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HOUSING
INEQUALITIES

Executive Summary of the National Report on the Regulatory System of EEPs

**An extract from the ReHousIn Deliverable 3.2 National
Report on the Regulatory System of EEPs**

August 2025

This executive summary is an extract from Deliverable 3.2, 'National report on the regulatory system of EEPs', of the ReHousIn project, which analyses housing systems in nine European countries, focusing on tenure-policy frameworks and housing supply dynamics.

The full version of the deliverable is available [here](#).

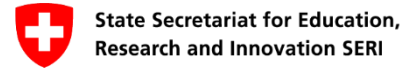
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The ReHousIn project aims to spark innovative policy solutions towards inclusionary and quality housing. To achieve this, it investigates the complex relationship between green transition initiatives and housing inequalities in European urban and rural contexts, and develops innovative policy recommendations for better and context-sensitive integration between environmentally sustainable interventions and socially inclusive housing.

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COUNTRIES' SUMMARIES

Austria

Austria's governance system is characterised by a strong federal structure. The national government sets strategic goals, transposes EU directives, and manages key funding programmes. Federal states hold legislative power over housing subsidies, building standards, spatial planning, and nature conservation. Hence, at the federal state level, territorial differences exist in the design and formulation of housing, retrofitting, nature-based solutions and densification. Municipalities, though institutionally weaker, play a critical role in land-use regulation and the delivery of densification and greening projects. Retrofitting has evolved from a technical focus to a climate and energy-cost strategy with mostly financial incentives, but implementation is hindered by governance fragmentation and legal barriers in multi-owner buildings. NBS policies have broadened to include urban cooling and health, but implementation varies widely, with smaller municipalities facing capacity issues and limited social-environmental coordination. Densification has become a key urban policy, yet land protection efforts lack cohesion, and smaller municipalities depend heavily on market-driven growth. Overall, for Austria, where incentives remain the primary policy tool, governance fragmentation, challenges to vertical coordination, and limited regulatory integration hinder policy coherence and equity.

France

Housing retrofitting has mainly on incentive-based tools and, recently, direct subsidies have prioritized owner-occupiers. Social housing has received limited funding, despite specific envelopes. Although local authorities have progressively gained competencies, their role remains mainly focused on support and coordination within a vertically structured governance system. The institutionalisation of NBSs is relatively recent, still lacks a common reference, and is generally integrated into broader biodiversity strategies. The absence of shared regulations and targeted funding makes local implementation particularly complex and uneven. Despite growing traction at national and international level, NBSs face considerable challenges on the ground. Densification policies emerged in the 2000s alongside urban regeneration strategies and efforts to counter urban sprawl. More recently, the focus shifted towards zero land artificialization and the preservation of open and agricultural areas. Densification policies are still applied unevenly, facing national-local tensions and influenced by local political will. Overall, implementation of ecological transition policies remains challenging, hindered by political instability, budgetary constraints, and global crises. Recent regulations have also triggered forms of backlash or resistance.

Hungary

The housing inequality consequences of green policies are rarely discussed and recognised in the Hungarian political and scientific discourses. There are several reasons behind, like the low level of implementation of green policies (e.g. large-scale energy efficient housing

renovation interventions were completed in the 2000s and hardly continued since then, densification is not considered a green policy and is not consistently implemented, nature-based solutions aim to increase the popularity of urban spaces on rather small scales more than their ecological functions). Also the fact, that private ownership in the housing sector is around 97% and the local municipalities have limited roles, funds and capacities due to the centralisation process since 2010, housing impacts of green policies are governed by market forces. This fact leads to patchwork interventions in the urban structures and slows down the social mobility processes.

Italy

The report presents Italy's policy and governance framework for the ecological transition, as analysed within the framework of the ReHousIn project, focusing on housing retrofit, nature-based solutions (NBS), and urban regeneration. As regards housing retrofit, incentive-based policies – primarily tax deductions since the late 1990s and recent investments linked to the NRRP – have driven renovations but primarily benefited owner-occupied and higher-income households, with limited impact on the public housing stock. To address this gap, targeted funding was later introduced by the national government through the National Complementary Plan (PNC), first and foremost through the *Sicuro, Verde, Sociale* programme. NBS have gained traction within national and regional strategic documents in recent years, however, their implementation remains fragmented and is only marginally integrated with housing policies. Urban densification is rarely addressed explicitly in the Italian policy discourse, while urban regeneration (*rigenerazione urbana*) has emerged as a key policy field over the past two decades, with regional and national programmes (such as, most recently, the PINQuA) supporting housing retrofit and the regeneration of neighbourhoods more widely. A further strand of regeneration, which typically involves densification, occurs through large-scale, market-led redevelopment, usually involving brownfield sites and negotiated planning instruments, while plot-level densification occurs via standard planning tools.

Norway

Energy retrofitting has progressed slowly despite growing political attention since the mid-2000s. National action plans and financial schemes (e.g., Enova and Husbanken) support improvements in energy efficiency, but without legal mandates or targeted subsidies. This limits access for low-income groups and tenants, reinforcing socioeconomic disparities and exposure to energy poverty. NBS entered national policy frameworks around 2009 and gained momentum through the 2018 and 2024 planning guidelines. While increasingly visible in urban planning, NBS implementation varies widely across municipalities and lacks safeguards against green gentrification, particularly in high-value urban areas. Densification, formalized in national planning law in the 1980s, has become central to urban development strategies. However, its implementation is largely market-driven and seldom includes affordability provisions, often exacerbating exclusion in central locations. The report highlights persistent governance fragmentation and weak policy coordination as key barriers to equitable environmental transitions.

Poland

Poland's Environmental and Energy Policies have evolved significantly, driven by EU directives, environmental concerns, and energy security needs. Since 2016, regulatory reforms, including the Energy Efficiency Act and the Clean Air Programme, have aimed to reduce emissions and improve energy performance, particularly in the residential sector. While EU funding and national subsidies support retrofitting efforts, regional disparities, limited local capacity, and fragmented governance hinder effective implementation. Urban areas face rising retrofit costs, and worsening affordability, while rural areas often lack access to support programs. Improving local governance, enhancing coordination between national and local actors, and targeting vulnerable populations are essential to achieving inclusive, efficient, and equitable housing outcomes across Poland. Finally, the report explores densification strategies aimed at curbing urban sprawl, improving infrastructure use, and promoting sustainable city growth. It emphasizes the need for stronger coordination, simplified procedures, and integrated planning to accelerate progress toward national and EU climate goals.

Spain

Retrofitting initiatives, strongly shaped by the EU's Energy Performance of Buildings and Energy Efficiency Directives, have improved energy efficiency and reduced emissions through instruments such as the Technical Building Code and PREE subsidies. However, implementation has been uneven across regions, with mounting evidence of gentrification and broader affordability concerns. Spain's NBS policies, grounded in Law 33/2015 and the National Strategy for Green Infrastructure, have supported ambitious municipal projects in Barcelona, Vitoria-Gasteiz, and Valencia, often financed by EU funds. While these initiatives enhance biodiversity, climate resilience, and public health, they also risk green gentrification and disproportionately benefit middle- and higher-income groups. Densification strategies, embedded in the Urban Planning Law, Climate Change and Energy Transition Law, and Urban Agenda 2030, have promoted compact city models and transit-oriented development as prerequisites for many new residential developments. Despite environmental gains, affordability challenges and displacement pressures persist. The study highlights the strengths of Spain's multilevel governance and EU funding alignment but underscores persistent and growing socio-economic inequalities. More equitable financing mechanisms, improved governance coordination, and stronger protections for vulnerable residents are essential to ensure that the green transition advances both environmental and social justice.

Switzerland

Switzerland is committed to the 1992 Climate Change Convention, the Kyoto Protocol and the Paris Agreement. It passed the CO2 Act in 2000, which sanctions a 10% reduction of emissions by 2010. A CO2 levy on fossil fuels was introduced in 2008. Since 2010 the Buildings Programme provides financial incentives for energy refurbishments. These contribute to the loss of affordable rental housing as improvement costs can be passed on to tenants. NBS related policies are integrated in those focusing on biodiversity conservation, climate change adaptation, and river restoration. In 2012 the Federal Council released a first

Climate Change Adaptation Strategy to promote green infrastructure, open spaces, green and shaded areas to mitigate heatwave impacts, river restoration, and prevention of soil sealing. Municipalities were tasked with implementing climate change adaptation and mitigation measures, with limited funding from the federal government. Accordingly, only few cities are currently implementing NBS, while smaller towns often lack clear strategies. Since 2014 Densification is a key policy goal and legally binding since 2014, but implementation remains slow as significant authority is given to local governments. In cities and tourist regions a combination of restrictive building zones and low interest rates has sparked a construction boom that caused a hike of land and housing prices.

The United Kingdom

In the UK the government's main approach is using legislation and public funding to stimulate private market solutions for the delivery of green initiatives. This approach can produce trade-offs for equity and public benefit. Retrofitting efforts face slow progress as the national Government prioritises small-scale demand-side schemes to stimulate supply, with limited results. Meanwhile the limited public investment, inconsistent delivery and narrow eligibility criteria that characterise these schemes perpetuate existing inequalities, often excluding those most in need. Private and non-profit developers are now mandated to provide NBS through biodiversity net gain legislation, requiring a 10% biodiversity improvement for all new housing development. By linking NBS provision to developer viability, NBS is viewed as a cost and an asset. When used to enhance property values, it channels benefits into the most expensive areas. Equally, developers may seek to offset additional costs by negotiating down planning contributions for affordable homes. Densification in the UK has consistently depended on transferring public land to the private sector, and cross-subsidising affordable housing with private housing provision. This ultimately leads to a net decline in social homes.