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Proposal for a

COUNCIL RECOMMENDATION

on the New European Bauhaus

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The New European Bauhaus (NEB) aims to support Europe's transition towards a more inclusive and sustainable future by bringing tangible positive change on the ground. The NEB champions sustainability, resilience, aesthetics, inclusivity, accessibility, and affordability through an evidence-based approach, building on Europe's rich cultural heritage and diversity¹, while strengthening clean industries and technologies of the future. As announced in its political guidelines for 2025 to 2029, the Commission will further develop the NEB and broaden its community.

Both the European Parliament² and EU Member States³ have consistently shown strong support for the NEB. The European Economic and Social Committee⁴ and the European Committee of the Regions⁵ have also issued positive opinions on the initiative. The NEB has generated enthusiasm at grassroots level with a robust membership-based community of almost 2 000 local and international organisations ranging from non-profits and cultural entities to public authorities and businesses, reaching millions of people.

The present proposal for a Council Recommendation as well as a Commission Communication on the NEB accompany the European Affordable Housing Plan alongside the European Strategy for Housing Construction and a revision of State aid rules on Services of General Economic Interest (SGEI).

• Consistency with existing policy provisions in the policy area

The NEB connects the clean transition and sustainable competitiveness to our living spaces and experiences and contributes to the achievement of several initiatives such as the Clean Industrial Deal, the Circular Economy agenda, the Water Resilience Strategy, the European Ocean Pact, and the EU Bioeconomy Strategy⁶. In addition, it contributes to the implementation of cohesion policy and to the EU strategic framework for culture (Culture Compass for Europe), and complements the Agenda for Cities, the European Integrated Framework for Climate Resilience and the Union of Skills and European Pillar of Social Rights.

¹ More information on the NEB values and principles, is available in the [NEB Compass](#).

² See European Parliament resolution of 14 September 2022 on the New European Bauhaus, [2021/2255\(INI\)](#). Additionally, the European Parliament has supported the initiative with a preparatory action ('New European Bauhaus Knowledge Management Platform') and a pilot project ('Stimulating Local and Regional New European Bauhaus Grassroots Projects').

³ Council conclusions on culture, high-quality architecture and built environment as key elements of the New European Bauhaus initiative, [14534/21](#).

⁴ See <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/new-european-bauhaus>.

⁵ See <https://web.cor.europa.eu/ea/News/Pages/CoR-members-adopt-McCarthy's-opinion-on-the-New-European-Bauhaus.aspx>.

⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions A Strategic Framework for a Competitive and Sustainable EU Bioeconomy ([COM/2025/960](#))

- **Consistency with other Union policies**

Through its truly transdisciplinary, innovative and bottom-up approach, the NEB **contributes to several Commission priorities.**

The NEB promotes a **sustainable and competitive economy** by driving **decarbonisation in the built environment, accelerating the move towards clean and cheaper energy, and promoting circular design and resilient models in different economic sectors. It also encourages innovation and skills development for the clean transition**, inspiring sustainable practices **globally**, including for **Ukraine's reconstruction efforts**. It strengthens **Europe's social model** by e.g. addressing housing affordability and improving our **quality of life** and it helps to protect Europe's cultural heritage. By putting people and stakeholders front and centre of change through participation and co-creation, the NEB promotes a culture of creativity, inclusion and dialogue that ultimately strengthens **trust in democratic processes** and **European values** also ensuring that the produced outcomes are fit for the realities and demands of society and stakeholders.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The proposal for a Council Recommendation is based on Article 292 TFEU, which empowers the Council to adopt recommendations following a proposal from the Commission. While the NEB initiative itself is founded on three inseparable values- sustainability, inclusivity, and aesthetics - this Recommendation is centred on the clean transition.

Article 192 TFEU offers the legislative framework for achieving environmental objectives, it is also aligned with the intention of the NEB to bring the European Green Deal and the Clean Industrial Deal closer to people. The focus on sustainability is evident throughout the Recommendation, emphasizing sustainable construction practices, energy efficiency, and resource management. These elements reflect the environmental goals outlined in Article 191 TFEU, supporting the preservation and improvement of the quality of the environment.

While the NEB contributes to various Union objectives, including social inclusion and cultural heritage, as set out in Article 3 TEU, the strong emphasis on sustainability within all elements contained in this Recommendation finds a coherent legal foundation under Article 192 TFEU. This focus on sustainability facilitates the integration of NEB values into environmental policy, offering non-binding guidance to embed these principles at national and local levels, thereby advancing the Union's overarching environmental goals in an inclusive way that takes the quality of experience of citizens into account.

- **Subsidiarity (for non-exclusive competence)**

The proposal is in conformity with the principle of subsidiarity laid down in Article 5(3) TEU and respects Member States' competence. The challenges the NEB addresses (circularity, sustainability and innovation for the built environment; empowering citizens through participatory processes to strengthen democratic, inclusive, accessible and resilient neighbourhoods; and harnessing the transformative power of education, arts and culture to boost creativity and innovation) are EU-wide and interconnected.

Delivering on these objectives depends on cross-border enablers: a pan-European NEB Community and grassroots participation; coordination and multilevel governance to align

national, regional and local action and enable peer learning, access to funding and investments, including combining EU, national and private sources, as well as a shared knowledge and evidence base to measure impact and scale best practices.

An EU-level recommendation is therefore more effective than isolated national action as it allows for coordination, cross-fertilisation and policy coherence in taking forward actions across Member States, in full respect of subsidiarity and national contexts, while benefiting from EU-level support, funding opportunities and peer learning. This initiative enables non-binding coordination and guidance on accelerating NEB mainstreaming in policies and funding instruments, peer learning, replication and investment. It thus helps Member States achieve the objectives faster and more efficiently while fully respecting their competences and the role of regional and local authorities. In line with the principle of subsidiarity, the NEB relies on Member States to tailor approaches to their governance systems and territorial realities, ensuring that EU-level support complements national choices, and strengthens effective delivery on the ground.

Coordination and multilevel governance of the NEB initiative is centred around the NEB National Contact Points (NCPs) established by Member States, who advocate enhanced coordination across governance levels and sectors, and EU coordinated guidance to help sharing good practices and to support implementation of the NEB at the national level and local level.

- **Proportionality**

The proposal is in conformity with the principle of proportionality laid down in Article 5(4) of the TEU. Neither the content nor the form of this proposed Council Recommendation exceeds what is necessary to achieve its objectives. The actions proposed respect Member States' practices and the diversity of systems across the EU. Any commitments by Member States are voluntary in nature, and each Member State remains free to decide on the approach to take to implement them.

- **Choice of the instrument**

A Council Recommendation (Article 292 TFEU) is the appropriate instrument for the Council to invite voluntary commitments, respecting national and local competences in the built environment while providing a coherent EU-level framework. More prescriptive instruments would be disproportionate to the coordination and facilitation goals and risk constraining diverse national and local contexts. This proposal for a Council Recommendation is adopted together with a Commission Communication on the NEB, which frames the context for the Recommendation and the role of the Member States in the NEB governance. The Communication alone would however not be sufficient to signal the specific and important role that Member States have in the future NEB actions to enable real transformative action on the ground. As a legal act, while non-binding, a Council Recommendation signals the commitment of Member States to the measures included and provides a strong political basis for cooperation in this area, while fully respecting Member-State competence.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Stakeholder consultations**

A call for evidence was launched on 19 September 2025 to gather feedback on both a Commission Communication and the present proposal for a Council Recommendation on the

NEB. The call for evidence was made available in all official EU languages on the ‘Have your Say’ website to reach a wide range of stakeholders and received a total of 88 contributions from 24 countries, out of which 17 EU Member States. Most contributions were submitted by individuals (21.5%, both EU and non-EU citizens), followed by Non-Governmental Organizations (NGOs) (17%) and public authorities, academic/research institutions and companies (all 12.5%).

Contributions highlighted the need for strengthening the capacity of local governments and municipalities with clear frameworks to support capacity-building and participatory design. A particular focus was given to small municipalities in rural and peripheral areas. Some contributions also emphasize that communication and visibility for the NEB could still be improved to make the NEB more accessible and understandable to the public and local authorities. Many respondents also call for strengthening the cultural and educational dimension by supporting artists, designers, and creative sectors to express and disseminate NEB values. Most respondents confirmed that the NEB should prioritize affordable housing solutions that are energy-efficient, climate-resilient and socially inclusive while encouraging renovation, vertical extension and the reuse of the existing building stock. Recurring feedback received was to integrate health and wellbeing criteria in design and urban policy, such as through a clearer focus on indoor air quality, ventilation and noise reduction. Multiple contributions highlighted the need for urban green spaces and integrating nature-based solutions in urban infrastructure, such as pocket forests and green roofs and walls. Several contributors especially from the business sector also supported the promotion of bio-based, circular, and low-carbon building materials, such as wood and gypsum. Multiple respondents, from civil society organisations as well as authorities, also called for the mainstreaming and embedding of NEB values and principles into EU and national urban and environmental policies. Finally, several respondents from public authorities and research organisations highlighted the need for clear indicators and evaluation tools for assessing the effectiveness of NEB projects.

In addition to the call for evidence, several targeted consultations took place with:

- the Commission expert group for the New European Bauhaus Facility (26 September 2025);
 - the Green Cities Network (8 October 2025);
 - the NEB Community (online workshop, 10 October 2025);
 - the European Investment Bank (EIB) and the European Institute of Innovation and Technology (EIT);
 - Member States representatives, in particular: the NEB National Contact Points (NCPs), NEB Horizon Europe R&I National Contact Points, the Strategic Programme Committee for Horizon Europe, the environmental attaches, as well as managing authorities responsible for implementing the NEB in cohesion policy (25 October 2025, 5 November 2025, and three follow-up targeted sessions on 3-4 November 2025).
- **Impact assessment**

No impact assessment was carried out, given the complementary approach to Member State initiatives, the voluntary nature of the proposed activities and the scope of the impacts expected. The development of the proposal was informed by consistent engagement with

stakeholders as part of a participatory approach, consultation of Member States, the public consultation and numerous dedicated stakeholder consultations.

- **Fundamental rights**

The proposed Council Recommendation respects the fundamental rights of the EU. It promotes the principles recognized by the Charter of Fundamental Rights of the European Union⁷, especially environmental protection, non-discrimination, integration of persons with disabilities, education and good administration.

4. BUDGETARY IMPLICATIONS

While this initiative will not require additional resources from the EU budget, the measures in this Recommendation will mobilise sources of funding at EU, national and regional level.

5. OTHER ELEMENTS

- **Explanation of the specific provisions of the proposal**

This proposal underscores the key role of the Member States in contributing to the NEB initiative, emphasizing the importance of working towards more sustainable, inclusive, and beautiful neighbourhoods and communities. For example, by promoting circular and climate-friendly construction practices, Member States can significantly reduce the environmental impact of buildings, aligning with EU-wide decarbonization goals. Encouraging community-driven solutions and participatory processes enhances local democracy and empowers citizens, strengthening social cohesion and trust in democratic institutions.

The transformative power of education, arts, and culture is pivotal in driving innovation and sustainability. By integrating NEB values into cultural initiatives and education systems, Member States can cultivate a culture of quality architecture and design that resonates with local communities and enriches their living environments.

Enhancing NEB-relevant skills through targeted education and training programmes equips individuals with the necessary expertise to implement sustainable practices effectively and develop inclusive environments that are accessible for persons with disabilities and older persons. Member States play a crucial role in supporting the development of these skills, ensuring the workforce is prepared for the future.

Raising awareness and expanding the NEB Community fosters increased engagement and collaboration, leveraging diverse perspectives to innovate and address societal challenges. Member States are encouraged to harness the potential of experienced NEB practitioners to inspire new projects and broaden the initiative's impact.

Facilitating access to funding and investments is crucial for scaling up NEB projects. Optimising existing funding opportunities enables NEB-aligned projects to achieve tangible and transformative improvements in neighbourhoods and local communities.

Knowledge sharing and replication of successful NEB projects enable Member States to accelerate the transition towards sustainable neighbourhoods by adopting proven blueprints

⁷ Charter of Fundamental Rights of the European Union (OJ C 202, 7.6.2016, pp. 389–405)

and best practices. This collaborative approach ensures continuous learning and adaptation across different regions.

Finally, effective multilevel governance, with a central role for NEB NCPs, ensures coordinated action at national, regional, and local levels. By embracing cross-sectoral governance and international cooperation, Member States can maximise the NEB's impact, contributing to a sustainable and more broadly positive vision of the future.

Proposal for a

COUNCIL RECOMMENDATION

on the New European Bauhaus

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 292 and 192 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The New European Bauhaus (NEB) aims to implement the clean transition and the Clean Industrial Deal via tangible projects which improve daily lives through solutions which combine sustainability with good design, inclusivity, accessibility, and affordability, enhancing innovation in industrial ecosystems to unlock competitiveness, respecting and promoting Europe's diverse places, cultural heritage and cultural diversity. By fostering co-creation processes with local communities, stakeholders and businesses, the initiative promotes solutions that are tailored to societal needs and supported by a broad base of citizens and can be replicated and scaled up in similar contexts across the EU.
- (2) In 2021, the European Commission adopted a Communication⁸ presenting the concept and objectives of the NEB, which is guided by three inseparable values (sustainability, inclusiveness, and aesthetics) and three principles (multilevel engagement, participatory approach, and transdisciplinarity).
- (3) Both the European Parliament⁹ and the EU Member States¹⁰ have consistently shown strong support for the NEB. The European Economic and Social Committee¹¹ and the European Committee of the Regions¹² have also issued positive opinions on the initiative.
- (4) In five years, the NEB built a robust membership-based community¹³ of almost 2 000 local and international organisations ranging from non-profits and cultural entities to public authorities and businesses. Over 700 projects have already been supported. Under

⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions New European Bauhaus, [COM\(2021\) 573](#).

⁹ See European Parliament resolution of 14 September 2022 on the new European Bauhaus, [2021/2255\(INI\)](#). Additionally, the European Parliament has supported the initiative with a preparatory action ('New European Bauhaus Knowledge Management Platform') and a pilot project ('Stimulating Local and Regional New European Bauhaus Grassroots Projects').

¹⁰ See Council conclusions on culture, high-quality architecture and built environment as key elements of the New European Bauhaus initiative, [14534/21](#).

¹¹ See <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/new-european-bauhaus>.

¹² See <https://web.cor.europa.eu/ea/News/Pages/CoR-members-adopt-McCarthy's-opinion-on-the-New-European-Bauhaus.aspx>.

¹³ See [Community is the core of New European Bauhaus - New European Bauhaus](#)

the 2021-2027 Multiannual Financial Framework (MFF) EUR 1.4 billion have been devoted to the NEB. The bulk of the funding stems from cohesion policy (over EUR 840 million) and Horizon Europe (over EUR 530 million). Other EU programmes (LIFE, Single Market Programme, Digital Europe and COSME) are contributing with around EUR 26 million.

- (5) In the political guidelines for the European Commission 2024-2029¹⁴, the NEB is part of the Commission's overall objective of 'Supporting people, strengthening our societies and our social model', with the goal of bringing sustainability together with inclusion and affordability, and creativity with innovation. Enlarging the NEB Community would serve to advance this goal and make sure relevant stakeholders can contribute effectively.
- (6) The values and principles of the NEB can help Europe's move towards a more competitive and sustainable future. By embedding the NEB values into existing national and local strategies centred around the built environment, Member States can turn the clean and digital transitions into tangible opportunities for citizens and businesses across Europe. By strengthening innovation, industrial excellence and skills, the NEB can help create resilient value chains and high-quality jobs across Europe, ensuring that the clean transition reinforces Europe's global competitiveness. However, such integration and mainstreaming are currently unequal across the Union, leading to uneven opportunities for stakeholders and authorities, in particular at the local level. Member States can build on existing good practices of multilevel and cross-sectoral governance. Mainstreaming the NEB values and principles into all relevant policies and funding instruments at national, regional and local level is necessary to support the transformative regeneration of neighbourhoods and strengthen their social fabric, and to promote those values and principles for the built environment and relevant sectors.
- (7) Member States have a range of tools at their disposal to embed NEB values and principles that promote a sustainable, inclusive, accessible and affordable built environment, into their National Buildings Renovation Plans, Territorial Just Transition Plans, Social Climate Plans and other national or EU plans and strategies¹⁵. Those could be used to support mainstreaming and integration of the NEB objectives, through an integrated approach, and to promote synergies between different goals such as energy efficiency and decarbonisation, climate resilience, water resilience, affordability, sustainability and accessibility, particularly in the context of neighbourhood regeneration.
- (8) There is a strong opportunity for a more efficient use of resources within the built environment. Currently, construction, use and renovation of buildings require significant amounts of energy and mineral resources, accounting for 42% of the total energy consumption, 35% of greenhouse gas emissions, 50% of all material extraction, and 35% of the EU's total waste generation¹⁶. These activities also contribute to water consumption, and exacerbate air, water and soil pollution, noise pollution, land use, soil sealing and urban sprawl.
- (9) To reach its 2050 climate neutrality target, the EU adopted several legal acts to reduce the environmental and climate footprint of buildings throughout their life cycle. Those are complemented by a variety of non-legislative policy initiatives ranging from calculation methodologies and tools to industry pathways, plans, strategies and funding, including on

¹⁴ See [Priorities 2024-2029 - European Commission](#)

¹⁵ Such as Climate City Contracts (Cities Mission), SECAPs (Covenant of Mayors), Local Heating and Cooling Plans (Directive (EU) 2023/1791).

¹⁶ See EEA report '[Addressing the environmental and climate footprint of buildings](#)', 2024.

‘Supporting life-cycle approaches to decarbonise European buildings’, to be published by the Commission in January 2026, the common framework of core sustainability indicators for office and residential buildings¹⁷, or rules on alignment of EU budget expenditure with do no significant harm criteria¹⁸. These and the EU Bioeconomy Strategy¹⁹ help overcoming barriers to market entry and support the creation of lead-markets for low-carbon, circular, clean and biobased building materials and clean technologies, thus supporting sustainable business models, sustainable and resilient industrial ecosystems, jobs and value creation in the EU.

- (10) NEB projects enhance the competitive and innovative edge of the construction, water and bioeconomy industries through the prototyping and upscaling of technologies for decarbonised circular and nature-positive design, the optimisation of construction methods, addressing standards and reducing costs to create markets for innovative materials, thus supporting resource-efficient, cost-effective, and innovative growth while ensuring a sustainable use of limited natural resources.
- (11) A more efficient use of the built environment - buildings, urban landscapes, public spaces, green spaces - will support the adaptation of the existing building stock to people’s needs in terms of space and accessibility, while respecting planetary boundaries. Prioritising the efficient use of built space through renovation or refurbishment²⁰ over demolition and new construction, as well as new social practices, represent a considerable potential to reduce the environmental and climate footprint of the building stock²¹, deliver affordable and sustainable housing for all, slowing down urban sprawl and soil sealing, fostering social cohesion and acceptance while protecting cultural heritage.
- (12) Local communities are at the forefront of the negative impacts of climate hazards and environmental degradation, such as the increased frequency and intensity of heatwaves, floods, wildfires or earthquakes, which are exacerbated by the interaction with other drivers such as poor air, water and soil quality or soil sealing. Between 2011 and 2021, there was an increase of over 935 000 people in Europe living in potential riverine flood-prone areas.²² In the period 2017-2019, on average 119 000 people per year in the EEA countries and the UK lived in areas assessed as burnt by wildfires.²³ To support local resilience and crisis preparedness, standards on adapting buildings to climate change²⁴ as well as on flood and wildfire prevention, green areas, urban ecosystem restoration could be integrated into regulatory and financial tools as well as in related trainings and education²⁵.
- (13) Green-blue infrastructures are crucial for climate adaptation, biodiversity, and public health. Reallocation and redesign of urban public space in line with the NEB values can

¹⁷ See [Level\(s\)](#).

¹⁸ See [DNSH technical guidance to the SCF - European Commission](#), and the [EU Taxonomy Regulation and its delegated acts](#) include provisions aiming to reduce buildings’ environmental footprint.

¹⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions A Strategic Framework for a Competitive and Sustainable EU Bioeconomy ([COM/2025/960](#))

²⁰ ‘Refurbishment’ includes changes of space plan or of function to new use, not typically covered by renovation, in line with [the standards set the European Committee for Standardisation \(CEN\)](#).

²¹ Based on Commission studies: [Conversion of offices into affordable housing](#), [Sufficiency in the built sector](#) and on a more efficient use of the building stock (results mid-2027).

²² See EEA [report on Europe’s Environment](#), 2025

²³ Ibidem

²⁴ See [EU-level technical guidance on adapting buildings to climate change](#)

²⁵ See [Handbook on urban greening strategies and nature plans](#) (2025).

be supported by integrated urban mobility concepts (e.g. SUMPS) that enable these transformations while maintaining accessibility to jobs, services and amenities. Streets and public spaces allow social interaction, well-being, and climate action rather than being merely transit corridors.

- (14) EU policies include specific measures and tools to protect disadvantaged groups, in particular related to energy and mobility poverty, air pollution, access to clean drinking water and sanitation. The NEB projects contribute to environmental and climate fairness while also strengthening social inclusion, intergenerational fairness, gender equality and crime prevention, including gender-based violence.
- (15) Participation is a founding principle of the NEB. Its projects, funding, digital tools, and capacity building are good examples of the promotion, incentivisation and support for participation and local democracy policies and practices, in particular on spatial and urban design and the transformation of neighbourhoods.
- (16) Participation in urban development processes presents a significant opportunity both for communities and for project developers. Genuine involvement of citizens, including those who are energy poor or otherwise disadvantaged, in the design and governance of projects builds trust, preserves democratic accountability, and strengthens the social fabric. Such engagement, through citizen assemblies and co-design workshops, anchors projects in local realities and prevents tokenism, fostering resilient and inclusive societies. For project developers, this community and stakeholder buy-in can lead to expedited permitting processes, smoother project implementation and ultimately community acceptance and lower risks.
- (17) By leveraging digital tools like the EU Local Digital Twins Toolbox, advanced artificial intelligence (AI) models for reconstruction, digital building logbooks and digital pre-demolition audits, public involvement in decision-making and policy development becomes more transparent, efficient, and responsive. Strengthening the operational capacities of authorities through existing resources and platforms, such as peer-to-peer learning opportunities and technical support, ensures effective guidance and support in implementing the NEB values and principles, fostering community-driven solutions and enhancing societal resilience.
- (18) Lack of skills in the construction sector, notably for circular and sustainable construction, is a major issue for the construction industry. In 2022, the Commission launched the NEB Academy on skills for sustainable construction to contribute to a broader effort to accelerate the upskilling and reskilling of workers in the construction ecosystem and support its clean transition. The Commission will scale up the NEB Academy and develop it into the core infrastructure for the NEB for knowledge and research, safe experimentation and innovation, and skills development. The NEB Academy will also provide a dynamic link to ensure that all knowledge produced under the NEB Facility R&I is channelled towards skilling activities, capacity-building and applied innovation. The NEB Academy will develop a NEB Investment Accelerator to attract and facilitate allocation of private and blended funding to innovative NEB projects.
- (19) The Davos Declaration ‘Towards a high-quality Baukultur for Europe’ acknowledges the cultural aspects of preservation, planning and building and established high-quality Baukultur (culture of architecture) as a political priority. The Council Conclusions on culture, high-quality architecture and built environment as key elements of the New European Bauhaus initiative adopted on 29-30 November 2021 invited Member States and the Commission to promote a culture-led, quality-driven and participatory approach to

the built environment and to apply high-quality standards in planning, design, building, conservation, restoration, renovation and adaptive reuse processes.

- (20) NEB projects show that embedding artists in technological and scientific environments sparks paradigm-shifting collaborations leading to innovation and concrete outputs. The Commission Communication on a Culture Compass for Europe adopted on 12 November 2025 acknowledges the importance of promoting a shared culture of architecture and design and to invest in a high-quality living environment for everyone through initiatives like the NEB. While the role of artists and cultural professionals as change-makers and innovators is essential to translate and implement NEB values on the ground, their mobilisation and access to funding are still insufficient, especially for small players, to fully harness the potential of their visions and their creative approaches. Breaking the silos among cultural and creative sectors as well as between art, science and technology is also a challenge that still needs to be addressed by creating and supporting more transdisciplinary collaboration opportunities.
- (21) As of 2025, the NEB has its own funding instrument anchored in Horizon Europe, the NEB Facility, designed to increase impact, transparency, and simplify access for applicants. The NEB Facility operates until 2027 providing financial support and a strategic framework to achieve the NEB objectives. The NEB Facility Roadmap, outlines the foreseen actions and strategic directions between 2025 and 2027²⁶. A Research and Innovation component is endowed with an annual budget of approximately EUR 120 million from Horizon Europe. A complementary Roll-out component, focussing on deployment and technical assistance, is expected to leverage a similar level of investment and will be supported from other EU programmes, as well as by Member States and private sources. Member States are already embracing the NEB values and principles in their funding programmes in diverse ways, reflecting their unique contexts, heritage, and community spirit. All Member States have included the NEB in at least one of their cohesion policy programmes for 2021–2027. Ensuring sustainable funding for the NEB in the long term is vital, in particular in the context of the transition to the next MFF.
- (22) Transformative projects need to also attract private funding. In 2024, the NEB Investment Guidelines were developed to help investors align their projects with the NEB values and principles to transform Europe's built environment. The Guidelines were developed in close cooperation between the European Commission and Joint Assistance to Support Projects in European Regions (JASPERS). With the support of a European Parliament pilot project²⁷, and building on the experience of initiatives such as the Business Acceleration Services of the EIC - the EIC marketplace and the Horizon Results Platform - the Commission will launch an Advisory Hub, an interactive platform to facilitate the matchmaking between small projects looking for access to financing and social economy investors, philanthropy organisations, and other private and public investors. The EU Taxonomy²⁸ also helps investors identify environmentally sustainable construction and renovation projects.

²⁶ The Roadmap details the budget, governance, and key measures and provides guidance by outlining how the Commission, in close collaboration with Member States and NEB stakeholders, will implement the NEB Facility.

²⁷ ‘Stimulating Local and Regional New European Bauhaus Grassroots Projects’

²⁸ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, pp. 13–43, ELI: <http://data.europa.eu/eli/reg/2020/852/oj>).

- (23) The NEB Compass²⁹ is the guiding framework on how to apply the NEB values and principles in practice. A NEB Hub for Results and Impact³⁰ has been established to collect, analyse, and distil the lessons learned, as well as tools and knowledge generated by the NEB. A NEB self-assessment method³¹ was developed for project developers and decision makers to facilitate their self-assessment on the performance of the project in terms of NEB values. The Commission will also establish key performance indicators (KPIs) for measuring the transformational impact of NEB projects and will develop a NEB Label to increase visibility for NEB projects, to support Member States in promoting NEB projects and practices and to facilitate market integration by providing a standardised framework and criteria across Member States. The coherent use of those tools by Member States would reduce fragmentation and promote consistency in implementation, enhancing competitiveness within the internal market as well as dissemination of scalable and replicable solutions across Europe through cross-country inspiration and sharing of good practices.
- (24) Together with the NEB Community, the European Commission has developed supporting structures that foster engagement and collaboration. NEB Local Chapters are self-organised, place-based groups of NEB Community members that contribute to the delivery of NEB in local environments. NEB Labs are ‘think-and-do tanks’ of the initiative, set up by Community members to co-create, prototype and test the tools, solutions. New Labs are being created to address priority issues, and a NEB Lab on affordable housing will be set up to collect best practices on innovative methods such as offsite constructions or additive manufacturing, densification and housing solutions for disadvantaged groups, or innovative accessibility adaptations. The European Commission will set up a European Housing Alliance as a hub for cooperation, mutual learning and the exchange of best practices bringing together all levels of government. This Alliance will foster synergies with NEB practitioners and NEB Community members, including the NEB Lab on Housing.
- (25) Coordination and multilevel governance of the NEB have been evolving in tandem with the initiative itself. In 2021, Member States established NEB National Contact Points (NCPs), to implement the NEB at the national level and coordinate cross relevant areas. With the creation of the NEB Facility, which is anchored in Horizon Europe³², NEB R&I NCPs were also established. Both networks are key in the preparation and implementation of the NEB Facility, addressing together both its R&I and Roll-out components. A dedicated network to support managing authorities implementing the NEB in cohesion policy³³ was also established. However, more coordination and synergies need to develop between the different networks, to ensure coherence and impact.

²⁹ See https://new-european-bauhaus.europa.eu/tools-and-resources/use-compass_en

³⁰ Implemented through the topic ‘HORIZON-MISS-2024-NEB-01-03: Setting up a New European Bauhaus hub for results and impact’ and the follow up action ‘NEB Hub – Phase II: advancing impact, knowledge management and monitoring of results’, the later in the Horizon Europe ‘main’ Work Programme 2026-2027, Annex 13 - New European Bauhaus Facility.

³¹ See https://new-european-bauhaus.europa.eu/tools-and-resources/neb-self-assessment-method_en

³² See [Annex 13](#) to Commission Implementing Decision on the financing of the Specific Programme implementing Horizon Europe and the adoption of the work programme for 2025-2027 (‘Work Programme 2025’) and amending Implementing Decision C(2022)7550 on the adoption of the work programme for 2023-2024 within the framework of the Specific Programme implementing Horizon Europe - the Framework Programme for Research and Innovation and on its financing (C(2025) 2779);

³³ The NEB Peer2Peer (P2P) Community facilitates the exchange of best practices and knowledge on the NEB among Managing Authorities and other relevant bodies: <https://futurium.ec.europa.eu/en/region-peer-2-peer-communities/new-european-bauhaus>

- (26) The NEB is also inspiring third countries, and more international collaborations can foster exchanges of knowledge and good practices. The Commission and the EU Delegations in third countries are cooperating to promote the NEB approach outside the EU, notably through the establishment of NEB Academy Hubs outside the EU. The NEB has provided in particular support for Ukraine's sustainable and inclusive reconstruction. Through EU programmes such as LIFE, Horizon Europe, and Interreg, the NEB has enabled projects like the circular renovation of panelka buildings in Chernihiv, sustainable land use initiatives under Interreg Danube, and green urban restoration in the Black Sea Basin. NEB Labs and Prizes are fostering innovation and co-creation, including the Future School for Ukraine and Public Infrastructure Lab. Ukrainian stakeholders and authorities have shown an increasing interest in adopting a NEB approach for their reconstruction initiatives, and more efforts should be made to support them. Additional support from the Commission and the EU Member States would allow them to accelerate their sustainable and inclusive reconstruction, together with local communities.
- (27) The Commission will monitor the progress on the NEB through the regular meetings with Member States representatives, in particular the NEB NCPs. The Commission intends to support Member States in implementing the NEB at the national level and has announced supporting actions and future priorities in the Commission Communication adopted on 16 December 2025³⁴. The NEB translates these priorities into tangible improvements in daily living, supporting better neighbourhood design, healthier environments and more inclusive public spaces.

HAS ADOPTED THIS RECOMMENDATION

1. MAINSTREAM NEB VALUES AND PRINCIPLES

- (a) It is recommended that Member States, at the appropriate levels of competence and in respect of the subsidiarity principle, **embed the New European Bauhaus (NEB) values and principles in their relevant policies and funding instruments** linked to neighbourhoods and the wider built environment. Building on the lessons learnt from successful projects, initiatives and governance structures, Member States are encouraged to take a strategic approach to the NEB at national, local and regional levels, identifying all the relevant policies and funding instruments which can support the NEB mainstreaming in their Member States, as well as the relevant actors and networks who should be involved;
- (b) Member States are encouraged to use and promote the supporting tools provided through the NEB Academy as well as the NEB Label to foster affordable, sustainable and high-quality transformation of the built environment and other sectors, with a view to promote increasing harmonisation of methods, practices and innovative approaches across Europe.

³⁴ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the New European Bauhaus: From vision to implementation (COM (2025)1026)

2. ENHANCE SUSTAINABILITY OF THE BUILT ENVIRONMENT

It is recommended that Member States:

- (a) Promote a clean, circular, climate-neutral and resilient, energy and water efficient built environment and thereby support affordable and sustainable housing, by:
 - (1) Considering using **public procurement to promote** sustainable, circular and socially fair renovation and construction of buildings;
 - (2) Applying a **whole-life carbon approach to the construction and renovation of buildings**, as per the guidance to be provided by the Commission, supporting measures³⁵ to effectively reduce the whole life-cycle carbon emissions from the building sector via a harmonised Union framework and methodology³⁶;
 - (3) In their National Building Renovation Plans and relevant national, regional and local strategies relating to buildings, prioritising **energy and water performance, affordability and sustainability**, addressing in particular disadvantaged households.
 - (4) Promoting that new buildings, as well as those undergoing major renovation, are designed and prepared for **smart measurement and management of water and electricity** to ensure water savings³⁷ as well as reduction in operational costs for buildings, as well as electric vehicle charging possibilities;
 - (5) Reviewing how incentives could promote **water resilience and water efficiency** and ensure further **circular use of resources** across the built environment.
- (b) Develop solutions to unlock the untapped potential of a **competitive and sustainable bioeconomy industry**, supporting market acceptance and uptake and the smooth functioning of the internal market for job creation and growth, in particular for the built environment and textiles, as set out in the EU Bioeconomy Strategy.
 - (1) Reviewing how **markets and taxes** provide appropriate incentives for sustainable production and consumption to support an appropriate shift from using fossil based to circular bio-based materials and clean resources;
 - (2) Assessing how and whether **public procurement** is used to create market opportunities to support bio-based constructions and clean technologies and resources, in line with ongoing EU efforts on simplification and streamlining³⁸;
 - (3) Identifying and **addressing regulatory barriers and other obstacles to market entry** for innovative construction methods and materials such as low-carbon and bio-based materials, offsite construction and additive manufacturing in construction, and informing the European Commission about market fragmentation caused by divergent national rules and interpretations

³⁵ See Recital 11 for example of such measures.

³⁶ See Commission delegated regulation (EU) 2025/xxxx amending Annex III to Directive (EU) 2024/1275 on the Union framework for the national calculation of life-cycle global warming potential. C(2025) 8723 - PE/2025/8966

³⁷ In line with the [Commission Recommendation on guiding principles of water efficiency first](#).

³⁸ In the context of the ongoing review of EU public procurement directives, legislative proposal foreseen for mid-2026.

and conflicting EU rules through the European Bioeconomy Regulators' and Innovators' Forum and the High Level Construction Forum;

- (c) Prioritise and incentivise **an efficient use of the built environment in spatial planning and development decisions**, with a view to promoting social and affordable housing, preventing spatial segregation and promoting the revitalisation of neighbourhoods, including in rural areas, in particular by:
- (1) **Mapping vacant buildings** and their suitability for sufficiency measures and making this information available to competent authorities and to the actors of the building sector; Incentivising the transformation of **vacant buildings** into affordable, sustainable and quality housing, using renovations, extensions, refurbishing, changes of use, or adapting built spaces to the evolving needs of households; explore the underused housing potential in rural neighbourhoods through measures to develop their accessibility and connectivity;
 - (2) Streamlining, simplifying and accelerating zoning and building **permitting procedures** in particular for renovation, vertical extension and sustainable refurbishment of buildings which can increase housing supply;
 - (3) Facilitate the development of **NEB good practices and blueprints**, such as those on resilient housing that the Commission will develop through a digital Catalogue;
- (d) Advance the NEB values and principles to strengthen neighbourhoods and communities' crisis preparedness and resilience to health risks and natural disasters caused by climate change and environmental degradation, in particular by:
- (1) Systematically **integrating nature-based solutions, nature restoration and water resilience, disaster- and crisis prevention and preparedness**, in particular measures on wildfire, water, flood risks and urban canopy management as well as on the sustainable recovery of affected areas **into spatial design**, as well as promoting them through capacity building with all competent authorities and through training modules for relevant degrees and vocational training;
 - (2) Promoting the **assessment of the distribution of urban green space** and tree canopy cover in the different cities and towns, looking at how future planned development will actively integrate urban green space into buildings and infrastructure in different localities and regions and help mitigate the impacts of climate change.
 - (3) Promoting **NEB Local Chapters with local authorities and relevant actors to** strengthen neighbourhoods' resilience, increase communities' awareness and co-design community led solutions, including by **exploiting digital and scientific tools** – such as scenario-based analysis;
 - (4) Consulting with relevant stakeholders, including insurers, in view of **reviewing practices based on the 'build back the same'-principle** to reflect changing climate conditions;
 - (5) Exploring measures in financing tools to help alleviate negative **health impacts caused by climate change and environmental degradation**, including heat exposure, air pollution, noise, and lack of access to green areas, paying special attention to the disproportionate exposure of sensitive populations and disadvantaged groups.

- (e) Incentivise the use of digital solutions for circularity and energy efficiency for a competitive clean transition, in particular:
 - (1) Promoting the implementation of tools such as the **Digital Product Passport**, Energy Performance Certificates, digital building permits, digital building logbooks, digital pre-demolition audits and other digital solutions for carbon lifecycle tracking and fostering shared digital infrastructures and tools supporting **data-driven decision-making smart urban planning, energy, mobility and water management**, in synergy with the Digital Decade Policy Programme;
 - (2) Promoting **digital by design principles that include accessibility, interoperability, energy- and water-efficient ICT in urban planning**, also supporting simplification through a digital toolbox with model-based permitting, rule-as-code compliance, and once-only reporting.

3. ENHANCE PARTICIPATION, LOCAL DEMOCRACY AND DIGITAL CO-DESIGN TOOLS IN SUSTAINABLE URBAN AND NEIGHBOURHOOD DEVELOPMENT

It is recommended that Member States:

- (a) Build on the NEB Hub for results and impact³⁹ to progressively integrate the results of NEB projects to **user perspectives in the spatial design and/or transformation of public spaces** and to support and promote **energy and water-aware communities, citizen-led renovation and clean energy sharing initiatives**, empowering local actors and fostering inclusive, community-driven solutions;
- (b) Promote NEB projects and policy practices for enhancing local democracy, inclusion and participation in urban planning and neighbourhood development, by supporting innovative approaches to community engagement at the level of neighbourhoods, thereby contributing to implementing the Democracy Shield on the ground;
- (c) Consult and engage **persons with disabilities and older people**, to support independent living and inclusion in the community and solutions that are accessible by design;
- (d) Promote the meaningful involvement of **women** and the integration of a **gender-sensitive approach** to the design and development of public spaces and neighbourhoods, with the aim of inclusive and safe environments.
- (e) Strengthen the operational capacities of relevant authorities to provide effective guidance and support for learning about the values and principles of the NEB, how to use NEB tools and guidance on NEB funding instruments. To this end, make use of existing opportunities offered by the European Commission, such as:
 - (1) **the EU Local Digital Twins Toolbox and ‘Local Digital for Reconstruction’ solutions;**
 - (2) the Technical Support Instrument (TSI)⁴⁰;

³⁹ Implemented through the topic ‘HORIZON-MISS-2024-NEB-01-03: Setting up a New European Bauhaus hub for results and impact’ and the follow up action ‘NEB Hub – Phase II: advancing impact, knowledge management and monitoring of results’, the later in the Horizon Europe ‘main’ Work Programme 2026-2027, Annex 13 - New European Bauhaus Facility.

⁴⁰ See [Technical Support Instrument \(TSI\)](#)

- (3) the **Public Administration Cooperation Exchange (PACE)**⁴¹;
- (4) peer-to-peer learning opportunities offered by:
 - Cohesion policy, particularly under the **REGIO P2P NEB Community**, to exchange good practices and knowledge on NEB among Managing Authorities and other relevant bodies and encourage further investments on NEB under the 2021-2027 cohesion policy programmes;
 - The **capacity building strand of the European Urban Initiative**, supporting both cities and managing authorities in mainstreaming NEB values and principles within sustainable urban development strategies;
 - The action ‘Contributing to the implementation of the NEB Facility with the support of **Horizon Europe** New European Bauhaus R&I and New European Bauhaus National Contact Points’⁴²;
 - The **EU Competence Centre on Participatory and Deliberative Democracy**⁴³ and its related network of national reference centres.

4. **HARNESS THE TRANSFORMATIVE POWER OF EDUCATION, ARTS AND CULTURE FOR THE CLEAN TRANSITION**

It is recommended that Member States:

- (a) Acknowledge and **support cultural participation and the contribution of artists, creative professionals and culture-led experiments** as a driver for innovation, local development and out-of-the-box thinking to drive the clean transition (in line with the **Culture Compass for Europe**), and better promote NEB opportunities among cultural and creative sectors;
- (b) Support the Commission proposal to **strengthen the European Capitals of Culture** in a way that synergises with the values and principles of the NEB. Fully implement the commitments from the 2018 **Davos Declaration** ‘Towards a high-quality Baukultur for Europe’⁴⁴ to embed the cultural aspects of preservation, planning and building in relevant national strategies. Follow up on the 2021 Council conclusions on ‘culture, high-quality architecture and built environment as key elements of the New European Bauhaus initiative’ by **integrating NEB values and principles into national policies governing architecture** and the built environment;
- (c) **Foster and, where necessary, recover traditional knowledge and skills in craftsmanship**, especially in valorising cultural heritage buildings, and inspire innovations that can bridge past and present technologies and engage the cultural and creative sectors;
- (d) Promote the **NEB Route within DiscoverEU**;
- (e) Support **educational programmes and curricula embedding the NEB values and principles** in schools and higher education institutions.

⁴¹ See [TSI 2026 - PACE - Public Administration Cooperation Exchange - Reform Support](#)

⁴² Horizon Europe ‘main’ Work Programme 2026-2027, Annex 13 – New European Bauhaus Facility.

⁴³ [EU Competence Centre on Participatory and Deliberative Democracy](#)

⁴⁴ See <https://davosdeclaration2018.ch/en/>

5. IMPROVE KNOWLEDGE, INNOVATION CAPACITIES AND SKILLS THROUGH THE NEB ACADEMY TOOLS AND INITIATIVES

Member States are encouraged to:

- (a) Promote and **facilitate the uptake of knowledge, innovation tools and education and training programmes developed through the NEB Academy** to support the transition to a sustainable construction ecosystem and clean solutions as well as putting in place new NEB Academy Hubs and expanding existing ones, with a view to develop hubs presence in all Member States;
- (b) Promote **NEB research collaboration among students in diverse fields relevant to the built and natural environments including architecture, engineering, and planning.**
- (c) Support the Commission in **mapping NEB projects implemented through different EU, national or regional funding instruments** - including those under shared management - and in sharing good practices and support the Commission in **developing KPIs** for measuring the transformational impact of NEB projects and their benefits for sustainable growth and prosperity and integrate them where relevant in their policies and activities;
- (d) Integrate the NEB values and principles in the development and implementation of the **national and regional strategies** addressing skills gaps, as well as in the Large-Scale and Regional Skills Partnerships under the Pact for skills, in particular the Construction Large-Scale Partnership;
- (e) Support and promote **NEB-relevant vocational education and training (VET) as well as reskilling and upskilling programmes**, notably those developed through the EIT and Erasmus+;

6. RAISE AWARENESS AND ENGAGEMENT ON THE NEB AND ITS COMMUNITY

Member States are encouraged to:

- (a) Support projects that will be receiving a **NEB Label** to be developed and piloted by the European Commission, including through advisory services, by providing visibility and facilitating access to funding, and by recognising the NEB Label as a quality criterion within funding programmes and calls;
- (b) Support the Commission in its efforts to **enlarge and diversify the NEB Community** and engage with their country's members of the NEB Community to **understand and support their needs and proposals**, create synergies including with relevant national and regional activities, also by raising **awareness about the NEB initiative** and its opportunities for academia, professionals, industry, civil society and public authorities;
- (c) **Develop, where possible, national NEB prizes** or NEB categories in relevant national prizes in synergy with the EU NEB Prizes;
- (d) Increase awareness and encourage participation of relevant stakeholders in the Member States in the biennial **NEB Festival** and ensure the organisation of national, regional or local **satellite events in all Member States.**

7. IMPROVE ACCESS TO FUNDING AND INVESTMENTS

Member States are encouraged to:

- (a) **Exploit the funding opportunities offered by the NEB Facility** for both its R&I and Roll-out components, by increasing awareness among all relevant stakeholders and potential beneficiaries, supporting them to participate and providing feedback to the Commission on how to improve it. Ensure funding in the long term, including within the next MFF;
- (b) **Fulfil the commitments to implement NEB in cohesion policy programmes**, by launching concrete calls for the implementation of NEB in relevant policy areas according to the recent mid-term review, including by maximising private investment via the NEB territorial development model (NEB TDM) financial instrument; exploit cohesion policy programmes to in particular **develop one NEB Lighthouse in each Member State**;

8. ENSURE AN EFFECTIVE NEB MULTILEVEL GOVERNANCE AND A CENTRAL ROLE OF THE NEB NATIONAL CONTACT POINTS

It is recommended that Member States:

- (a) Recognise and promote the **central coordinating role of the NEB National Contact Points (NCPs)** in the governance of the NEB at the national level, as well as support their capacity, also in synergy with the upcoming EU Housing Alliance to ensure coherence and integration of the NEB approach. Clarify together with the Commission the definition of the core tasks for NEB NCPs and define additional country-specific roles if needed. Host a meeting between NEB National Contact Points during each Presidency of the Council of the EU in conjunction with relevant gatherings;
- (b) Ensure a **cross-sectorial and multilevel governance for the NEB at the national level**, based on existing good practices, through **coordination and mainstreaming** of NEB values and principles in the planning and implementation of NEB-relevant funding and policy initiatives. Facilitate **coordination and collaboration between the NEB NCPs and other relevant networks**, in particular Horizon Europe NEB R&I NCPs and managing authorities for cohesion policy;
- (c) Promote the **NEB approach and tools in their relevant international exchanges** with third countries. Support in particular the **sustainable and inclusive reconstruction of Ukraine** through pilot projects and demonstrators - such as for schools, public spaces, protection of cultural heritage and circular reconstruction -, knowledge creation and exchange, as well as to consolidate the upcoming NEB Academy Hub in Ukraine as competence and support centre for stakeholders and local authorities for capacity building and sharing of innovative replicable solutions.

Done at Strasbourg,

*For the Council
The President*