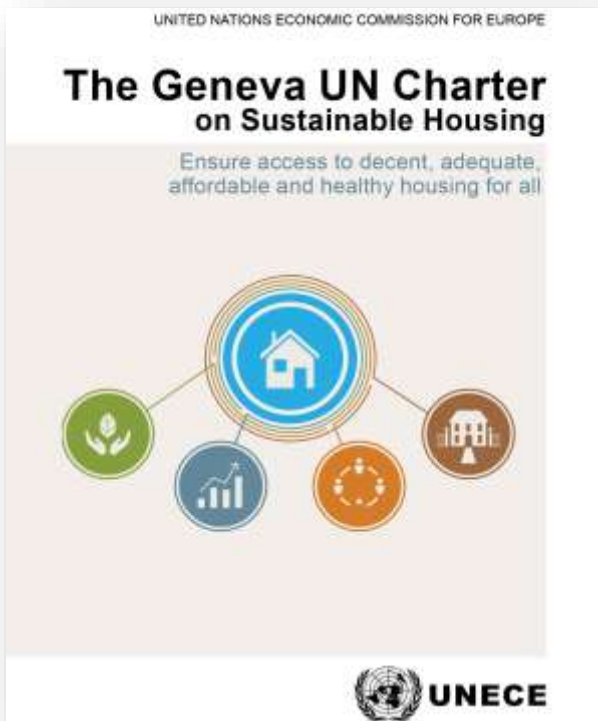
#Housing2030: online toolbox



2024 Survey and study



The Geneva UN Charter on Sustainable Housing



Non-legally binding document

To ensure access to decent, adequate, affordable and healthy housing for all

I. Challenges to sustainable housing

II. Goal, Scope and Principles

III. Key directions of work and measures to promote sustainable housing

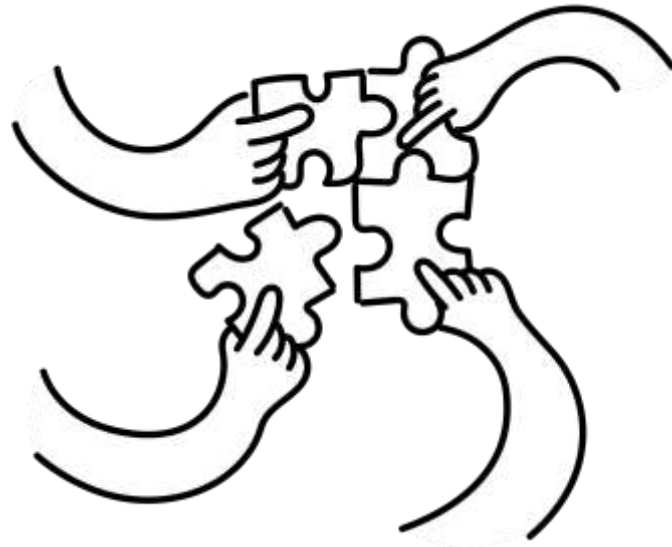
Endorsed by the UNECE on 16 April 2015

#Housing 2030

Effective policies for affordable housing in the UNECE region

Effective
governance

Finance



Strategic land policy

Climate-neutral housing



#Housing 2030

Effective policies for affordable housing in the UNECE region

- Chapter I: Governance
- **Chapter II: Finance**
- Chapter III: Land
- Chapter IV: Climate-neutral housing



Chapter II: Finance

Shaping investment pathways to deliver affordable housing



Why are investment and finance tools important to affordable and inclusive housing?

What tools are in the housing investment and finance policy toolbox?

- Regulating financial institutions to promote housing affordability
- Non-profit provision of social and affordable housing
- Subsidizing rents to ensure they are affordable
- Rent setting, indexation and regulation to promote affordability
- Microfinance for self-building and modernising housing
- Circuits of households' savings to finance affordable housing

Chapter II: Finance

Shaping investment pathways to deliver affordable housing

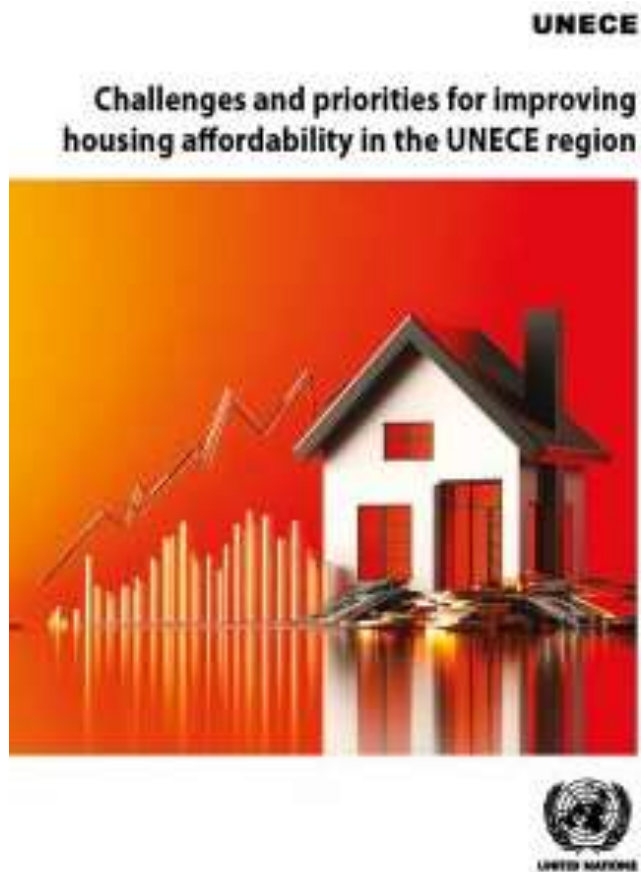


What tools are in the housing investment and finance policy toolbox?

- Public loans, grants and purposeful public investment in housing
- Interest rate subsidies, loan guarantees and loan insurance to reduce borrowing costs
- Special purpose intermediaries to raise finance for social and affordable housing
- Sharing housing equity and costs
- Revolving funds which repeatedly reinvest in affordable housing
- Taxation to guide investment in housing

Useful resources and contacts

Challenges and priorities for improving housing affordability



Survey and study conducted by REM in 2024

Based on responses and data of 32 UNECE member States

Objectives

1. to help understand the evolution of housing affordability in different UNECE countries
2. to identify the causes of affordability issues

UNECE: UNECE Real Estate Market Advisory Group (REM)



Cooperation

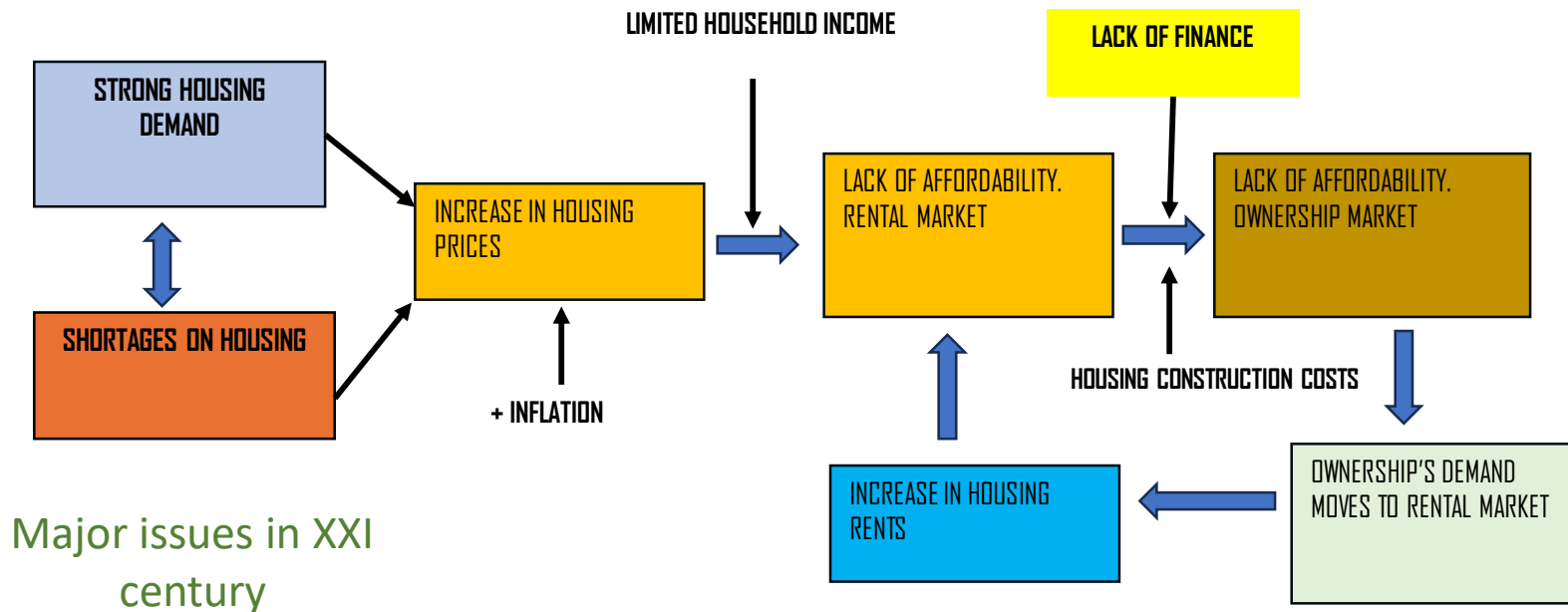
& exchange of experience

among experts of UNECE member States

Team of specialists: develop stronger housing real estate markets

Survey Findings in a nutshell

- Housing affordability particularities
 - Supply-demand imbalances, regulatory constraints, and rising costs as the main challenges.
 - Housing affordability issues have **spatial dimensions**, primarily affecting **major cities**.
- Lack of housing affordability socio-economic dimensions:



Evolution of housing affordability



- **Stagnant income growth**
is a significant factor worsening the housing crisis across countries
- **Housing stress impacts lower income households**
- **Groups in vulnerable situations face disproportionate housing challenges**
due to market entry barriers and rising prices
- **Increasing construction costs create barriers for affordable housing**
- **Regulatory barriers are increasing housing market challenges**, particularly for low-income families and recent arrivals
- **Housing affordability directly affects public health**,
necessitating integration into health planning and policy

Challenges in implementation



- **Financial Difficulty:** Challenges in securing financing for projects
Price Inflation: Rising housing market prices due to inflation affect affordability
- **Construction Delays/lack on renovation:** Longer construction periods cause project delays
Household demand Waiting: Homeless individuals face wait times for housing
- **Economic and Legal Factors:** Economic and legal considerations impact housing initiatives
- **Administrative Complexity:** Handling applications and verifying eligibility is complex
Coordination Issues: Ensuring collaboration among stakeholders is challenging
- **Monitoring and Evaluation:** Precise monitoring mechanisms require expertise
Equitable Distribution: Ensuring subsidies reach those in need is challenging
- **Land Scarcity and Contamination:** Limited land and contaminated areas hinder construction

Recommendations

- **Establish measurable goals for housing policies** that reflect the urgency of addressing affordability crises
- **Leverage data effectively** to guide strategic planning and improve affordability outcomes in housing sectors.
- **Invest in innovative financing mechanisms** to support affordable housing development across diverse markets.
- **Foster multi-level collaboration among stakeholders** to create comprehensive solutions for housing affordability.
- **Prioritize housing policies** to address pressing issues of health, poverty reduction, and social inclusion collectively.
- **Incorporate environmental sustainability into affordable housing** initiatives to enhance long-term viability and resilience.
- **Ensure sufficient construction in the affordable housing segment** and simultaneously develop supporting infrastructure such as schools, transportation etc.



Next on the agenda:

6-7 October

Fifth meeting of the Forum of Mayors

8-10 October

UNECE Committee on Urban Development, Housing and Land Management

8 October

Ministerial meeting on housing affordability and sustainability in the UNECE region – *expected to agree on practical commitments*

9 October

Ministerial workshop on housing related needs and priorities for countries in Eastern Europe, the Caucasus and Central Asia

Join us in Geneva!

Thank you!



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