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# FROM PLANS TO HOMES

Across Europe, housing has become one of the defining policy challenges of the decade. It shapes labor mobility, economic competitiveness, and increasingly determines whether young people can afford independent living. The pressure is especially visible in Central and Eastern Europe.

Across the EU, young people leave the parental home at around 26 years of age. In Slovakia, the average is close to 31, among the highest in Europe. This is not simply cultural. It reflects structural limits in housing supply and affordability.

As a result, housing has moved from a social issue to a core economic priority. Without sufficient affordable housing, labor mobility slows, cities lose competitiveness, and regions struggle to retain talent. Housing policy is therefore increasingly seen as part of economic infrastructure rather than only social support.

The European Investment Bank (EIB) has responded by making housing one of its strategic priorities. Over the past five years, it has invested more than €18 billion in affordable and sustainable housing across Europe, supporting hundreds of thousands of households. Annual financing has risen to around €6 billion, with an ambition to help deliver roughly one million homes by the end of the decade.

The importance of this shift lies not only in scale but in approach. Housing policy is no longer focused solely on output volumes. The key challenge is broader: how to build faster, renovate more efficiently, and maintain long-term affordability. In practice, this requires a combination of new construction, renovation, and innovation in delivery methods.

These three priorities form the backbone of the European approach. Innovation focuses on modern construction methods, industrialization, and faster delivery. Renovation addresses ageing and energy-inefficient housing stock, reducing long-term costs and improving living standards. New construction remains essential in markets where demand significantly exceeds supply.

These priorities align with broader EU frameworks, including the Affordable Housing Plan, cohesion policy funding, InvestEU, and the Renovation Wave. Together, they aim to deliver more homes, better quality housing, and faster implementation. The EIB's role is to translate these policy goals into investable projects.

In many Central and Eastern European cities, including Slovakia, the main constraint is not access to finance but project readiness. Housing initiatives often fail to progress not due to a lack of funding, but because they are insufficiently prepared, poorly structured, or not aligned with regulatory requirements. As a result, advisory support has become as important as financing.

The EIB increasingly supports cities in moving from concepts to bankable projects. This includes defining housing needs, identifying target groups, structuring delivery models,

and developing realistic investment pipelines. The goal is to ensure that municipalities are not only able to finance projects, but also able to implement them effectively.

Equally important is the broader urban context. New developments must be integrated with transport infrastructure, education, healthcare, and public services. Without this, even well-designed housing projects fail to create livable communities. The EIB's experience across Europe demonstrates the importance of treating housing as part of wider urban development. Projects are increasingly designed as complete communities rather than isolated residential blocks. Housing outcomes improve significantly when infrastructure, services, and urban design are developed in parallel rather than in isolation.

A relevant example for Slovakia can be found in Croatia, where the EIB recently completed an advisory program with cities including Zagreb, Split, and Rijeka. The program produced practical tools such as housing strategies, project pipelines, and methodologies for prioritizing investments. A key lesson from Croatia is that there is no universal model for housing policy. Each city faces different demographic, economic, and spatial conditions. Successful approaches must therefore be adapted to local contexts rather than copied from other cities.

Another important insight is the role of smaller and medium-sized cities. With appropriate advisory and financial support, they can play a significant role in addressing housing shortages. In Croatia, cooperation with national financial institutions has helped extend housing development beyond major urban centers. For Slovakia, where a large share of the population lives outside Bratislava, this decentralized approach is particularly relevant.

Comparisons across European cities further highlight the structural nature of housing affordability. In Vienna, one-bedroom rents in central areas average slightly above €1,000, while net monthly salaries exceed €3,500. In Prague, rents are similar, but incomes are significantly lower, creating a sharper affordability gap. Bratislava sits between these cases but remains closer to the lower end in terms of purchasing power.

These differences show that affordability is not determined by housing prices alone. It depends on income levels, supply conditions, policy stability, and financing frameworks. Vienna's long-standing investment in social and affordable housing has created predictability and stability that many Central European cities are still developing.

Slovakia is not starting from scratch. It has a strong tradition of homeownership, growing

recognition of the importance of rental housing, and increasing policy attention to affordability. However, addressing current challenges will require greater scale, coordination, and long-term planning. European instruments can play a central role in this process. The EIB combines long-term financing with advisory services and access to blended funding structures that integrate EU funds, national resources, and private capital.

The EIB's online housing portal allows stakeholders to test project ideas, assess feasibility, and identify available support. This initial step often determines whether a concept can evolve into a fully prepared investment project.

The broader European message is clear: the main challenge is no longer the lack of ideas, but the capacity to deliver at scale. For Slovakia, this creates a window of opportunity. The key task is to translate these conditions into concrete projects and physical housing units.

Affordable housing is ultimately more than a policy goal. It is a driver of economic growth, social stability, and urban development. Countries and cities that prepare early, coordinate effectively, and use available instruments efficiently will be best positioned to benefit from this shift.