EU Ministers responsible for Housing

Dan Jørgensen, EU Commissioner for Energy and Housing

Valdis Dombrovskis, EU Commissioner for Economy and Productivity

c.c. Matthew Baldwin, Head, European Commission's Task Force on Housing

Brussels, 24th November 2026

Subject: Eurostat classification of social, cooperative and public housing providers

Dear Ministers, dear Commissioners,

We, Housing Europe together with the European Association of Public Banks (EAPB), write to you in a spirit of constructive engagement regarding the evolving EU governance, accounting, and financing frameworks that shape the capacity of housing providers to deliver long-term social infrastructure. Our organizations operate at the intersection of affordable housing, energy efficiency, and social service delivery. We are committed to expanding durable, outcomes-based investment while upholding the highest standards of transparency, governance, and financial prudence.

Housing providers in our sector deliver critical social outcomes beyond traditional debt-funded asset development. Stable housing, neighbourhood renewal, energy efficiency, and related social services generate broad public value (health, productivity, social cohesion, and reduced welfare costs).

The current accounting and statistical guidance around on or off governments' public balance-sheet, SPVs, revolving funds, and guarantees has a direct impact on our leverage, capital planning, and ability to attract patient and blended finance. We seek greater policy coherence that distinguishes the social economy role from municipal or government bodies, without compromising accountability.

Our governance practices emphasize strong boards, independent risk oversight, outcome-based performance management, and transparent asset and liability management. We believe that nuanced, proportionate accounting treatment can support socially valuable investments without eroding fiscal discipline. Public control is at times exercised to improve the sector or to align with public policy objectives, a fact which is being interpreted as a reason to consolidate this investment. Comparable controls exist in other regulated markets, such as energy, without the corresponding loans being classified as public debt.

As the EU updates fiscal rules, public accounting directives, and Eurostat classifications we also observe a shift in the interpretation of rules in place since 2010. There is a proven risk of unintended consolidation or reclassification that could constrain investments in social infrastructure. Such reclassification turns the debt of housing providers into government debt, so that borrowing from private sources becomes public debt without clear consideration of the

economic risk borne by the housing provider and of how it relates to the return it can realise. It is vital that policies recognize the distinctive nature of housing providers as social economy actors with legitimate needs for flexible financing structures.

We therefore call on the European Commission in the European Affordable Housing Plan and the planned guidelines and pilots being prepared for Member States, to consider the implication of the statistical sector classification of social housing entities and their liabilities as part of general government debt. Social, cooperative and public housing providers that operate with a public service mission are not fully-fledged public sector entities. It is therefore essential to find ways not to penalise Member States which have a relevant proportion of social, cooperative and public housing by making sure that their support to this sector will not increase the general government debt. The preparation of these guidelines should not result in a redesign of existing housing models.

Housing Europe would like to encourage a policy environment that allows for off-balance sheet arrangements where they are transparent, well-governed, and aligned with public service obligations (PSOs) and outcome-based contracts, without inappropriately conflating them with municipal or public sector consolidation.

Housing providers' and NPBIs' involvement in the Commission's work on this topic would be an added value. We therefore would be happy to discuss it with you and the Housing Task Force at your earliest convenience.

Yours sincerely,

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Housing Europe President

Gabriela Pantring
EAPB President

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