Edited by Luigi Ulgiati, UGL Deputy Secretary, member of the EESC N. 186 11st of September 2026

THE EESC AND AFFORDABLE HOUSING

The housing crisis in Europe is one of the most pressing social and economic challenges facing the European Union, which is why the Irish Presidency of the Council of the EU has asked the EESC (European Economic and Social Committee) to draw up an exploratory Opinion (TEN/889) on affordable housing and MMC (Modern Methods of Construction) systems, as it is keen to assess how these new methods can help reduce the costs of building and delivering housing, as well as address the housing shortage by increasing supply. The construction sector continues to be characterised by relatively low productivity growth and fragmented supply chains. The large-scale adoption of industrialised approaches, including modular, prefabricated and off-site construction, offers significant potential to shorten construction times, improve quality control, increase the sector's capacity, boost productivity and reduce overall costs. In this regard, MMCs are one of the key enablers of the circular economy in the construction sector and constitute just one element of a broader package of measures needed to address the issue of housing affordability. It is important to emphasise, in fact, that MMCs should be viewed not merely as a technological or market issue, but as part of a broader social, labour market and industrial policy strategy that successfully combines innovation, quality, workers' rights and public interest objectives. Councillor Ulgiati, speaking during the adoption of the Opinion at the EESC's TEN (Transport, Energy and Infrastructure) Section last week (4th of September), stated: «Housing is crucial to ensuring the dignity of every European citizen. It is therefore right that the European Union should safeguard access to housing, including by urging Member States to be the first to allocate resources from their own budgets for this purpose. Indeed - added Ulgiati - everyone must be able to have a home to live in, because this is not only a matter of dignity, but also of civilisation».

THE EUROPEAN COURT OF AUDITORS REJECTS THE REPOWEREU PLAN

Presented by the European Commission more than four years ago, in May 2022, at the request of the European Council, as the European Union's strategy for energy independence from Russia, the REPowerEU Plan appears to have reached an impasse, struggling to achieve the expected results, just as the Continent's energy security faces new threats linked to the turmoil in the Middle East. This is revealed in a Report recently published by the European Court of Auditors, according to which Member States have committed less than a fifth – just €54.3 billion – of the €300 billion in additional investment made available under the Recovery and Resilience Facility and deemed necessary to meet the Plan's objectives. Without an effective and significant revival, the Court's auditors warn, REPowerEU will not be able to fulfil its ambitions. For the auditors in Luxembourg, such a wide gap indicates either an incorrect and overestimated assessment of investment needs, or an inability to translate objectives into concrete actions. The Court of Auditors also points out that the REPowerEU Plan does not yet have effective governance mechanisms to guide its implementation, that EU funding has played only a secondary role in ending dependence on Russian oil and gas, and that insufficient investment has been generated to accelerate the transition to clean energy and strengthen cross-border connections. Coordinated efforts are therefore needed to give the Plan fresh impetus, as new geopolitical tensions and their impact on energy markets highlight the need to accelerate diversification and avoid excessive reliance on a single supplier in the future.