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a European Strategy for Housing Construction

Dear Commissioner Jørgensen,

I highly appreciated the opportunity to engage in dialogue with you during our meeting on 15 January, and to learn more about the plans of the European Commission on Housing. I am eager to collaborate with you on this crucial matter and look forward to our continued cooperation. With this letter, the Netherlands is pleased to respond to both the public consultation for the Affordable Housing Plan and the call for evidence for the European Strategy for Housing Construction, initiated by the European Commission this summer.

The Netherlands would like to use this opportunity to share some key characteristics of the Dutch housing system. We also wish to highlight specific issues where our insights may assist in shaping your policies.

While we underscore that housing policy should primarily remain the responsibility of Member States, we recognize the added value of a coordinated European approach in addressing shared challenges, such as promoting innovation, financing and regulatory barriers. Such an approach can, for instance, foster innovative building methods that accelerate housing construction, reduce costs and increase sustainability. We also warmly welcome the Commission's proposed revision of the State Aid Rules for Services of General Economic Interest (SGEI).

A coordinated European approach to housing should also address barriers to increasing housing supply by simplifying existing rules and regulations, as well as assessing the impact of new regulations on broader housing policy and permitting processes. The Netherlands faces ongoing challenges due to limited space, high population density, and a growing population, driven by migration. To address this, we must accommodate the equivalent of an average city's population annually, or over 100,000 people in 2024 alone. With a population density already four times higher than the European average (433 versus 109 inhabitants per square kilometer), this requires us to constantly strike a balance.

Compared to many other EU Member States, The Netherlands has limited available space, which necessitates an integrated approach to spatial planning. This approach must reconcile (and, if possible, combine) competing public interests such as housing, (energy) infrastructure, agriculture, nature and environmental conservation.

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To elaborate on our position, we have attached two annexes for your consideration:

- Annex 1 (p. 4): Focused on affordability, specifically addressing the Affordable Housing Plan.
- Annex 2 (p. 9): Addressing housing supply, in relation to the European Strategy for Housing Construction.

Housing Shortage

Like many European Member States, the Netherlands is confronting a significant housing shortage and rising housing prices. Between 2015 and 2021, the average property price nearly doubled. In 2025, we anticipate a shortage of approximately 400,000 dwellings (or 5% of the housing stock), which continues to exert upward pressure on house prices. This particularly affects vulnerable and low-income groups, as well as middle-income tenants.

To address the current housing shortage, the Dutch government aims to add 100,000 dwellings annually over the next decade. This includes both newly constructed homes and those created through adaptive reuse, such as repurposing office buildings or adding floors to existing apartment blocks. Two-thirds of homes added will be allocated to the affordable segment, with 30% designated for social rent.

In order to improve affordability, the rental sector was further regulated with measures targeting both lower- and middle-income households. The Affordable Rent Act of 2024 has extended existing rent price maximalization to mid-market rental homes. Adjustments to the calculation of housing allowances had the effect that actual rental costs and household needs are now better reflected. More information about how the government is steering affordability and housing construction targets can be found in appendices 1 and 2 respectively.

A Long Tradition of Housing Policy

The Netherlands has a long-standing tradition in housing policy, dating back to the Housing Law ('Woningwet') of 1901, the first Dutch law aimed at improving housing conditions for lower income groups. Our Constitution further mandates the government to ensure an adequate housing stock. As a result, our housing stock is of relatively high quality, including the social rental segment.

Social housing associations moreover play an important part in a broader approach to enhance living conditions in vulnerable neighborhoods. To address these challenges, the Dutch government launched the National Program for Livability and Safety in 2022. This initiative represents a long-term strategy aimed at improving and diversifying the housing stock, as well as enhancing the overall living conditions of residents in twenty urban areas across nineteen cities. The program is distinguished by its integrated approach, which involves forming local alliances among government representatives, residents, and local authorities such as housing associations, schools, and the police. In addition to investments in sustainable housing, a total of €680 million has been allocated to support initiatives in education, social cohesion, poverty prevention, and employment.

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A European Approach to Affordable Housing

This first coordinated European approach to housing allows for an exchange of ideas and best practices between Member States. To facilitate this, the Netherlands has established and financed the European Housing Policy Network, which convenes twice yearly to share insights, experiences, and best practices. We warmly invite the Commission to engage with this network and contribute to the ongoing debates and policy development across Member States.

A coordinated approach can help strike a necessary balance between the urgent need to expand housing supply, guaranteeing affordability, and creating sustainable housing for all. By doing so, we can develop neighborhoods that are genuinely future-proof, with initiatives like the New European Bauhaus serving as a driving force behind this transformation.

To support the Commission in finalizing its proposals, we offer the following considerations:

- Exercise caution in advocating for general housing policies on affordability and supply;
- Acknowledge the value of national flexibility when defining affordable housing;
- Expand Member States' policy flexibility by introducing an SGEI exemption for affordable housing.
- Evaluate how both existing and new EU legislation and objectives affecting spatial planning can better facilitate the construction of affordable housing, while maintaining our progress on the broader EU-agenda.

We welcome the European Commission to use the input provided in this letter when finalizing both the Affordable Housing Plan and the European Strategy for Housing Construction. We remain at your disposal for further discussions and look forward to continuing our collaboration on these pressing issues.

Yours sincerely,

The Minister of Housing and Spatial Planning,



Mona Keijzer

Annex I Affordability

In the Netherlands, the affordability of housing is determined by relating housing costs (net rents or mortgages, sometimes in combination with high energy prices and local taxes) to a household's financial means. This is expressed as the rent or mortgage cost-to-income ratio. This allows to distinguish between whether the property itself belongs to the affordable segment and whether it's actually affordable for the people living there.

Before elaborating on Dutch policies regarding affordability, we wish to emphasize three considerations relevant to this subject, in response to the European Commission's public consultation on affordable housing.

- **Exercise caution in advocating for general housing policies on affordability and supply**
Member States' existing housing policies show great diversity and are rooted in local circumstances, tasks and wider policy histories. Trying to fit these into a general, European framework can cause unforeseen consequences.
- **Acknowledge the value of national flexibility when defining affordable housing**
Rather than imposing a uniform EU-wide definition of affordable housing, it is important to acknowledge the value of national flexibility. A single, standardized definition may overlook national differences and could limit Member States' flexibility to develop housing policies and instruments to local needs. While some convergence may be beneficial, national Member States' housing systems and their unique characteristics must be recognized. We encourage the Commission to take these national distinctions into account.
- **Expand Member States' policy flexibility by introducing an SGEI exemption for affordable housing**
Additional policy space for state-aided housing would enable more effective and targeted interventions in the mid-rental segment. As outlined in our response to the consultation on the Revision of the State Aid Rules for Services of General Economic Interest (SGEI), the Netherlands welcomes the European Commission's proposed revisions.

An Overview of Housing Market Segments

The Dutch housing stock comprises approximately 8.3 million dwellings. Of these, 59% are owner-occupied, 26% are owned by not-for-profit housing associations ('woningcorporaties'), and 15% by private landlords. Generally, homeowners tend to have higher incomes and larger households. Housing associations primarily accommodate smaller households with lower incomes. The private sector, meanwhile, serves younger individuals, new entrants to regional housing markets, and people who value the flexibility and quality standards of market-focused properties.

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Insights in affordability and the housing market in general, are based on ongoing monitors and evaluations of Dutch housing policy. The following recurring monitors are commissioned by the Ministry of Housing and Spatial Planning:

- The National Housing Survey ('WoON'): Conducted every three years, this survey provides comprehensive data on the housing situation of both tenants and homeowners. It offers insights into housing preferences, mobility patterns, and satisfaction with living environments, serving as a foundation for shaping future housing strategies.
- The State of Housing Report ('Staat van de Volkshuisvesting'): Published annually, this report consolidates the latest findings from various studies on the housing market. It highlights major developments in construction, housing, and sustainability, providing an up-to-date overview of the sector.
- The State of Housing Associations ('Staat van de Corporatiesector'): This annual report provides a comprehensive overview of recent developments within the Dutch housing association sector, accompanied by evidence-based policy advice for the government. It is published by the Autoriteit Woningcorporaties, the independent regulator overseeing housing associations.

Affordability in the rental sector

Rents in the social and, since 2024, mid-rental sectors are maximized using the housing valuation point system. Maximum rents are determined based on property quality indicators, such as size, location, property value, availability of outdoor space, and energy efficiency. The Dutch policy on rents is based on the following segments:

- The social rental sector consists of dwellings with monthly rents below €900.07 (2025 price level). The majority of these is provided by housing associations, with higher concentrations in major cities. In the social rental sector, low-income tenants are eligible for rent allowances, which are determined by household size, income and rent level.
- The newly regulated mid-rental sector includes rents higher than the social housing sector but below €1,184.82.
- The high-rental sector encompasses all dwellings above €1,184.82 and is exempted from rent regulation based on the points system.

The Dutch Affordable Housing Program of 2022 established indicative rent-to-income ratios for various income groups in the rental sector, using a residual income approach (see table below). The program prioritizes lower-income groups, who often struggle to balance living costs, housing expenses, and their income.

The primary purpose of these indicative ratios is to set a government-wide objective (together with partner organizations) to reduce the number of households burdened by excessive rent-to-income ratios. At the individual household level, affordability is ensured through targeted regulations for social housing eligibility, controlled annual rent increases, and housing allowances.

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Income group	Indicative rent-to-income ratio (%)
Single-person households	
Below social minimum	30%
Minimum income	30%
Low income	35%
Middle income	n/a
Multi-person households	
Below social minimum	20%
Minimum income	20%
Low income	30%
Middle income	n/a

Table 1: Indicative rent-to-income ratios by income group. The social minimum is determined by the Ministry of Social Affairs and indicated the minimum income a household needs to live on. Minimum, low and (low) middle incomes are eligible for social housing. The percentages reflect only the cost of rent. Source: Programma Betaalbaar wonen, 2022.

Affordability in the owner-occupied sector

Affordable housing in the owner-occupied sector is determined by the share of household income spent on mortgage costs, which indicates financial risk exposure. Regulations focus on the mortgage relative to both property value and household income. Since 2018, mortgages have been capped at 100% of the property's value. Owner-occupiers in the Netherlands benefit from several fiscal incentives, including mortgage interest tax deduction, favorable imputed rent taxation, and the exemption of home equity from wealth tax. These measures remain topics in election debates.

Properties priced up to €405,000 (2025 price level) serve as a policy guideline for distinguishing between more and less accessible housing options. Due to rising housing prices, the share owner-occupied homes with an assessed value above this threshold, increased from 12% in 2015 to 53% in 2024.

Housing cost and affordability challenges in the owner-occupied sector differ from those in the rental sector. In the Netherlands, mortgages have fixed nominal rates, with households often opting for long fixed-interest periods. Additionally, property values have risen rapidly in recent years.

Policies addressing affordability risks in the owner-occupied sector include:

- Loan-to-income restrictions help protect first-time buyers from excessive borrowing and mortgage arrears. Mortgage-cost-to-income ratios are highest among first-time buyers and lower-income owner-occupiers (though still lower than for comparable households in the rental sector) and tend to decline with age and property appreciation.
- The National Mortgage Guarantee helps mitigating loan-to-value risks for owners of properties up to € 450,000 (price level 2025), based on a one-time-provision.

Which groups have affordability issues?

Between 2018 and 2024 the number of households in the mid- and high-rental bracket grew significantly, rising from nearly 460,000 to nearly 770,000 out of a total of 8.4 million households. Young couples in particular often pay high rents: 45% of this group pays rents over €1,123.13. Surveys indicate that these tenants

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feel the strongest desire to move and do so relatively quickly. Surveys also show that rent-to-income ratios increase as rent prices rise (Table 2). This explains the rationale for the price regulations introduced in this segment in 2024 and highlights the need to expand the supply of mid-rental housing (see Annex II).

Rental segment	Rent-to-income ratio
Social rent (< €808)	21,0%
Mid-rent (€808 - €1.123)	30,9%
High rent (> €1.123)	43,1%

Table 2: Rent-to-income ratio per rental segment in 2024. Source: WoOn2024.

The table below demonstrates that lower-income households allocate a significantly larger portion of their income to rent compared to higher-income households, especially when accounting for additional housing like energy, water, and taxes. Additionally, lower-income households are more likely to reside in poorly insulated homes.

Income group	Rent-to-income ratio	Housing cost ratio
Target group for social housing: lowest incomes	26,1%	39,5%
Target group for social housing: low incomes	25,8%	34,0%
Mid- and high incomes	21,4%	26,8%

Table 3: Rent-to-income ratio per income group. Income groups are defined in terms of 'target groups' for different types of social housing. 'Housing cost ratio' reflect the total costs related to housing, that is rent plus energy, water and specific taxes. Source: WoOn2024.

Housing Needs of Special Target Groups

Below is an overview of the approaches to specific target groups within Dutch housing policy.

Homes for the elderly

A growing share of housing demand must accommodate the needs of the increasing number of elderly residents, accounting for approximately one-third of the Netherlands' housing construction target. In collaboration with care professionals, we have identified the essential features required to ensure these homes are both comfortable and safe for elder residents. To meet our construction goals, we have established administrative agreements with housing associations and local authorities (further details on these 'Woondeals' are provided in Annex 2) and allocated funding to cover extra costs associated with adapting these dwellings for the target group.

Homelessness

There are approximately 33,000 homeless people in the Netherlands. The national policy on homelessness focuses on improving individuals' financial situations, reducing poverty and problematic indebtedness, and increasing the availability of affordable housing. This policy is outlined in the National Action Plan on Homelessness (2022–2030), which falls under the responsibility of the Ministry of Health, Welfare and Sport and is implemented in cooperation with the Ministry of

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Social Affairs and Employment and the Ministry of Housing and Spatial Planning. Relevant stakeholders have also committed to the goals of this action plan.

The Ministry of Housing and Spatial Planning focusses on expanding the supply of both regular housing and housing with special care needs. Municipalities are responsible for monitoring the number of people who are homeless or at risk of becoming homeless, as well as assessing the care they require. The proposed Direction on Housing Act (Wet versterking regie volkshuisvesting) expands the responsibilities of municipalities by requiring them to prioritize housing for homeless individuals leaving care facilities.

Short-Term Rentals

Municipalities have various tools to regulate short-term rentals for tourists under the Holiday Rentals Act of 2021. The effectiveness of this legislation is evidenced by a significant decrease in listings on platforms for holiday home advertisements. Alongside the implementation of the EU Regulation on data collection and sharing relating to short-term accommodation rental services, this provides a sufficient framework to balance urban living and tourism.

Labor migrants

The Netherlands has experienced high levels of labor migration, resulting in significant challenges in, among others, housing for low-paid labor migrants. Since 2011, this issue has prompted a series of investigations, culminating in the 2024 report of the State Commission on Demographic Developments and the 2025 interdepartmental policy research report on labor migration. The latter proposes several measures to address labor migration challenges, many of which are directly linked to housing, that are now in preparation:

- Improving registration: The Dutch government must address issues related to the registration of EU labor migrants to obtain a realistic picture of their numbers and housing situation.
- Indirect policy measures: The government should use economic and industrial policy tools to address the demand for labor migrants.
- Balancing the costs and benefits of labor migration by first, improving conditions for labor migrants by addressing misconduct among employers and recruitment agencies. Second, promoting employer responsibility for provisions such as higher-quality housing for labor migrants.

Annex 2

Increasing Supply

With this annex, we would like to elaborate on the significant housing construction challenge the Netherlands faces and the comprehensive measures the government is implementing to meet the growing demand for affordable homes. While we have intensified our national efforts through strengthened coordination and accelerated processes, we stress that addressing this challenge also requires collaboration at the European level. This includes a shared commitment to innovation in construction (for example, through prefabricated housing), as well as efforts to address barriers in current rules and regulations. This annex concludes with a list of suggested opportunities for improving and simplifying European rules and regulations.

For now, we will not explore the major challenge of maintaining and renovating the existing housing stock to ensure its future habitability. This issue is already receiving significant attention, especially in light of the energy transition in the built environment (addressed at the EU-level through frameworks such as the Energy Performance of Buildings Directive). It is important to note, however, that new construction and the renovation of existing buildings are deeply interconnected.

Annual Construction Target of 100,000 Dwellings

The Netherlands is currently confronted with a shortage of approximately 400,000 dwellings, representing nearly 5% of our total housing stock. This shortage is further exacerbated by ongoing demographic shifts and population growth. Our population is projected to increase by over 100,000 inhabitants annually, rising from 17.4 million in 2020 to just under 20 million by 2050. Additionally, the number of single-person households is expected to grow from 3.4 million to 4.1 million by 2050, primarily due to an aging population. For many years, the construction of new homes has been insufficient, and the homes that were built often did not align with affordability needs.

To address these challenges, the Netherlands has set an ambitious target of adding 100,000 homes per year. These include both newly built homes and those created within existing buildings, for example by repurposing office spaces or adding extra floors to apartment blocks. Achieving these construction targets requires substantial labor capacity, with the Dutch construction sector drawing on workers from across the European Union.

Based on income data and forecasts, two-thirds of these are designated for the affordable segment, including 30% for social rent. Increasing supply in the mid-rent sector is challenging in particular. Current state aid regulations bar housing associations ('woningcorporaties') from investing in this segment, while rents are often too low for commercial developers to generate the investments needed.

Government coordination on housing targets

To ensure housing targets are met, the Dutch government has strengthened central coordination through administrative agreements, financial incentives, and legislative measures.

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- Administrative agreements:
 - Through the establishment of Housing Deals (or 'Woondeals'), national construction objectives are translated into regional targets and agreed upon with municipalities, provinces and housing associations.
 - In December 2024, the national government and relevant stakeholders convened at the Housing Summit (or 'Woontop') to establish broad agreements on the preconditions for housing construction. A next summit is scheduled for December 2025.
 - Since 2022, National Performance Agreements ('Nationale Prestatieafspraken') between the central government, municipalities, and housing associations, have laid out targets for the construction of affordable housing, sustainability upgrades, and tenant protection.
- Financial incentives: the government has committed €1 billion annually to support housing construction, with funding contingent on meeting affordability targets. An additional 500 million per year is reserved for housing related investments in infrastructure projects. The abolition of specific tax on housing associations in 2023 has freed up resources for maintenance and new construction.
- Legal framework: the proposed Direction on Housing Act (or "Wet versterking regie volkshuisvesting") will provide the necessary framework to enforce construction targets and affordability goals.
- Land Management: Various policy measures are being implemented to reduce government deficits related to housing plans. Local authorities are encouraged to acquire more land for housing construction. Enhanced legislation will enable them to use the increased value of land designated for housing to offset the costs of public investments.
- Monitoring: key indicators for the housing construction sector are constantly monitored, including the number of permits granted, dwellings completed, and the time between permit approval and the start of construction. This data is made publicly available through www.datawonen.nl.

Cost reduction, accelerating construction and permit procedures

A critical challenge is the lengthy time required to construct homes, averaging ten years. Several steps are taken to accelerate the process.

Innovation, industrialization and digitalization in construction

Innovative building methods are a way to lower costs and speed up construction. Factory-based home construction enhances both the speed and sustainability of the building process. This approach reduces reliance on scarce on-site construction workers and optimizes the use of modular components, which are better suited for circularity. In 2024, approximately 15,000 of the 69,000 newly constructed dwellings in the Netherlands were factory-produced. We aim to expand this share to 50% by 2030.

Additionally, the digitalization of building supply chain collaboration is crucial for accelerating housing construction, as it reduces failure costs, increases labor productivity, and facilitates industrialization. By standardizing information exchange and integrating digital tools into property development, we seek to reduce the time required for both the development and construction phases by 25% by 2030. The Netherlands has launched several initiatives to support digitalization. We have signed a national Administrative Agreement on the Digital

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Built Environment 2027, a partnership aimed at aligning digital processes with national and European legislation.¹ Additionally, we have established a reference architecture for digital collaboration in construction (GEBORA), which features a Register of Preferred Standards, among others. To further support this, we developed the Digital System Built Environment (DSGO), managed by Digigo in compliance with the EU Dataspaces Directive.

The Netherlands sees opportunities for further progress at the European level on:

- Agreements and modernized legislation to support digital supply chain collaboration;
- Standards that establish a common language for data exchange;
- Facilities to manage these agreements and standards effectively.

Permitting

Most time, however, is spent on procedural and permitting processes. These processes can be made more efficient through parallel planning, a way of working that is actively promoted by the national government. This allows various processes to occur simultaneously rather than sequentially. When implemented effectively, this approach can reduce procedural timelines from six to two years. Parallel planning is now the standard in all projects involving direct national government participation. The process of applying for a permit, has been digitized, streamlined and clarified by the DSO ('Digitaal Stelsel Omgevingswet'). A centralized digital platform ('Omgevingsloket') allows users to quickly apply for permits, submit notifications, access applicable local regulations. In the future, environmental quality information will be added as well.

Additionally, clarifying environmental impact assessments could help accelerate permitting processes. This includes establishing clear, prescribed rules and reducing cross-references to simplify compliance. The European Commission could take the lead by compiling an overview of existing guidelines as part of the proposed Environmental Omnibus.

In the Netherlands, when it comes to construction a lot of time is spent on appeals as well. The Direction on Housing Act has therefore streamlined appeal procedures for projects involving twelve or more dwellings, by reducing the number of appeals involved from two to one and prescribing rulings within six months. In addition, funds have been allocated to the Council of State for its Administrative Jurisdiction Division, the highest court in administrative proceedings, to enhance capacity for prioritizing court cases related to housing projects.

While individual rules and regulations may have limited impact on construction projects, the cumulative effect of these requirements significantly increases complexity and costs. Many of these regulations originate at the national level, and the Dutch government has taken steps to address this. To this end, a special advisory board called STOER was established, tasked with identifying rules that can be simplified or abolished, including building codes, spatial regulations, and

¹ Such as the Quality Assurance in Construction Act ('Wet kwaliteitsborging voor het bouwen'), Environmental law ('Omgevingswet'), Digital Product Passport and the Corporate Sustainability Reporting Directive.

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permit procedures. In June 2025, the advisory board submitted over hundred proposals. Currently, the Netherlands is examining these proposals.

Sustainability and circularity in construction

The Netherlands is strongly committed to advancing circular construction, which is both fast and clean. An example is the promotion of biobased construction through the Netherlands Biobased Construction Initiative, backed by a €200 million investment to develop an independent market for the cultivation, processing, and application of bio-based raw materials in construction. Furthermore, the reuse of materials deserves encouragement.

Additionally, the Netherlands prioritizes the reuse of materials through the Circular Demolition and Reuse Approach. Crucial as well are private initiatives, such as Madaster, a database that registers and documents products and materials used in the built environment. By assigning materials an identity, their value is preserved and their potential for repeated reuse becomes clear.

Simplifying rules and regulations

Last, but not least, the Netherlands recognizes the importance of our shared European objectives on the quality of the living environment and remains fully committed to upholding them. At the same time, we believe there is an opportunity to strike a better balance between various pressing priorities and transitions that all compete for limited space: such as the housing crisis and the equally vital goal of ensuring healthy, safe, and sustainable living environments.

In this context, the Netherlands calls on the European Commission to facilitate an open and constructive dialogue. We need to assess how EU legislation and objectives, both existing and new, affect spatial planning, and how these requirements can be simplified to better facilitate housing construction, while not lowering the level of, for instance, environmental protection. Together, we can explore how to simplify or adapt certain regulations and enhance the consideration of local and territorial characteristics within European legislation.

Below is a (non-exclusive) list of opportunities to improve rules and regulations to increase the productivity and competitiveness of the construction sector. The Netherlands is looking forward to having a constructive dialogue on finding a better balance.

Adopt a unified European BIM standard to streamline construction processes	A harmonized European standard for Building Information Modelling (BIM) would enable consistent and efficient data exchange between diverse software platforms and accelerate construction processes.
Develop a European strategy to expand bio-based construction material supply	An increase in the production and availability of bio-based construction materials such as timber would strengthen the market for sustainable, cost-effective building solutions. However, bio-based crops such as hemp and

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	flax require tailored strategies, given their distinct growth cycles.
Improve the Construction Products Regulation (CPR) by (1) harmonizing the background databases, (2) adding modular components to promote prefabricated construction, and (3) discuss how to better incorporate reused materials in the CPR in order to promote circularity in construction.	(1) The existence of multiple background databases to assess the environmental performance of construction products creates significant differences in outcomes of calculations, leading to a non-level playing field and complicating (public) procurement processes. (2) Adding modular components to the CPR contributes to the desired large scale industrialization and will facilitate the prefabricated housing construction market. (3) Explore whether testing methods for reused materials can be simplified.
Reconsider the mandatory installation of physical fibre optic cables in new buildings under the Gigabit Infrastructure Act (GIA)	The Gigabit Infrastructure Act (GIA) currently mandates not only the installation of empty conduits in new buildings but also the installation of physical fibre optic cables. This requirement increases construction costs without delivering tangible benefits to (Dutch) consumers, as fibre optic service providers typically remove and replace these cables with their own preferred infrastructure.
The expansion of the scope of legitimate exceptions under the Water Framework Directive (WFD) has been accomplished through the trilogue agreement reached September 23rd.	The Netherlands is pleased with the recent agreement reached in the trilogue to add article 4.7b to the WFD. This will help accelerate the construction of new homes. We look forward to the final agreement by the Council and the EP, so that implementation can follow.
Explore a more pragmatic approach to species protection under the Habitats and Birds Directive	A more flexible interpretation of species protection could integrate nature-inclusive construction as a means to preserve habitats while reducing permitting obstacles. Additionally, the current prohibition on deliberate disturbance of species (in the Netherlands, this in particular concerns bats in cavity walls), poses significant challenges for energy-efficiency upgrades in buildings, undermining progress toward shared sustainability goals. Greater flexibility in these cases would better align conservation efforts with climate objectives. More flexibility in this regard also concerns the permitting procedures of renewable energy projects (which are an essential element for housing because of net congestion issues).

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Broaden compensation options for nature deterioration under the Birds and Habitats Directives	While the Birds and Habitats Directives allows compensation for the loss of species or habitats (in the Netherlands, compensation is particularly applied due to nitrogen emission offsets), the current framework proves overly rigid for housing projects. To improve feasibility, greater flexibility in the rules on compensation is needed, such as: adjustable timing (e.g., allowing deferred delivery of required offsets in exchange for a higher compensation rate), cross-border compensation within the EU, or substituting non-priority habitats with priority habitats for offset purposes. Regarding renewable energy projects (including infra) the Netherlands urges to allow temporary, small nitrogen emissions during the construction phase.
Evaluate the effects on housing construction of norms set in the Air Quality Directive on densely populated areas.	A quick scan conducted during discussions on the recent revision of the Air Quality Directive revealed that 3% of planned homes could face difficulties due to stricter air quality standards, particularly in densely populated areas such as the Netherlands, in particular caused by stricter norms on nitrogen dioxide (NO ₂) and particulate matters (PM ₁₀ and PM _{2,5}). A new impact analysis on the Dutch situation is currently underway.