FOREWORD

Housing lays the foundation for freedom, dignity and opportunity, paving a solid path towards lasting peace and shared prosperity. Housing policies remain among the most powerful instruments for strengthening social cohesion, promoting social mobility and enabling every citizen to realise their aspirations. Alongside these policies, the development of resilient long-term funding strategies that facilitate lenders' access to capital markets remains indispensable. Efficient housing finance systems not only optimise public resources but also create the conditions for sustainable economic growth, financial stability and investment across Europe and beyond.

Today, however, housing has evolved beyond being solely a social priority. It has become one of the defining strategic challenges of our time.

Across advanced and emerging economies alike, governments face the same fundamental question: how can societies finance sufficient affordable, sustainable and resilient housing while operating within increasingly constrained public budgets? Demographic change, urbanisation, climate transition, geopolitical fragmentation and the need to strengthen economic competitiveness are placing unprecedented pressure on housing markets worldwide.

Public intervention alone cannot bridge this gap.

Mobilising private capital efficiently and responsibly has therefore become one of the greatest policy challenges of this generation.

Capital markets represent the essential bridge between citizens' savings and society's housing needs. They transform long-term investment into homes, communities, urban regeneration and energy transition. Well-functioning housing finance systems are therefore not merely financial infrastructures; they constitute strategic pillars supporting productivity, labour mobility, social cohesion and macroeconomic resilience.

The discussion surrounding housing can therefore no longer be confined to the real estate sector. It increasingly sits at the intersection of economic policy, financial regulation, industrial competitiveness and social inclusion.

This year's publication comes at an equally important moment for Europe.

The debate surrounding the Saving and Investments Union represents a unique opportunity to rethink the role of capital markets in supporting Europe's long-term strategic priorities. At the same time, the implementation of the new European political agenda, the evolution of prudential regulation and the growing recognition of housing affordability as a political priority create an unprecedented momentum for reform.

Rather than viewing housing finance through isolated policy initiatives, Europe now has the opportunity to build a genuine Housing Ecosystem capable of bringing together public institutions, financial markets, banks, institutional investors, multilateral organisations and private capital around one common objective: making housing more affordable, more sustainable and more accessible.

For more than two decades, the European Mortgage Federation – European Covered Bond Council has sought to contribute constructively to this objective.

Our role has never been limited to representing an industry.

Instead, we have sought to act as a platform where policymakers, regulators, supervisors, academics and market participants can jointly develop practical solutions capable of strengthening housing finance systems while preserving financial stability.

This collaborative approach has become increasingly international.

During the past year, the EMF-ECBC has continued to deepen its cooperation with European institutions while simultaneously expanding partnerships with global organisations, including the World Bank, UN-Habitat, the Organisation for Economic Co-operation and Development (OECD) and numerous public authorities across Europe and beyond. These collaborations reflect a growing recognition that housing challenges are increasingly global in nature and require international exchange of expertise and best practices.

Housing finance has become one of the few policy areas capable of simultaneously delivering economic growth, social cohesion, environmental transition and financial stability.

Against this backdrop, covered bonds continue to demonstrate their unique macroprudential characteristics.

For more than 250 years, they have consistently provided lenders with stable access to long-term funding throughout periods of financial stress. Their dual recourse structure, exceptional credit quality and remarkable resilience have repeatedly confirmed their role as one of the safest and most efficient funding instruments available to financial institutions.

At the same time, the future of housing finance cannot rely on a single instrument.

Covered bonds, securitisation, institutional investment, guarantee schemes and innovative funding solutions should increasingly be viewed as complementary components of a broader capital markets architecture. Together, these instruments can mobilise significantly greater investment capacity while preserving financial stability and expanding access to affordable housing.

The EMF-ECBC continues to promote this integrated vision through a growing ecosystem of market initiatives, including the Covered Bond Label, the Energy Efficient Mortgage Label, the International Secondary Mortgage Market Association (ISMMA), HOFINET and several new initiatives designed to strengthen transparency, market harmonisation and sustainable housing finance.

Our ambition extends beyond supporting existing markets.

We seek to contribute to shaping the future architecture of housing finance.

This includes developing new ideas capable of supporting Europe’s competitiveness, facilitating cross-border investment, improving mortgage accessibility for younger generations and strengthening the resilience of housing finance systems through enhanced cooperation between public and private sectors.

The debate is therefore no longer whether housing deserves political attention.

The real question is whether Europe is prepared to build a comprehensive Housing Ecosystem capable of transforming long-term savings into long-term prosperity.

The ECBC Covered Bond Fact Book has always sought to serve as more than a statistical publication.

It represents a unique source of market intelligence, legal analysis and international best practice. More importantly, it reflects the collective commitment of our members to transparency, cooperation and continuous market improvement.

As our industry continues to evolve, one principle remains unchanged.

Housing is ultimately about people.

Capital markets are simply the mechanism through which societies transform savings into opportunity, resilience and prosperity.

Our collective responsibility is therefore clear: to ensure that finance continues to serve society by making housing more affordable, more sustainable and more accessible for present and future generations.

On behalf of the EMF-ECBC, I would like to express my sincere gratitude to all contributors, members, partners and institutions whose continued commitment has made this publication possible. Your expertise, engagement and willingness to work together continue to demonstrate that the strength of our community lies not only in the resilience of its markets, but also in its shared commitment to building better housing solutions for citizens across Europe and around the world.

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