# IRISH HOUSING

## AN INTERNATIONAL COMPARISON

Ireland's housing performance in a European context

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Goodbody Glenveagh

# Irish Housing: An international comparison

Data Insights by Goodbody Analytics

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## Ireland's housing performance in a European context

### Putting Ireland's housing system in an international context

This report benchmarks Ireland's housing system against its European peers, examining demographic trends, housing delivery, public investment, social housing provision and housing quality.

### Ireland's demographic profile remains a European outlier

The population of Ireland has increased by approximately 16% over the past decade to 5.45 million people, compared with growth of around 2% across Europe overall. Official projections (Eurostat) suggest that Ireland's population could increase by a further 10% by 2035. Unlike many European countries facing weak demographics, Ireland continues to experience strong population growth driven by both net inward migration and natural increase. This creates a level of underlying housing demand that is largely unmatched elsewhere in Europe.

### Fastest rate of homebuilding in Europe, but significant deficit remains

Following recovery over recent years, the rate of homebuilding in Ireland is now the fastest in Europe when measured relative to the population. Housing completions exceeded 36,000 units in 2025 and are expected to hit 40,000 in 2026. This is equivalent to seven homes per 1,000 people compared with a European average of around three. While housing construction activity is falling across much of Europe, Ireland is one of the few countries expected to continue increasing output over the coming years, reflecting strong demand, increasing public investment and improving delivery capacity across the housing sector. Despite higher completions recently, a significant deficit remains. The *Housing Commission* estimates a housing shortfall of between 212,000-256,000 homes, while international stock comparisons suggest a deficit of up to 400,000 homes.

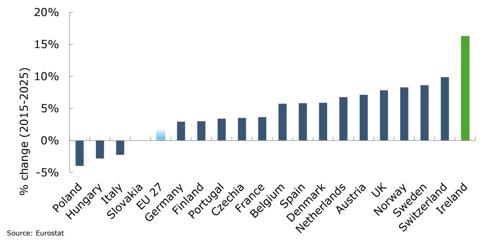
### Public housing output picking up; an important market anchor

Government support for housing has increased substantially recently. In 2024, it amounted to 2.3% of GNI*, the highest in Europe. This has contributed to Ireland becoming amongst the strongest performers for new social housing output. Ireland has made significant progress in expanding state-supported housing delivery, but sustained investment will be required if current momentum is to address the sizeable housing deficit that has built up over decades of under-supply.

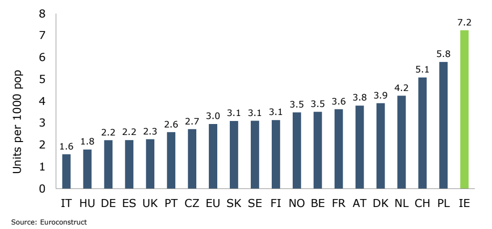
### Efficiency of new homes amongst the best in Europe

Ireland is building some of the most energy-efficient homes in Europe. New Irish dwellings typically achieve non-renewable primary energy consumption levels of between 32 and 40 kWh per sqm annually, compared with a European average of approximately 54 kWh. Strong insulation standards, airtightness requirements and high-performing building fabric mean Ireland compares favourably with leading European countries. Areas for improvement include greater use of district heating and low-carbon heat sources.

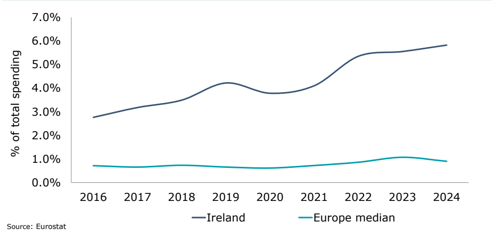
**Population change - 10 years to 2025**




**Home completions per 1000 population - 2026**




**Government spending on housing supply relative to total**





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# Executive Summary – Irish Housing in a European Context

## Ireland's housing system must be assessed in a European context

- Housing is one of the most significant economic, social and political challenges facing Ireland. Public debate often focuses on domestic outcomes in isolation from broader international experiences. This report seeks to place Ireland's housing system within a European framework, providing a broader assessment of the performance of the Irish housing market. The report is divided into three distinct Pillars:
  **Pillar A** – Population dynamics & velocity of housing delivery
  **Pillar B** – Social & State-led contribution
  **Pillar C** – Prices, quality & sustainability

- Ireland has one of the lowest levels of housing stock relative to population, an elevated average household size and an estimated housing deficit that remains substantial. At the same time, Ireland is now one of Europe's strongest performers in terms of housing construction activity, public investment in housing, social housing delivery and the energy efficiency standards applied to new homes. These contrasting realities reflect the fact that Ireland is attempting to address the legacy of a prolonged period of under-supply while simultaneously accommodating one of the fastest-growing populations in Europe.
- The central conclusion of this report is that Ireland's housing challenge is not principally one of a failure to build today. Rather, it is the cumulative consequence of more than a decade of insufficient supply, both private and public, occurring at the same time as exceptionally strong demographic growth. The policy challenge therefore lies in sustaining elevated levels of housing delivery over a prolonged period rather than simply achieving a temporary increase in output.

## Exceptional population growth continues to drive housing demand

- Ireland's population now stands at approximately 5.45 million people, having increased by around 763,000, or 16%, since 2015. This compares with population growth of approximately 2% across the European Union as a whole during the same period. Ireland's growth is also distinctive in that it is underpinned by both strong net inward migration and positive natural increase. Unlike many European countries, which are experiencing low birth rates and ageing populations, Ireland remains one of the youngest populations in Europe and one of the few where both migration and demographics are contributing positively to housing demand. Looking ahead, Eurostat projections indicate that Ireland's population could increase by a further 10% by 2035, bringing the population towards six million people. These demographic trends imply that housing demand will continue to rise, making the Irish housing challenge fundamentally different from that faced by many European peers.

## Housing output has recovered strongly; highest new supply per capita in Europe

- Housing delivery in Ireland has recovered significantly from the post-financial crisis trough. Relative to fewer than 5,000 completions in 2013, annual output reached more than 36,000 units in 2025 and is expected to reach 40,000 units in 2026. On a population-adjusted basis, this equates to approximately seven homes per 1,000 inhabitants, putting Ireland at the top of the homebuilding league table. This is more than double the European average and over three times the rate observed in the United Kingdom. Euroconstruct forecasts suggest that housing delivery will continue to strengthen further, rising to 7.7 units per 1,000 population in 2027 and 8.3 units per 1,000 population in 2028.

- Ireland's performance is particularly noteworthy given the wider European backdrop. Residential construction activity is currently weakening across much of Europe as higher interest rates, affordability constraints and weaker economic growth weigh on housing markets. Euroconstruct data indicate that housing output across Europe has declined substantially between 2022 and 2026. Ireland and Portugal stand out as notable exceptions. While countries such as Sweden, Finland and Germany have experienced significant declines in housing starts and completions, Ireland continues to record rising output levels. This suggests that the combination of strong demographic demand, supportive housing policy and substantial state investment is helping to sustain housing activity even as other European markets weaken.

## Structural housing shortages remain, with supply deficit of up to 400K homes

- Despite significant progress on delivery, Ireland remains one of Europe's most supply-constrained housing markets. The scale of new construction activity needs to be viewed in the context of an accumulated housing deficit that developed over many years. The *Housing Commission* estimated that Ireland had a housing shortfall of between 212,000 and 256,000 homes at the time of the 2022 Census. International housing stock comparisons point to a similar conclusion. Ireland has approximately 585 dwellings per 1,000 adults aged over 25, compared with a European median of 691. Achieving the European median would require almost 400,000 additional dwellings. These figures indicate that Ireland's housing challenge reflects the cumulative impact of prolonged underbuilding over a sustained period.
- Ireland continues to record one of the highest average household sizes in Europe at approximately 2.7 persons per household compared with a European median of 2.2. Larger household sizes somewhat reflect cultural differences but often reflect constrained housing availability and a lack of suitable accommodation options. They are also symptomatic of delayed household formation and overcrowding pressures. These indicators suggest that current output levels, while encouraging, need to be sustained over many years if Ireland is to converge towards European housing norms.

## State-led housing provision has expanded significantly

- The Irish government has become directly involved in housing provision to an increasing extent over recent years. Public expenditure on housing has increased significantly and now stands at around 2.3% of GNI*, making Ireland one of the largest public-sector contributors to housing output in Europe. Expenditure on housing development now accounts for almost 6% of total government spending, six times the European average. Furthermore, the Government's housing capital allocation for the period 2026–2030 amounts to €36 billion, more than double the funding allocated during the previous five-year period.
- Although Ireland's social housing stock remains smaller than that of countries such as the Netherlands, Austria and Denmark, recent delivery levels compare strongly with many European peers. New social housing output reached approximately 222 units per 100,000 population in 2024, placing Ireland among the strongest performers in Europe. Meanwhile, social housing accounted for approximately 35% of all residential completions in 2023, up significantly from 27% in 2019. This increase reflects a deliberate policy effort to diversify housing supply and strengthen non-market housing provision.
- This increased investment was facilitated by the development of a much broader housing policy framework than existed a decade ago. Housing delivery now occurs through numerous channels, including local authority construction, Approved Housing Bodies, affordable purchase programmes, cost-rental schemes, Part V obligations and projects delivered by the Land Development Agency.

- The European experience demonstrates that countries with well-functioning housing systems typically exhibit a diverse range of tenure options. Ireland's increasing emphasis on social and cost-rental housing therefore represents an important structural development and may help improve affordability and housing security over the medium term. Nevertheless, Ireland's overall social housing stock remains at approximately 10% of total housing compared with 20–29% in a number of northern European countries, suggesting there remains scope for further expansion over time.

## Structure of the Irish housing market differs substantially in terms of tenure

- Ireland also differs from most European countries in terms of how and where people live. Approximately 45% of the population lives in rural areas, almost double the European average of 25%. Ireland also has the lowest share of its population living in apartments among the countries examined, with only around 10% residing in apartment accommodation compared with almost 50% across Europe as a whole. Instead, the housing stock is dominated by semi-detached and detached homes. This reflects Ireland's historical settlement patterns, planning traditions and consumer preferences.
- These characteristics have important policy implications. Lower-density development requires greater infrastructure investment, higher servicing costs and more extensive transport networks than apartment-led development models. While increasing density will be an important component of future housing policy, Ireland's housing system will likely continue to retain distinctive characteristics relative to many continental European countries. The challenge will be to improve density and land utilisation in key urban centres while continuing to provide the housing types demanded by households.

## New home price trends are broadly consistent with European experience despite more dynamic market

- Despite persistent affordability concerns, Ireland's new housing market has not experienced unusually strong price growth in a European context. New home prices have increased by an average of 6% per annum over the past decade, close to the EU average of 5.6%. Ireland sits broadly in the middle of the European ranking for new home price inflation.

## Ireland compares favourably on the energy efficiency of new housing

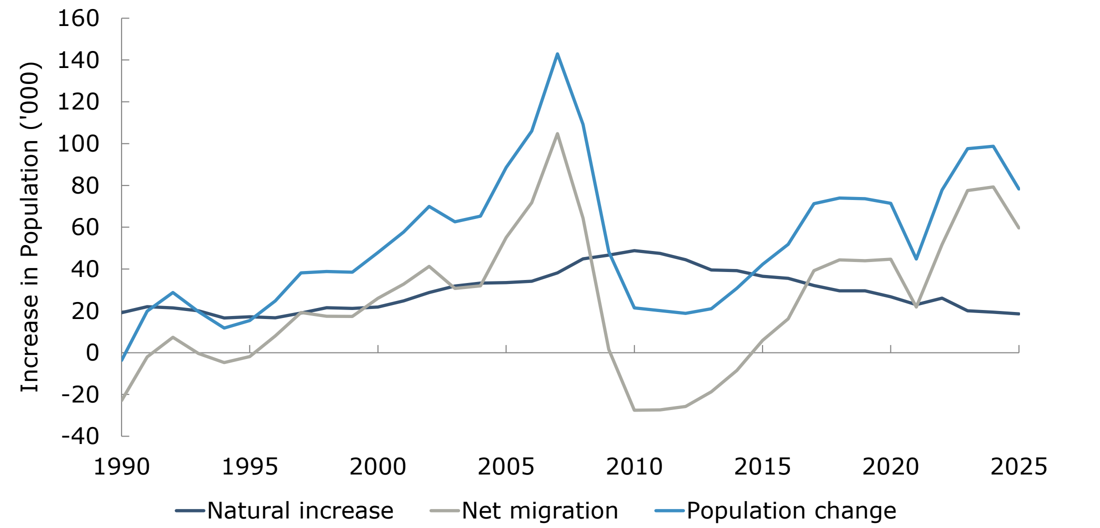
- While quantity remains Ireland's principal housing challenge, the quality of new housing compares favourably with European peers. European Commission analysis indicates that Irish building regulations now deliver some of the most energy-efficient homes in Europe. New Irish homes typically achieve non-renewable primary energy consumption levels of between 32 and 40 kWh per square metre per year compared with a European average of approximately 54 kWh. This reflects a strong focus on insulation standards, airtightness and building fabric performance. U-values for walls, roofs and windows compare favourably with many European countries and contribute to lower heat loss and reduced lifetime energy consumption.

## Pillar I – Population dynamics & velocity of housing delivery

### How do Ireland's population dynamics compare?

Ireland's population has grown rapidly over recent years. In 2025, Ireland's population stood at 5.45m people, an increase of 16% (763K people) over the past decade and by 32% (1.3m people) over the last two decades. Although there remains a surplus of births over deaths (natural growth), net inward migration has accounted for a majority (65%) of the growth in the population over the last ten years.

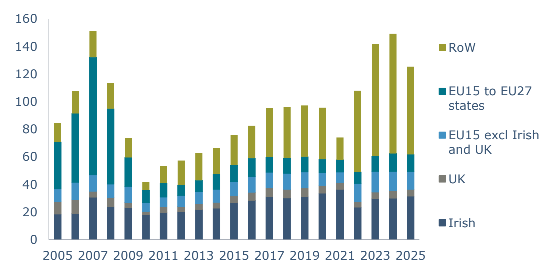
**Annual change in population in Ireland – both natural change & migration contributing**




Source: CSO

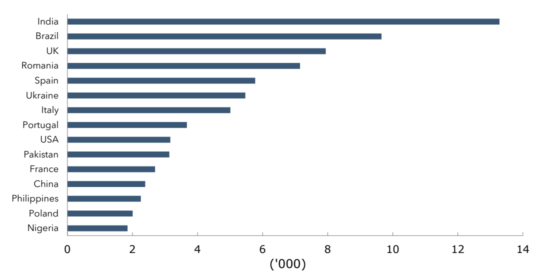
The scale of migration surge of recent years is bigger than that seen in the mid-2000s; in the five years to 2007, there were c.102K immigrants, compared to 151K in the five years to 2025. The composition of migrants is also different. In the 2000s period, the largest share came from the new Eastern European states that had just joined the EU. More recently, the flow of migrants comes from a much more significant range of countries. With a full nationality breakdown not available on an annual basis, the detailed data on PPS numbers provide context. As shown below, India was the biggest single source of migrants in 2025, followed by Brazil, Great Britain and Romania.

**Immigration to Ireland by nationality**




Source: CSO

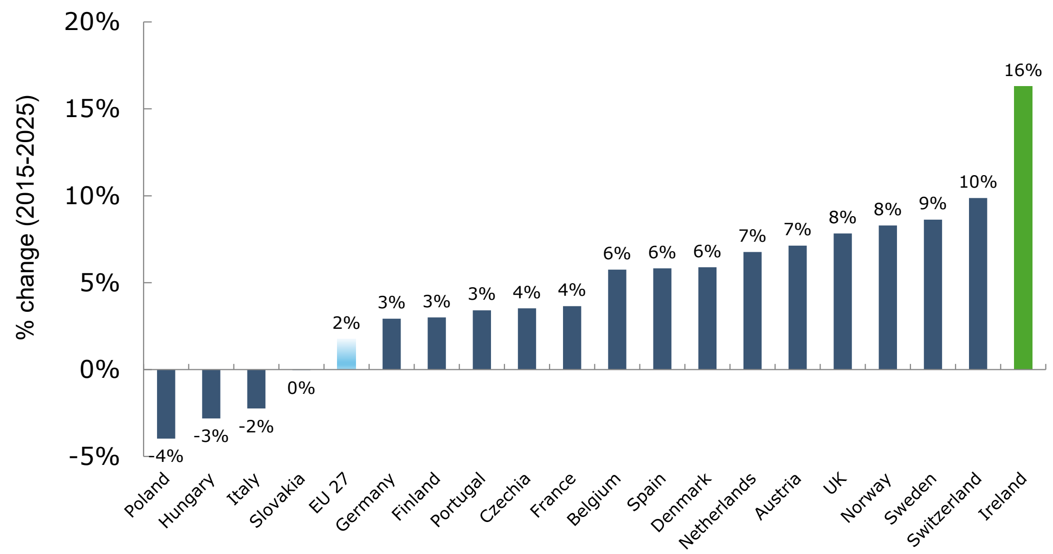
**PPS numbers by nationality - 2025**




Source: Department of Social Protection

Over the past decade, Ireland has experienced the fastest population growth in the EU, with the population expanding at a rate eight times faster than that seen in the EU overall. Three countries in our sample below experienced outright population declines over the period.

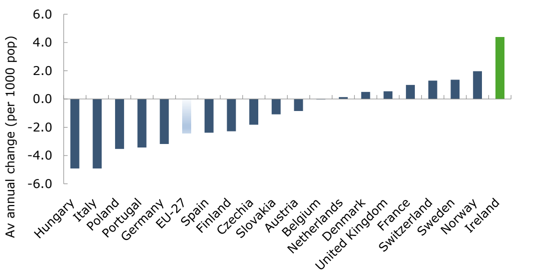
**Population change – 10 years to 2025**




Source: Eurostat

The rapid rate of population growth reflects both natural growth in the population as well as significant net inflows of migrants over the period. To compare these two factors across our European sample of countries, we show the natural growth and net migration per 1000 of the population in the two charts below. In both cases, Ireland stands at the top of the growth table, reflecting a unique demographic mix. It is notable that the natural change in the population is negative in a majority of our sample.

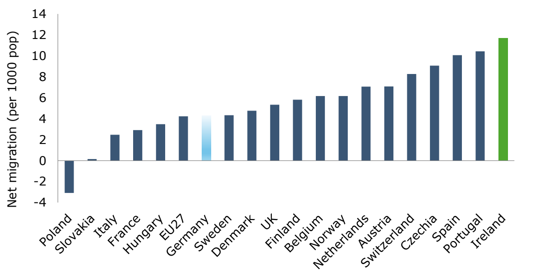
**Natural change in population – last 5 years**




Source: Eurostat

*data refers to average change over the 2019-2024 period, measured per 1000 of the population

**Net migration – last 5 years**

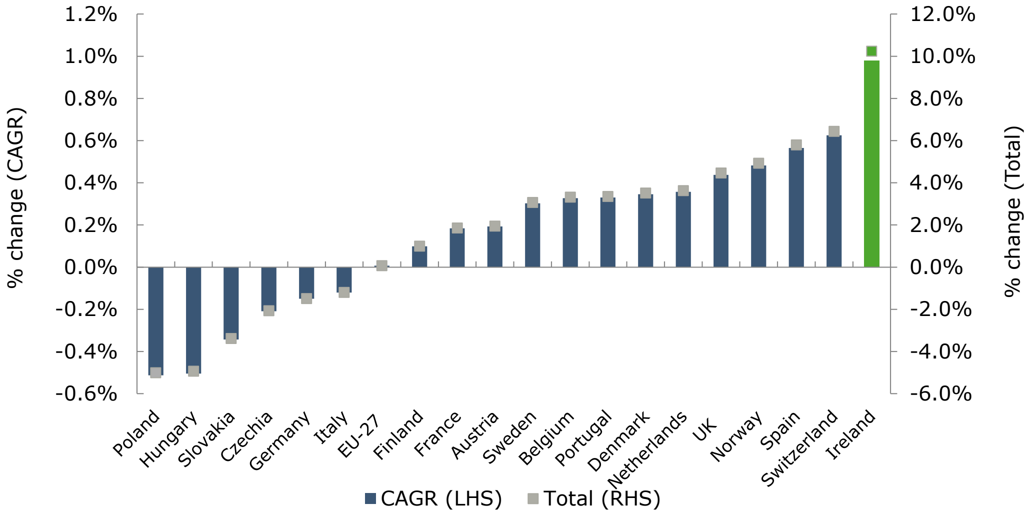



Source: Eurostat

## Further rapid population growth lies ahead

Eurostat produces long-term demographic forecasts for each EU country. A summary of the latest estimates (EUROPOP2025) is shown below for our sample. Ireland's population is forecast to grow by a further 10% (1% per annum) over the next decade, taking it to c.6m by 2035. This compares to an expectation of a flat outturn for the EU overall. Six countries in our sample are expected to see population declines over the next decade, including Germany and Italy.

## Expected change in population – 2025-2035

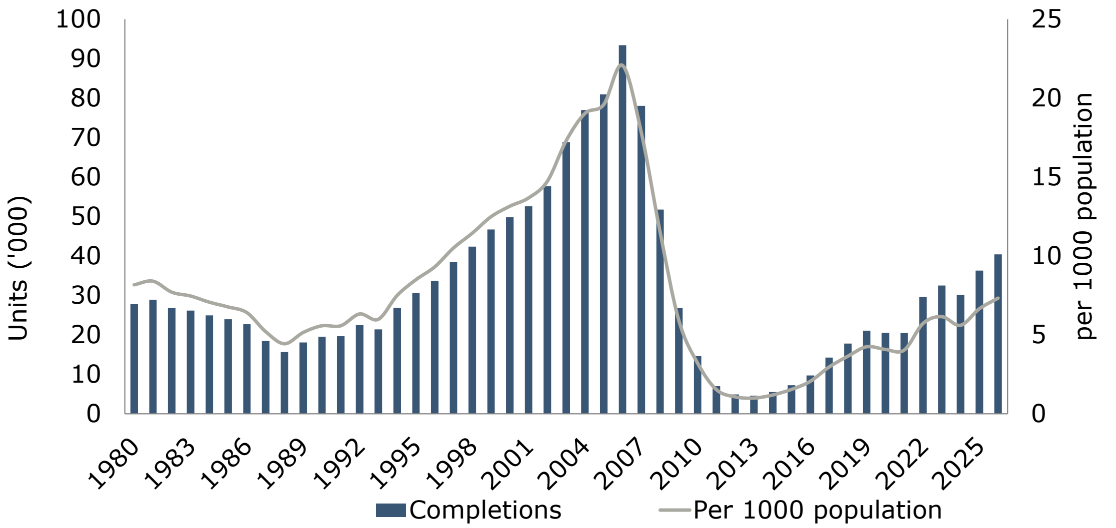



Source: Eurostat

## How quickly is Ireland delivering homes?

Having fallen dramatically post-2008, housing output in Ireland troughed in 2013 at less than 5,000 units. Since then, output has recovered strongly, reaching a post-2008 high of 36,284 units in 2025. Completions have continued to grow in early 2026, with our expectation that 40,000 units will be completed this year. Scaled for the size of the population, home completions peaked in 2006 at 22 units per 1000 of the population, fell to a low of 1, and this year will rise to 7 units per 1000.

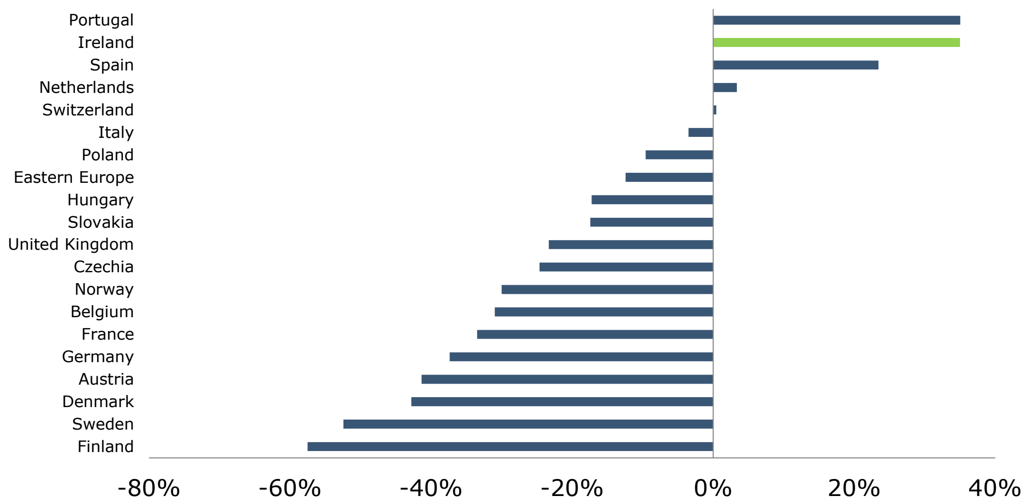
**Housing completions in Ireland – 1980-2026**




Source: DHLGH, CSO, Goodbody

The table below shows how this compares with the rest of Europe (using the sample of countries tracked by Euroconstruct). As a group, new housing supply has dropped sharply over recent years, falling by 22% for the 19 Euroconstruct countries collectively. Only five countries – Portugal, Ireland, Spain, Netherlands and Switzerland – have experienced an increase in new housing supply over this period. Along with Portugal, Ireland is estimated to have experienced the largest increase in new supply, at 35% over the 2022-2026 period. The largest declines have been in Scandinavia, with Finland faring the worst with a 58% decline.

**Change in new home completions 2022-2026**

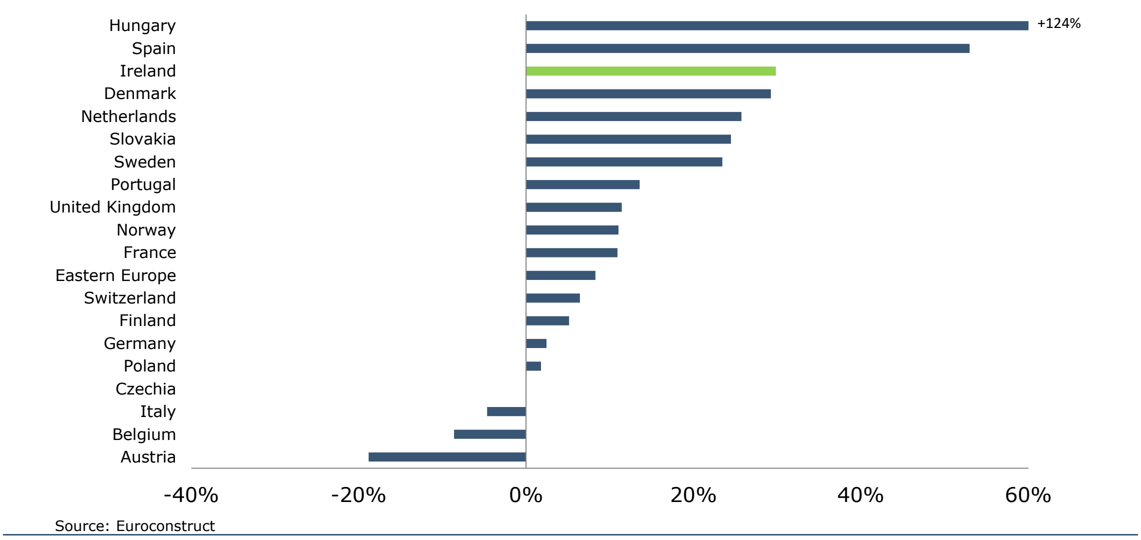



Source: Euroconstruct

## Prospects to 2028

New home completions are expected to grow by 11% across Europe over the three years from 2025-2028. In contrast, home completions are expected to increase by 30% in Ireland (to 47K completions), according to Euroconstruct. Spain (+53%) and Hungary (+124%) are the only two countries that are expected to see completions growing at a faster pace over this period.

**Expected change in home completions – 2025 - 2028**

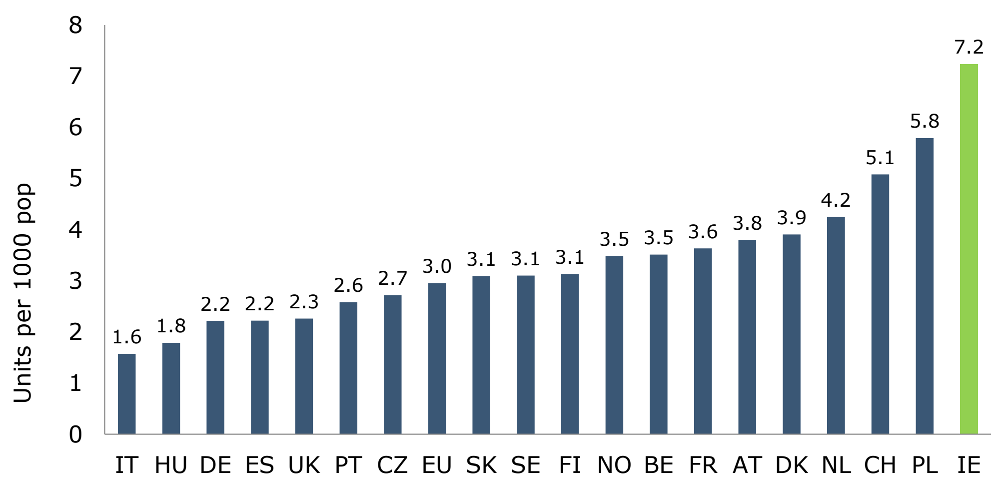



Source: Euroconstruct

## Rate of homebuilding highest in Ireland when scaled to population

When compared to its population, Ireland is currently building homes at the fastest pace in Europe. At 7 units per 1000, this is more than double the pace in Europe overall and more than three times the pace seen in the UK. Euroconstruct projections suggest that Ireland will maintain this position in both 2027 and 2028, with output rising to 7.7 and 8.3 units per 1000 of the population respectively in these years.

**Home completions per 1000 population - 2026**

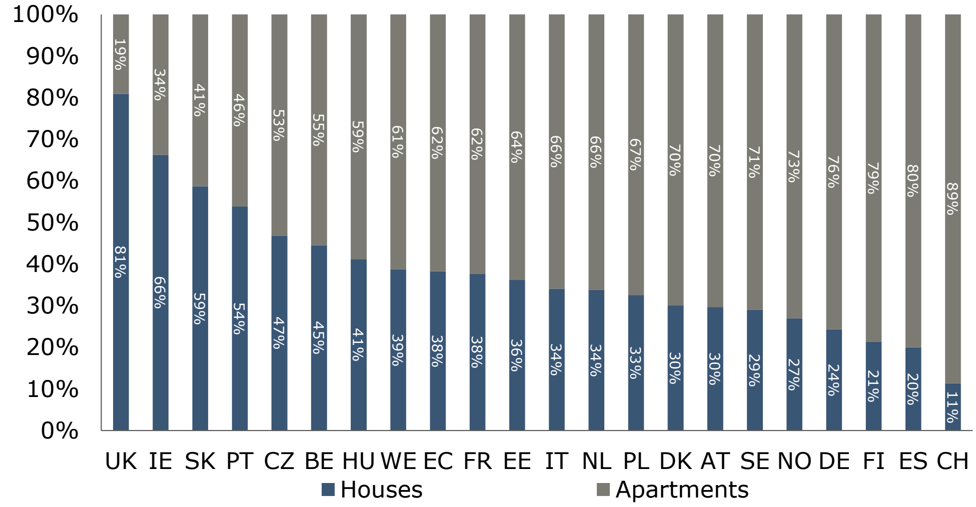



Source: Goodbody

## Share of apartment completions amongst lowest in Europe

The output mix also differs widely across Europe. While apartment completions have increased over recent years, the share remains low in an international context. With Ireland's share at 34%, the UK (19%) is the only country expected to have a lower share of apartment output this year. At the other end of the spectrum, the majority of homes built in Switzerland (89%), Spain (80%) and Finland (79%) are apartments. The European average is 62%.

**Housing output in 2026 – Share of houses-v-apartments**




Source: Euroconstruct

## Quantifying the extent of the housing deficit in Ireland

The concept of a housing deficit was prominent in the work of the *Housing Commission*; its calculation is underpinned by the estimate of the household size. The Commission estimated that the housing deficit in Ireland amounted to between 212,000 and 256,000 as at the April 2022 Census. Given the population growth in recent years and the level of homebuilding, this deficit has likely grown in recent years. The next estimate of the household size will only be available after the results of the next Census in 2027. Nevertheless, the difference between the most recent household size estimate and what is believed to be an appropriate level (based upon five separate analyses) represents the housing deficit in Ireland.

An alternative method of estimating the probable housing deficit is by comparing the level of housing stock relative to the population. We compare two estimates below:

- Housing stock relative to the total population
- Housing stock relative to the adult (>25) population – given different age structures across countries, including a greater proportion of children in the Irish population, this is arguably a more appropriate ratio for comparison

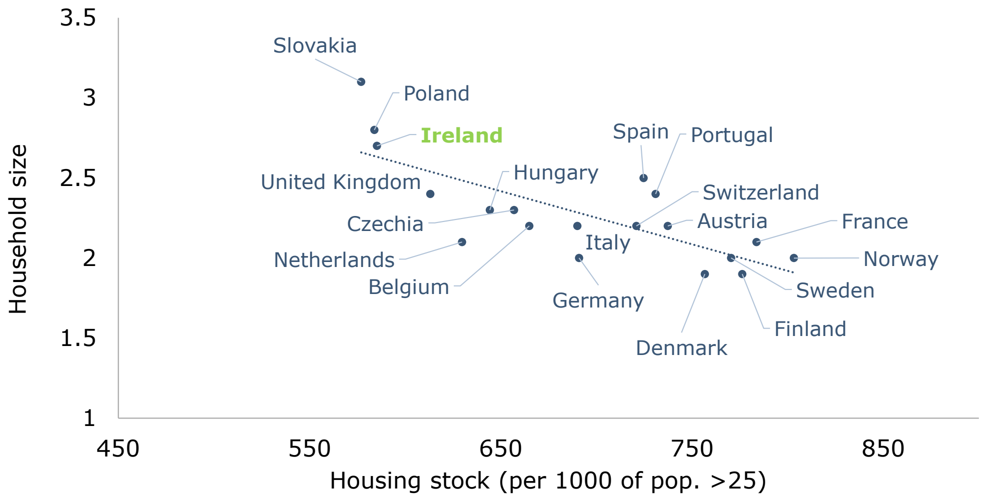
## Household size & the housing stock across Europe

| | Household size | Stock per 1000 pop | Stock per 1000 pop >25 |
|---|---|---|---|
| Slovakia | 3.1 | 430 | 577 |
| Poland | 2.8 | 429 | 584 |
| **Ireland** | **2.7** | **401** | **585** |
| UK | 2.4 | 437 | 613 |
| Netherlands | 2.1 | 459 | 630 |
| Hungary | 2.3 | 484 | 644 |
| Czechia | 2.3 | 486 | 657 |
| Belgium | 2.2 | 480 | 665 |
| Italy | 2.2 | 539 | 690 |
| Germany | 2.0 | 526 | 691 |
| Switzerland | 2.2 | 536 | 721 |
| Spain | 2.5 | 552 | 725 |
| Portugal | 2.4 | 564 | 731 |
| Austria | 2.2 | 556 | 737 |
| Denmark | 1.9 | 547 | 757 |
| Sweden | 2.0 | 552 | 770 |
| Finland | 1.9 | 574 | 776 |
| France | 2.1 | 562 | 784 |
| Norway | 2.0 | 577 | 803 |
| **EU median** | **2.2** | **536** | **691** |

Source: Euroconstruct, Eurostat, Goodbody

The European median number of homes per population >25 is estimated at 691. The lowest number of homes per adult is in Slovakia, followed by Poland. Ireland has the third lowest number of homes per adult in Europe. For Ireland to be at the European median would require a further 395,000 new homes.

## Household size versus housing stock (per 1000 population > 25)




Source: Eurostat, Euroconstruct

## Pillar B – Social & State-led contribution

An important feature of stable housing systems across Europe is a strong system of state-led housing. This includes a consistent contribution from the public sector to new supply and a relatively high share of public housing in the overall housing stock. The *Report of the Housing Commission in Ireland* set out 16 recommendations in relation to the social housing sector, including to increase *"the size of the social and cost-rental housing sectors to 20% of the national housing stock so that these sectors will provide a substantial source of rental housing for lower and middle-income households in future".*

The current tenure structure of housing in Europe is compared in the table below, taken from the European Compendium of Housing Policies.

**Tenure structure of housing markets in Europe**

| Country | Private ownership | Social rental | Private rental | Other/not identified |
|---|---|---|---|---|
| Netherlands | 58.0% | 28.9% | 13.0% | 0.1% |
| Austria | 48.2% | 23.6% | 18.7% | 9.5% |
| Denmark | 63.6% | 20.2% | 12.0% | 4.2% |
| UK | 62.4% | 16.7% | 20.8% | 0.1% |
| Sweden | 40.0% | 16.0% | 15.0% | 29.0% |
| France | 57.5% | 14.7% | 25.6% | 2.2% |
| Finland | 61.4% | 12.3% | 25.0% | 1.3% |
| Germany | 42.8% | 12.3% | 45.0% | |
| **Ireland** | **65.6%** | **9.9%** | **17.9%** | **6.6%** |
| Belgium (Brussels-Capital Region) | 38.1% | 7.6% | 54.3% | |
| Switz* | 35.9% | 7.0% | 53.9% | 3.2% |
| Belgium (Wallonia) | 63.8% | 6.5% | 29.7% | |
| Belgium (Flanders) | 73.7% | 6.0% | 19.1% | 1.2% |
| Poland | 91.9% | 5.3% | 0.4% | 2.4% |
| Norway | 78.0% | 4.0% | 14.0% | 4.0% |
| Portugal | 70.0% | 3.1% | 19.2% | 7.7% |
| Spain | 75.4% | 3.0% | 13.1% | 8.5% |
| Slovakia | 91.5% | 2.5% | 1.0% | 5.0% |
| Hungary | 90.2% | 2.3% | 5.6% | 1.9% |
| Czechia | 75.0% | 1.2% | 18.0% | 5.8% |
| **Median** | **63.8%** | **7.0%** | **18.0%** | **4.1%** |

Source: ESPON – European Compendium of Housing Policies, ONS

There is significant dispersion across Europe in tenure type. The table above is ordered according to the proportion of social rented households. Netherlands (29%), Austria (24%) and Denmark (20%) top this list. Ireland is towards the middle of the list of countries in our sample and is slightly above the median.

## Social housing delivery in Ireland

There has been significant variation in new social housing output in Ireland over the past few decades. This is illustrated on the next chart, with data stretching back to 1960. We can divide these periods into a number of distinct phases:

**1960s "Golden Age"** – As a share of total housing output, social housing completions peaked in the 1960s. Almost 30,000 units were built during this period, with a peak share of 38% reached in 1966. This included the construction of brand-new towns.

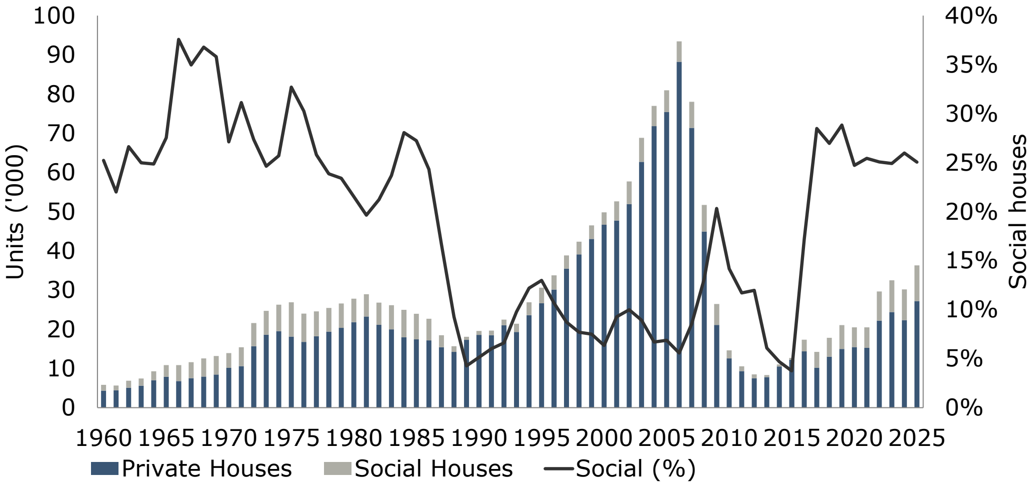
**1970s – Consolidation at a high level** – Social housing output remained high during the 1970s, with direct output averaging over 6,000 units per annum and the share consistently above 25%

**Late 1980s – late 1990s – Stepdown** – The fiscal crisis of the late 1980s triggered a sharp reduction in public spending overall, including on housing. In the 1990s delivery shifted away from a predominantly local-authority construction model toward a more mixed system: Approved Housing Bodies (AHBs) expanded, but policy relied increasingly on private-rental supports, with Rent Supplement becoming a de facto parallel social-housing system before longer-term need was progressively channelled into RAS and then HAP.

**Late 2000s – Construction collapse** – The effects of the GFC resulted in a collapse in both private and public output. Direct public output fell below 1,000 units per annum in the 2013-2015 period.

**2016 to date – Decade of recovery** – The past ten years has seen a recovery of social housing output, with significant growth in the AHB sector in particular.

**Social home-building in Ireland since 1960**

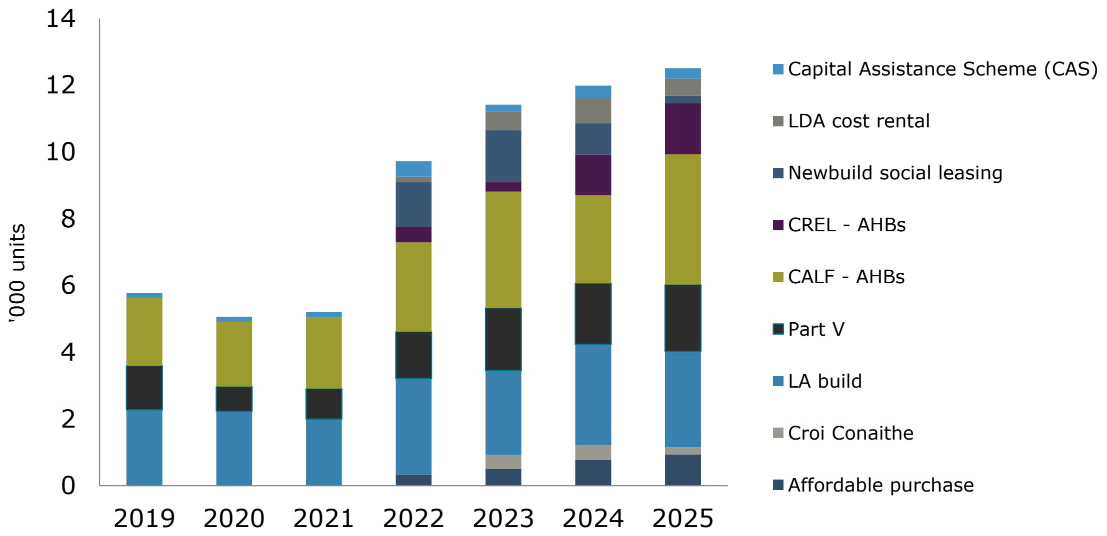



Source: Housing Agency, CSO, DoELG, Goodbody

## Recent government initiatives supporting social and affordable housing supply in Ireland

There has also been a number of separate government schemes to support public and affordable housing output introduced over recent years. These are illustrated in the chart below, and explained in the table.

**New "public" housing by delivery stream in Ireland – 2019-2025**




Source: DoHLGH

**"Public" housing supports – description & funding type**

| Scheme | Tenure Type | Funding Type | Funding Mechanism Description |
|---|---|---|---|
| Affordable Purchase | Owner-occupied | State equity (shared equity) | Upfront price discount funded by local authority equity stake |
| Croí Cónaithe | Owner-occupied | Capital grant (viability gap subsidy) | Direct Exchequer subsidy to close gap between build cost and sale price. |
| Local Authority Build | Social housing | Full public capital | Direct Exchequer-funded capital construction by local authorities |
| Part V | Social/Affordable | Planning gain (land value capture) | Transfer of land or units (up to 20%) from developers at existing use value |
| Capital Advance Leasing Facility - CALF (AHBs) | Social housing | Capital + private debt + leasing income | ~30% State capital advance combined with private/HFA loans repaid via long-term lease payments |
| Cost Rental Equity Loan - CREL (AHBs) | Cost rental | State equity / concessional finance | State-backed financing (equity & loans) to support delivery of cost rental housing at below-market rents |
| Newbuild Social Leasing | Social housing | Current expenditure (leasing) | Long-term lease payments to private/AHB providers instead of upfront capital purchase |
| LDA Cost Rental | Cost rental | Cost recovery + capital subsidy + debt | Combination of State capital support and long-term borrowing; rents cover lifecycle costs |
| Capital Assistance Scheme (CAS) | Social housing (special needs) | Full capital grant | Non-repayable capital funding to AHBs for priority groups (elderly, disability, homeless) |

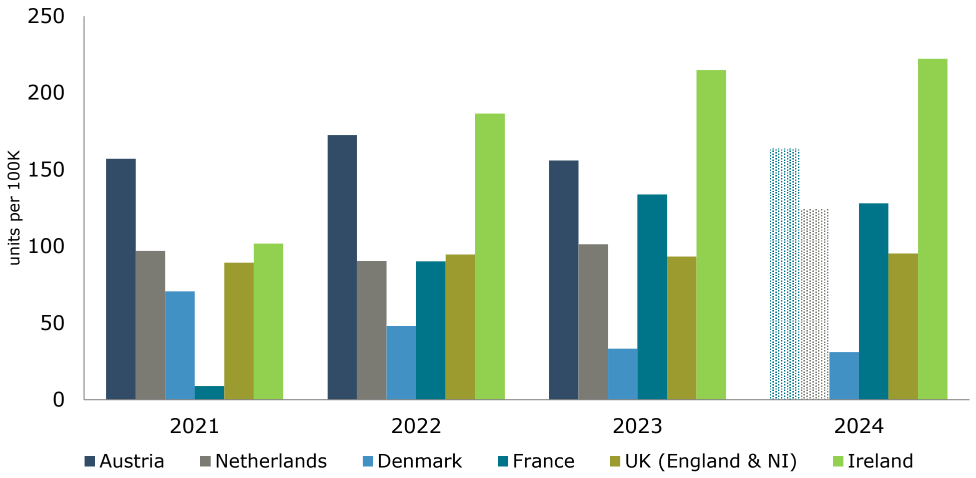
Source: DoHLGH

## Recent social housing output trends compare favourably to peers

Direct international comparisons of new social housing delivery are difficult as definitions of social housing vary across jurisdictions and may include differing combinations of affordable, municipal, non-profit and cost-rental housing. However, recent research published by *Housing Europe* allows us to carry out this analysis on a sample of countries.

It shows that Ireland now exceeds a range of European peers including the UK, Netherlands, France[1] and Denmark, while also comparing favourably with Austria[2], which is often regarded as best in class for social and affordable housing provision. New social housing completions reached c.222 units per 100,000 population in 2024, up from 116 units per 100,000 population in 2019. Using the latest data and estimates for 2024, this was above Austria (163), France (128) and the Netherlands (124).

**New social housing units per 100K of population**




Source: Source: Housing Europe, Statistics Denmark,Office for National Statistics (ONS); United Nations Economic Commission for Europe (UNECE) Database; Euroconstruct; Government of Ireland (gov.ie); Central Statistics Office (CSO).

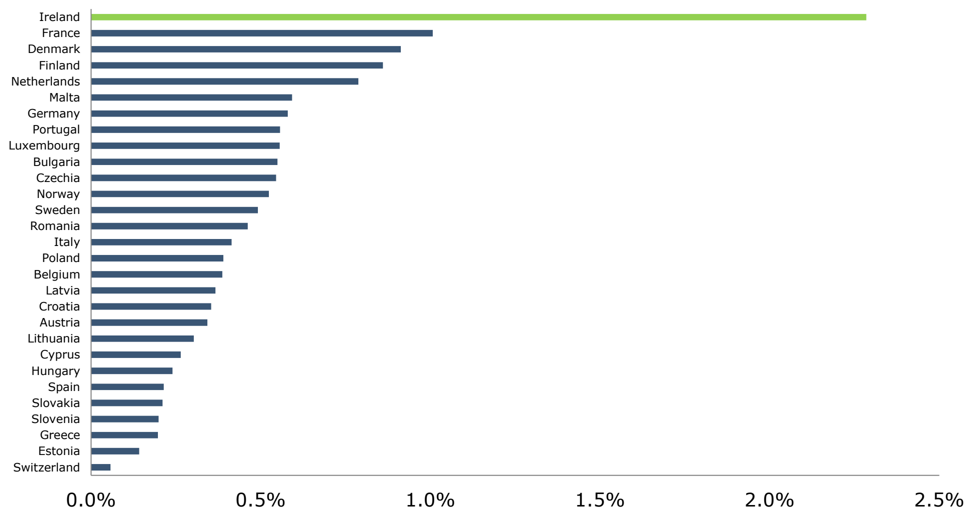
The increase is also evident when measured as a proportion of total housing output. Social housing represented almost 35% of all residential completions in Ireland during 2023 compared to the 27% in 2019. This compares with c.25-34% across the sample of peer European countries. While Austria and the Netherlands maintain substantially larger social housing stocks, Ireland's recent delivery rates indicate a marked acceleration in activity. The data suggests Ireland has moved from the middle of the European peer group in 2019-2021 to among the strongest performers on new social housing completion metrics in 2023-2025. On this basis, Ireland's recent new-build social housing delivery programme compares favourably with a number of established European social housing systems and highlights the significant progress made in increasing output over recent years. This will have to be sustained if Ireland is to close the gap between itself and these European peers.

[1] New social housing completions for France refer to HLM (Habitations à Loyer Modéré) providers only. The data excludes the "Other social" segment, which includes dwellings delivered by local public enterprises (EPLs), state and local authority providers, and other approved housing operators that fall outside the HLM legal framework. As HLMs account for approximately 83% of total new social housing completions, the figures presented have been grossed up by a factor of 1.205 (1/0.83) to provide an estimate representative of total social housing completions.
[2] In Austria, Limited-Profit Housing Associations (LPHAs) are identified as the primary providers of social housing. Municipal housing construction has largely ceased outside Vienna and contributes only a negligible share of new social housing supply; therefore, it is not materially reflected in the figures presented in this chart.

## Public spending on housing in a European context

Ireland's stands out for its level of direct government spending on housing. To capture the level of government support for the sector, we focus on specific components of spending within the government accounts below[3]. Using this method, Ireland spent €7.3bn in housing provision in 2024, amounting to 2.3% of GNI*. This was the highest in Europe by a large margin, with the median across Europe standing at 0.4% of GNI* and the second largest being France at 1% of GNP.

**Government spending on housing development - % of GDP/GNI* - 2024**




Source: COFOG - Eurostat

Ireland is a major outlier because most of the spending (and debt) associated with the production of homes by the Approved Housing Body (AHB) sector is fully on balance sheet. In other countries such as Austria, Netherlands, France and Denmark a wider range of funding options are used to provide social housing. This results in the full cost of buying or building the social housing unit appearing on the government accounts in the year it is provided. A reform of the system of capital funding for the AHB sector was recommended by the Housing Commission to reduce the volatility of funding and ensure long-term sustainability of the sector.

While already high for the reasons mentioned, Irish government spending has increased by the most of any European country (as a % of GNI*) over the period 2022-2024. The numbers below show that Ireland spent 5.8% of total government spending on housing development in 2024, relative to the European median level of less than 1%.

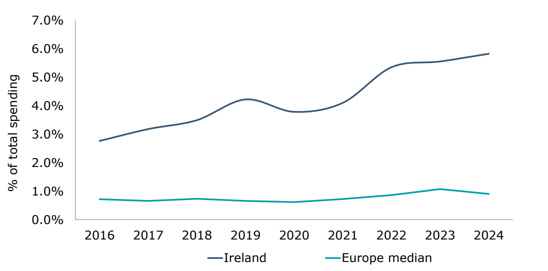
[3] Specifically, we calculate government spending on housing within the General Government Expenditure by function (COFOG) data as general government expenditure on housing development (GF0601) and general government spending on housing (GF0601).

## Government spending on housing - % of GDP/GNI*

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|
| Belgium | 0.31% | 0.34% | 0.36% | 0.29% | 0.38% | 0.39% |
| Bulgaria | 0.67% | 0.36% | 0.44% | 0.46% | 0.61% | 0.55% |
| Czechia | 0.37% | 0.34% | 0.33% | 0.37% | 0.50% | 0.55% |
| Denmark | 0.85% | 0.82% | 0.71% | 0.68% | 0.89% | 0.91% |
| Germany | 0.40% | 0.46% | 0.54% | 0.58% | 0.63% | 0.58% |
| Estonia | 0.14% | 0.14% | 0.14% | 0.14% | 0.17% | 0.14% |
| **Ireland** | **1.77%** | **1.95%** | **1.88%** | **2.16%** | **2.22%** | **2.28%** |
| Greece | 0.20% | 0.23% | 0.34% | 0.22% | 0.25% | 0.20% |
| Spain | 0.18% | 0.20% | 0.22% | 0.20% | 0.24% | 0.21% |
| France | 1.13% | 1.26% | 1.22% | 1.10% | 1.02% | 1.01% |
| Croatia | 0.20% | 0.27% | 0.26% | 0.36% | 0.39% | 0.35% |
| Italy | 0.11% | 0.24% | 2.13% | 2.96% | 4.10% | 0.41% |
| Cyprus | 0.12% | 0.14% | 0.26% | 0.24% | 0.26% | 0.26% |
| Latvia | 0.36% | 0.43% | 0.37% | 0.32% | 0.31% | 0.37% |
| Lithuania | 0.10% | 0.18% | 0.26% | 0.32% | 0.34% | 0.30% |
| Luxembourg | 0.31% | 0.37% | 0.42% | 0.45% | 0.52% | 0.56% |
| Hungary | 0.28% | 0.30% | 0.30% | 0.14% | 0.61% | 0.24% |
| Malta | 0.19% | 0.26% | 0.24% | 0.28% | 0.56% | 0.59% |
| Netherlands | 0.69% | 0.73% | 0.71% | 0.78% | 0.78% | 0.79% |
| Austria | 0.28% | 0.25% | 0.26% | 0.26% | 0.35% | 0.34% |
| Poland | 0.31% | 0.27% | 0.25% | 0.27% | 0.40% | 0.39% |
| Portugal | 0.36% | 0.41% | 0.43% | 0.41% | 0.55% | 0.56% |
| Romania | 0.22% | 0.24% | 0.28% | 0.37% | 0.40% | 0.46% |
| Slovenia | 0.16% | 0.32% | 0.27% | 0.19% | 0.19% | 0.20% |
| Slovakia | 0.11% | 0.09% | 0.09% | 0.10% | 0.12% | 0.21% |
| Finland | 0.59% | 0.63% | 0.62% | 0.58% | 0.85% | 0.86% |
| Sweden | 0.50% | 0.55% | 0.50% | 0.51% | 0.52% | 0.49% |

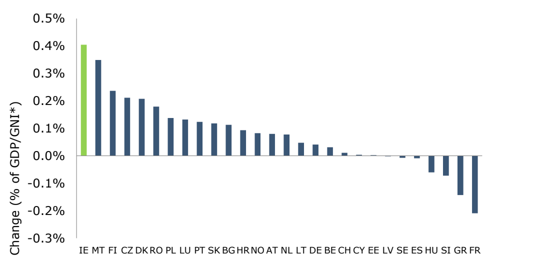
Source: Eurostat

## Housing as a % of total gov. spending




Source: Eurostat - COFOG

## Change in housing spend – 2022-2024



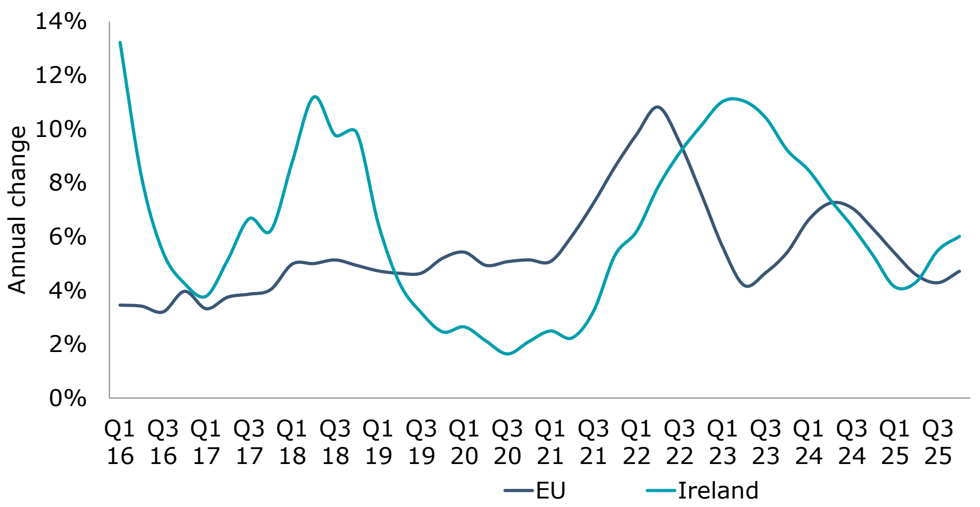

Source: Eurostat - COFOG

## Pillar C: Prices, Quality & Sustainability

### New home price inflation compared

The price of a new home in Ireland has risen by an average of 6.0% per year over the past decade. This is close to the growth seen in the EU overall (5.6%) over this time period, with periods in which prices in Ireland were growing at a faster pace (2016-2019, 2023) and vice versa (2019-2022).

**New home price inflation – Ireland & EU**




Source: Eurostat

Over the past five years, new home prices have grown at a slightly faster pace in both Ireland (7.2%) and the EU (6.5%). This latter period coincided with a significant increase in construction costs in 2022/2023. Over both a 5-yr and 10-yr period the change in prices of new homes in Ireland is close to the middle of the pack in a European comparison.

**New home prices – Annual change – 10-yrs**

| Rank | Country | Value |
|---|---|---|
| 1 | Hungary | 14.2% |
| 2 | Czechia | 10.3% |
| 3 | Portugal | 8.1% |
| 4 | Poland | 7.8% |
| 5 | Netherlands | 7.8% |
| 6 | Spain | 7.6% |
| 7 | Slovakia | 6.5% |
| **8** | **Ireland** | **6.0%** |
| 9 | EU-27 | 5.6% |
| 10 | Norway | 5.5% |
| 11 | Austria | 5.3% |
| 12 | Germany | 3.9% |
| 13 | Belgium | 3.9% |
| 14 | Sweden | 3.4% |
| 15 | Italy | 3.1% |
| 16 | Denmark | 2.7% |
| 17 | France | 2.6% |
| 18 | Finland | 2.3% |

Source: Eurostat

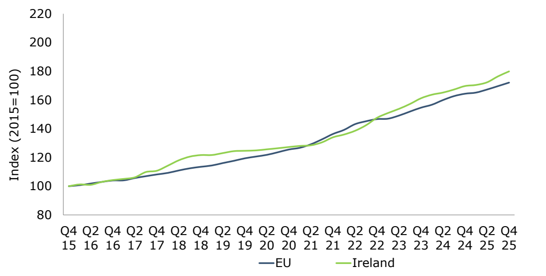
**New home prices – annual change – 5-yrs**

| Rank | Country | Value |
|---|---|---|
| 1 | Hungary | 15.1% |
| 2 | Poland | 10.7% |
| 3 | Czechia | 10.4% |
| 4 | Portugal | 9.5% |
| 5 | Spain | 8.6% |
| 6 | Netherlands | 7.7% |
| **7** | **Ireland** | **7.2%** |
| 8 | Slovakia | 6.6% |
| 9 | EU-27 | 6.5% |
| 10 | Norway | 5.7% |
| 11 | Italy | 5.3% |
| 12 | Austria | 4.6% |
| 13 | Denmark | 4.6% |
| 14 | Belgium | 4.0% |
| 15 | Sweden | 3.0% |
| 16 | Germany | 2.2% |
| 17 | France | 2.1% |
| 18 | Finland | 1.5% |

Source: Eurostat

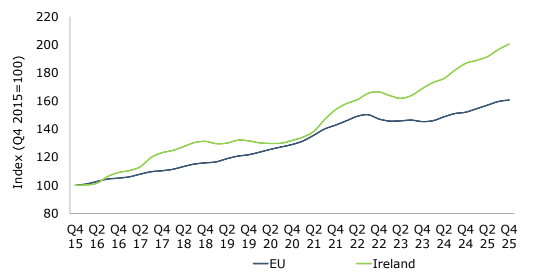
While new home prices have grown at a similar pace in Ireland and the EU, existing home prices growth in Ireland has outpaced that of the EU. This has been particularly evident in the past five years where existing home prices have risen by an average of 8.7% per annum, compared to an average of 4.5% per annum in the EU overall.

**New home prices – Ireland-v-EU**




Source: Eurostat

**Existing home prices – Ireland-v-EU**




Source: Eurostat

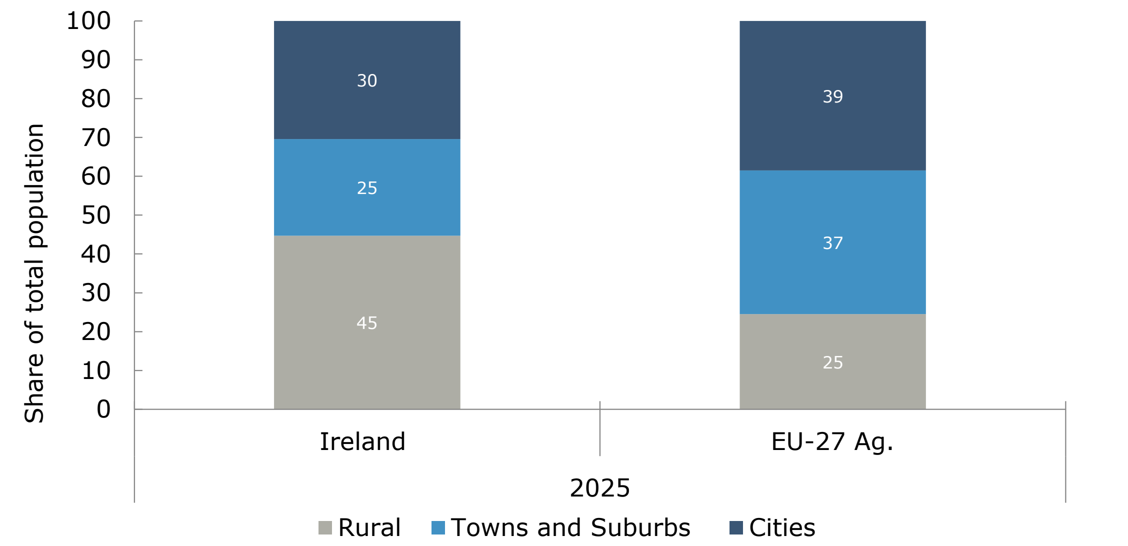
## Density & the type of residential stock

Based upon methodology developed by Eurostat, we are able to compare the degree of urbanisation across the EU. The basis for the classification is for 1km$^2$ population grids. Local administrative units (LAUs) are then divided into three types of areas:

- **Cities** – densely populated where at least 50% of the population lives in one or more urban centres (densities of at least 1500 people/km$^2$)
- **Towns and suburbs** – intermediate density areas where less than 50% of the population lives in an urban centre and at least 50% lives in an urban cluster (densities of at least 300 people/km$^2$)
- **Rural** – at least 50% living outside urban clusters or urban centres.

The overall position is summarised in the chart below.

**Share of population by area – Ireland-v-EU aggregate**

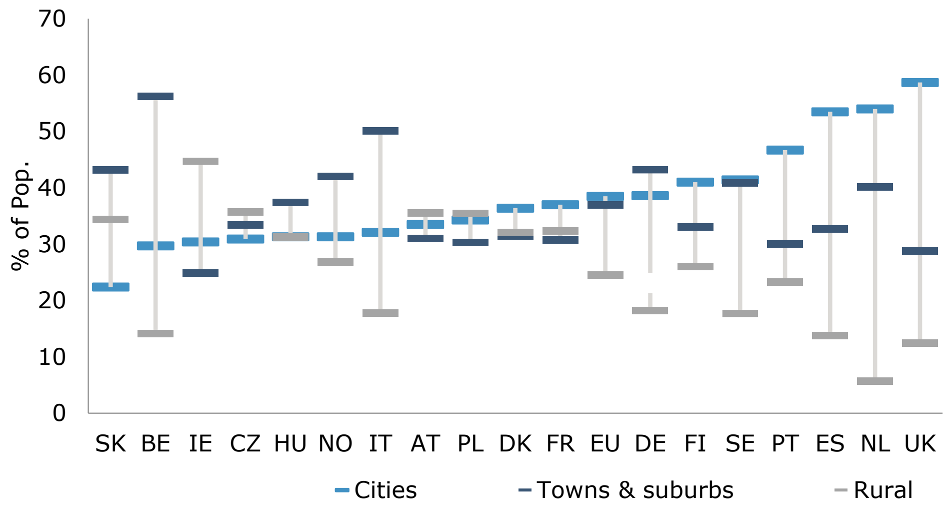



Source: Eurostat

The full breakdown across Europe is detailed in the chart below. Ireland stands out in a number of respects:

- **Amongst the lowest share living in cities** – Amongst our sample, Ireland has the third lowest share of the population living in cities.
- **Largest share living in rural areas** – at 45%, Ireland has the highest share of the population living in rural areas in our sample. This compares to an EU average of 25%
- **Lowest share living in towns and suburbs –** at 25%, Ireland has the lowest share of its population living in towns and suburbs, compared to a European average of 37%.

**Share of population by density grouping**

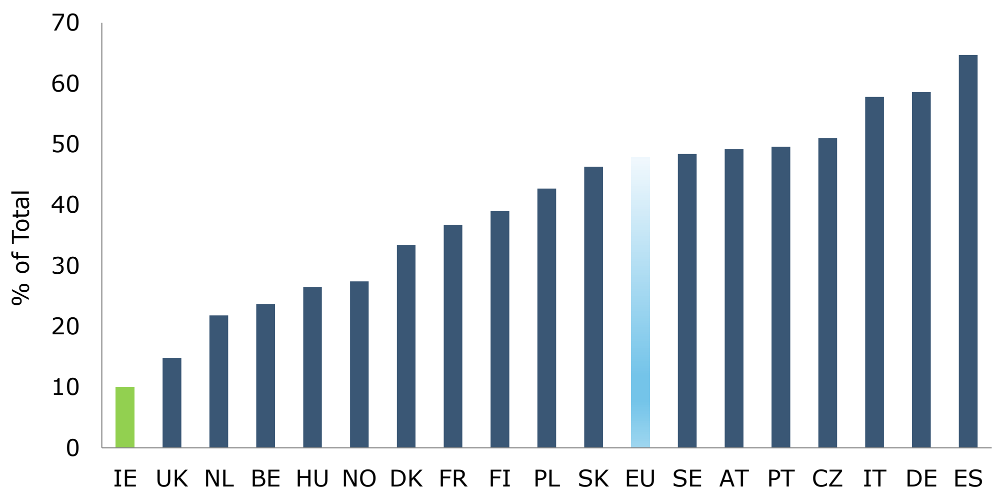



Source: Eurostat *Data is for 2025 except for UK which relates to 2018 (latest comparable data)

The characteristics of Ireland's population density are an important explanatory factor in differences in the type of accommodation in Ireland relative to peers. The key conclusions from the data below are:

- **Lowest apartment share in Europe** – Ireland is a significant outlier in that just 10% of the population currently live in apartments (flats), the lowest in Europe and compared to an EU average of 48%

**Percentage of population living in apartments**




Source: Eurostat

*the data relates to 2025, with the exception of the UK which relates to 2018

- **Significantly higher share in semi-detached homes** – Semi-detached houses make up the biggest share of the stock in Ireland. 51% of the population currently live in semi-detached houses. This is the third highest share in our sample, behind the UK and Netherlands, and compares to an EU average of 17%.
- **Above average share in detached houses** – 39% of the population in Ireland live in detached homes, above the EU average of 35%. This is reflective of the scale of the population living in rural areas.

**Tenure breakdown in Europe - % of population living in each tenure**

| Country | Apartments | Semi-detached | Detached |
|---|---|---|---|
| **Ireland** | **10.0** | **50.6** | **39.1** |
| United Kingdom | 14.8 | 60.8 | 24.5 |
| Netherlands | 21.8 | 57.8 | 18.1 |
| Belgium | 23.7 | 41.7 | 34.3 |
| Hungary | 26.5 | 5.6 | 67.7 |
| Norway | 27.4 | 17.7 | 54.7 |
| Denmark | 33.4 | 15.5 | 50.9 |
| France | 36.7 | 18.4 | 44.7 |
| Finland | 39.0 | 17.5 | 43.1 |
| Poland | 42.7 | 6.0 | 51.2 |
| Slovakia | 46.3 | 1.8 | 51.8 |
| **EU-27 aggregate** | **47.8** | **16.7** | **34.8** |
| Sweden | 48.4 | 9.2 | 41.8 |
| Austria | 49.2 | 7.5 | 43.0 |
| Portugal | 49.6 | 16.9 | 33.4 |
| Czechia | 51.0 | 11.3 | 37.4 |
| Italy | 57.8 | 20.7 | 21.2 |
| Germany | 58.6 | 13.6 | 25.4 |
| Spain | 64.7 | 17.4 | 17.7 |

Source: Eurostat

## Quality & sustainability of new housing

Comparability of the energy efficiency of the new housing stock across Europe is complicated by the fact that there is no such thing as a single "European EPC"[4]. While the Energy Performance of Buildings Directive (EPBD) created a common framework, countries have implemented it in very different ways, meaning that EPC ratings are not directly comparable across borders. An A-rating in one country does not necessarily represent the same level of energy efficiency as an A-rating elsewhere. The first issue is methodological. Most countries use steady-state energy models, but some, including the UK (for certain building types) and Bulgaria, also use dynamic simulation. A second challenge is that countries use different inputs and assumptions. Temperature settings, occupancy profiles, ventilation rates, appliance use, weather assumptions and building service characteristics are generally determined at national level rather than by a common European standard. Perhaps the biggest comparability problem comes from how ratings are calculated and presented. Although many EPCs use the familiar colour-coded A–G scale, the underlying metric often differs. Some countries base ratings primarily on energy consumption, others on carbon emissions, while the UK residential system uniquely bases ratings on energy cost.

With these caveats, the European Commission has carried out research which shows that Ireland is amongst the stronger performing countries with regard to the energy efficiency of the new residential building stock. It concludes that national definitions remain far from harmonised, with allowable non-renewable primary energy consumption for new homes ranging from approximately 15 to 95 kWh/m² per year across EU countries.

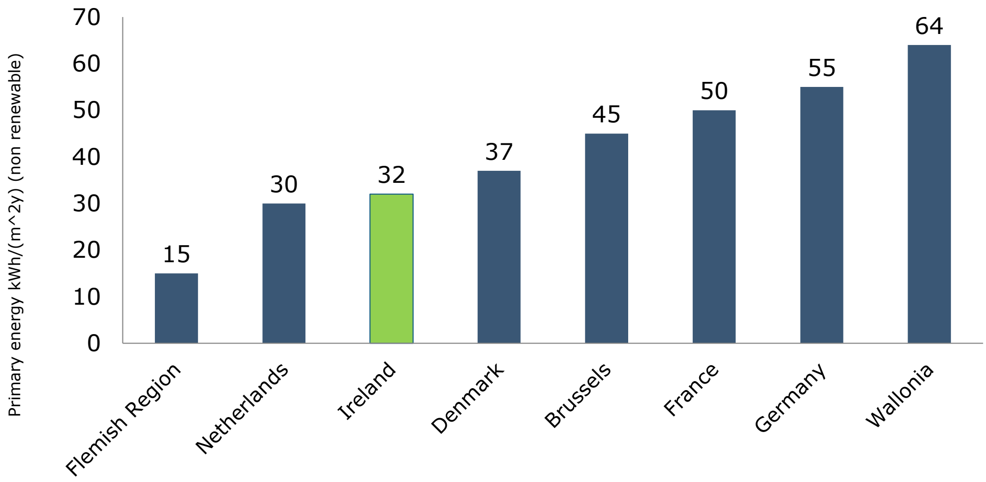
The Irish NZEB standard for new dwellings requires non-renewable primary energy demand of approximately 32–40 kWh/m² per year, substantially below the EU-wide average of around 54 kWh/m² per year. This places Ireland towards the more ambitious end of the European spectrum and well ahead of many member states with less stringent requirements.

The chart below benchmarks national NZEB standards against European Commission recommended performance levels for new homes. These benchmark levels are important because they provide an indication of the energy performance considered necessary to support Europe's long-term decarbonisation objectives rather than simply comparing one country against another. It demonstrates that many Member States continue to operate standards that are less ambitious than the Commission's recommended benchmarks. Ireland performs relatively well in this comparison. While not among the absolute leaders, Ireland's NZEB standard sits much closer to the recommended benchmark range than many other countries and compares favourably with the EU average.

As a member of the Oceanic climate zone which includes Denmark, Belgium, France, Germany, Luxembourg and the Netherlands, Ireland forms part of the climatic grouping identified in the report as the most ambitious overall in terms of energy performance standards.

[4] European Council for an Efficient Economy (2024)

**New housing – non-renewable energy usage levels – "Oceanic" region**




Source: European Commission

The report also shows that Ireland's strong performance is driven less by exceptionally high renewable energy requirements and more by the quality of the building fabric itself. Ireland requires a renewable energy contribution of approximately 20% for new homes, which is relatively modest by European standards, with some countries requiring renewable contributions of 40–60%. Nevertheless, Ireland achieves low energy consumption levels because new homes are built to high insulation and airtightness standards.

This is evident when examining U-values, which provide a measure of heat loss through the building envelope. U-values represent the rate at which heat passes through walls, roofs, floors and windows; lower values indicate better insulation performance. Average U-values across Europe for new homes are approximately 0.32 W/m²K for walls, 0.23 W/m²K for roofs and 1.59 W/m²K for windows. Ireland's corresponding requirements are substantially lower, with wall U-values typically in the range of 0.18–0.21 W/m²K, roof U-values of 0.16–0.20 W/m²K and window U-values generally around 1.2–1.4 W/m²K. These figures place Ireland comfortably ahead of the European average and indicate that Irish homes lose significantly less heat than those in many other Member States.

The significance of these low U-values is that they reduce the energy required to heat a dwelling throughout its lifetime. Consequently, Ireland's relatively strong NZEB performance is being achieved through a "fabric first" approach that prioritises insulation, airtightness and thermal performance before relying on renewable energy technologies. This compares favourably with several European countries that achieve lower primary energy consumption partly through much larger renewable energy contributions.

Overall, the evidence suggests that Ireland is already among the stronger performers in Europe for the energy efficiency of newly constructed homes. The country's primary energy standards are significantly more demanding than the EU average, while its building fabric standards compare favourably with those of more advanced countries such as Denmark and the Netherlands. Future improvements are likely to come less from further reductions in U-values and more from greater renewable energy integration, embodied carbon measurement and the transition towards the Zero Emission Building (ZEB) standards that will apply from 2030 onwards.

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