

**IMPACT REPORT BNG Social Bonds  
for Dutch Social Housing Associations**

Summary report  
July 2025



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## > ABOUT THIS REPORT

BNG, the market leader in financing the Dutch social housing sector, has issued a series of bonds under its [Sustainable Finance Framework](#). These bonds are specifically designed to support the core tasks of housing associations and align with the [ICMA SBP](#) (social bond) and the [Sustainable Development Goals \(SDGs\)](#). The report includes allocation as well as impact reporting of the Dutch social housing sector in 2024.

## > GET IN TOUCH

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## > MORE INFORMATION

More in-depth information can be read in the [research report](#).

# ALLOCATION OVERVIEW 2024

The BNG Sustainable Finance Framework is aligned with the [ICMA Green Bond Principles \(GBP\)](#), [ICMA Social Bond Principles \(SBP\)](#) and [ICMA Sustainability Bond Guidelines \(SBG\)](#), and follows the four key pillars of Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds and Reporting. This page provides the allocation overview which results from the procedure as described in the framework’s Management of Proceeds.

The proceeds of each bond issuance are allocated to loans granted to social housing associations. Selected loans are granted in the same period as the bond issuance, meaning those loans granted in calendar year 2024 or half a calendar year before and after. A larger amount of duration weighted eligible loan portion is allocated to the amount of duration weighted proceeds. As a measure of duration, the principle of weighted average life is applied. This allocation procedure is applied both to inaugural bond issuances as well as to increases of existing bonds.

2024	Coupon (%)	Maturity Date	ISIN
AUD 70 mn	2.45	07/21/32	AU3CB0285898
AUD 260 mn	5.00	03/13/34	AU3CB0302545
AUD 75 mn	5.514	12/08/38	AU3CB0304962
AUD 175 mn	4.83	08/16/39	AU3CB0312114
CHF 100 mn	1.2375	02/20/29	CH1323274097
CHF 210 mn	1.3175	06/07/39	CH1353257749
EUR 25 mn	0.25	11/22/36	XS2408981103
EUR 325 mn	3.00	01/11/33	XS2573952517
EUR 150 mn	3.25	08/29/33	XS2673570995
EUR 500 mn	3.50	09/27/38	XS2695039128
EUR 1.29 bn	2.75	01/11/34	XS2744955373
EUR 1.825 bn	2.75	04/05/29	XS2797440638
EUR 1.5 bn	2.75	08/28/34	XS2887172067
USD 200 mn	5.15	02/28/25	XS2721675838

Total amount of Social Bonds issued in 2024

€ 6.5 bn

Weighted average life of social bonds issued in 2024

< 9 years

Number of loans financed to housing associations under the framework in 2024

766

Weighted average life of loans financed to housing associations under the framework in 2024

> 22 years



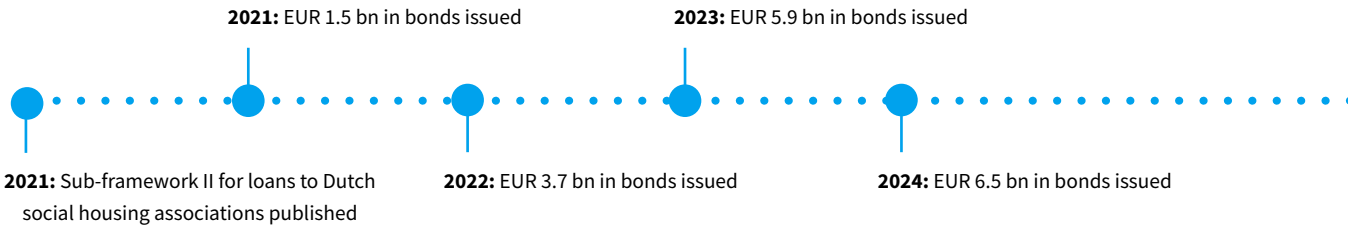
Financed social housing associations in 2024

# TOTAL ALLOCATION OVERVIEW (2021–2024)

Social bonds issued for Dutch social housing associations 2021-2024

Year	Amount	Coupon (%)	Maturity Date	ISIN
2021	EUR 1.5 bn	0.25	11/22/36	XS2408981103
	AUD 500 mn	2.45	07/21/32	AU3CB0285898
	CAD 300 mn	1.80	02/11/25	XS2441629750
2022	EUR 1.2 bn	1.25	03/30/37	XS2463550702
	EUR 1.75 bn	1.875	07/13/32	XS2500674887
	EUR 200 mn	0.25	11/22/36	XS2408981103
	AUD 545 mn	2.45	07/21/32	AU3CB0285898
2023	AUD 400 mn	5.00	03/13/34	AU3CB0302545
	AUD 75 mn	5.514	12/08/38	AU3CB0304962
	CHF 200 mn	1.6875	05/19/30	CH1264823506
	EUR 50 mn	0.25	11/22/36	XS2408981103
	EUR 150 mn	1.25	03/30/37	XS2463550702
	EUR 380 mn	1.875	07/13/32	XS2500674887
	EUR 1.65 bn	3.00	01/11/33	XS2573952517
	EUR 1 bn	3.25	08/29/33	XS2673570995
	EUR 500 mn	3.50	09/27/38	XS2695039128
	USD 1.5 bn	3.50	05/19/28	XS2624016932
	AUD 70 mn	2.45	07/21/32	AU3CB0285898
	AUD 260 mn	5.00	03/13/34	AU3CB0302545
	AUD 75 mn	5.514	12/08/38	AU3CB0304962
2024	AUD 175 mn	4.83	08/16/39	AU3CB0312114
	CHF 100 mn	1.2375	02/20/29	CH1323274097
	CHF 210 mn	1.3175	06/07/39	CH1353257749
	EUR 25 mn	0.25	11/22/36	XS2408981103
	EUR 325 mn	3.00	01/11/33	XS2573952517
	EUR 150 mn	3.25	08/29/33	XS2673570995
	EUR 500 mn	3.50	09/27/38	XS2695039128
	EUR 1.29 bn	2.75	01/11/34	XS2744955373
	EUR 1.825 bn	2.75	04/05/29	XS2797440638
	EUR 1.5 bn	2.75	08/28/34	XS2887172067
	USD 200 mn	5.15	02/28/25	XS2721675838

## TIMELINE



€ 17.7 bn

Total amount of  
Social Bonds issued  
since the start of the  
framework in 2021

2207

Total number of loans  
to housing associations  
through the framework  
since 2021






















# SOCIAL HOUSING CORE TASKS AND SDGS

Based on the core tasks of social housing associations and the ICMA indicators within the use of proceeds for affordable housing, the ambitions of social housing associations are aligned with the Sustainable Development Goals. For each goal, the development over the years is presented. A more detailed explanation of these developments can be found in the individual SDG chapters in this summary report and in the research report.

Sustainable performance on a scale of 0-100, and the trend over the last 5 years

			 AFFORDABILITY	 AVAILABILITY	 SUSTAINABILITY	 LIVEABILITY	 FINANCIAL VIABILITY
	<b>1 NO POVERTY</b>	<b>35.8</b> —	■	■		■	
	<b>3 GOOD HEALTH AND WELL-BEING</b>	<b>45.0</b> ∨	■			■	
	<b>4 QUALITY EDUCATION</b>	<b>50.0</b> —				■	
	<b>7 AFFORDABLE AND CLEAN ENERGY</b>	<b>52.3</b> ∧			■		
	<b>8 DECENT WORK AND ECONOMIC GROWTH</b>	<b>58.2</b> —					■
	<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>	<b>47.0</b> —				■	
	<b>10 REDUCED INEQUALITIES</b>	<b>46.5</b> ∧	■	■			
	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b>	<b>42.3</b> —		■	■	■	
	<b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>	<b>39.4</b> —			■	■	
	<b>13 CLIMATE ACTION</b>	<b>45.6</b> —			■	■	
	<b>15 LIFE ON LAND</b>	<b>38.0</b> —			■	■	
	<b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b>	<b>47.0</b> —				■	

# PREFACE



**With around 2.3 million affordable rental homes, the social housing sector is vital to the Dutch housing system. As the sector's largest financier, we support its mission to provide affordable homes, address the housing shortage, and drive the sustainability transition—all while prioritizing social impact over profit in everything we do.**

Our loan portfolio grew significantly in 2024, partly due to EUR 7.7 billion in new long-term loans granted to Dutch social housing associations. We also provided them with EUR 308 million in financing for the mid-lease segment, which addresses the high demand for housing among middle-income households. By supporting developments in both urban and regional areas, this segment not only boosts housing availability but also improves mobility within the housing market and fosters more diverse, inclusive communities.

To support the core activities of housing associations, we issued a series of bonds under our Sustainable Finance Framework. These bonds align with the ICMA Social Bond Principles, and the proceeds are mapped to the UN Sustainable Development Goals—particularly SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities), as well as SDG 1 (No Poverty), SDG 4 (Quality Education), and SDG 10 (Reduced Inequalities).

In 2024, we issued bonds for the social housing sector with a total equivalent value of EUR 6.5 billion, in various currencies, including euro (EUR), US dollar (USD), Australian dollar (AUD), and Swiss franc (CHF). This exceeds the previous record of EUR 5.9 billion in 2023. Investor interest in the primary market remained strong and was internationally distributed, with 71% of investors from Europe, the Middle East and Africa (EMEA), 21% from Asia-Pacific, and 8% from North and South America.

We take pride in financing activities that make a real difference. We support housing associations not just with attractive financing, but by being a true partner in achieving their goals. This commitment is reflected in case studies featured in this report, namely Sité Woondiensten's De Kwekerij and Woonstichting Barneveld's De Oude Bloemenbuurt.

Looking ahead to 2025, we'll further enhance the transparency and measurability of our impact. Together with our clients and partners, we're committed to building a more sustainable future, ensuring our investments deliver lasting societal value.

*Philippine Risch - CEO BNG*

**“We take pride in financing activities that make a real difference.”**

# ABOUT BNG AND HET PON & TELOS

BNG is a Dutch promotional bank that has traditionally been the bank for the public domain and the public interest in the Netherlands. The bank is owned by the Dutch central government (50%) and local and regional governments (50%) in the Netherlands and it has provided financing to the public sector since 1914, at competitive terms and conditions. Its clients are Dutch local authorities and institutions that are active in the social housing, healthcare, education, energy and infrastructure sectors. BNG is a promotional lender with the majority of loans provided by the bank (more than 90%) granted to, or guaranteed by, government bodies. The bank has been awarded the highest credit rating by all three major credit rating agencies (Moody's: Aaa | Fitch Ratings: AAA | S&P Global: AAA).

BNG's purpose is 'Driven by social impact'. This is leading for all BNG's activities. Instead of maximizing profits, the bank's priority is to maximise the social impact of its activities. Part of the strategy is to demonstrably empower clients to make an impact by financing sustainable projects and activities. The UN Sustainable Development Goals (SDGs) are used as the social impact point of reference. BNG will continue to build on the demonstrability of its impact in 2025. BNG has previously also started its Climate Plan 'Going Green', which outlines how the bank plans to reduce emissions from the credit portfolio and those arising from own operations in line with the 1.5°C target of the Paris Climate Agreement in the coming years. Every year the bank measures and reports on the progress (see <https://www.bngbank.com/Sustainability/Climate-action>).

BNG is convinced that conscious choices will enable it to achieve its ambitions: to be the promotional lender that delivers social impact and that is considered by clients and other stakeholders as their go-to partner for addressing the social challenges they face. BNG has a long-term loan portfolio that has grown steadily over recent years, to amount to a total of EUR 93 billion per year-end 2024. With its excellent credit ratings, BNG has been a well-known issuer in the international capital markets for a long time. Increasing awareness and engagement in the field of ESG has led the global financial sector to develop ESG-labelled bond frameworks. In this light, BNG has been an active issuer of ESG bonds (formerly known as SRI bonds) since 2014.



Het PON & Telos is a renowned research institute based in the Netherlands. It was formed through the merger of two well-established research organisations, Het PON & Telos, in 2020. The institute specializes in conducting interdisciplinary research and providing expertise in various domains, including social issues, sustainable development and regional development.

Het PON & Telos aims to generate knowledge and insights that contribute to a better understanding of society and support evidence-based decision-making. It collaborates with government organisations, non-profit organisations, banks, and academic institutions to address complex challenges and promote sustainable and inclusive development.

Sustainable development is one of the key areas of expertise for Het PON & Telos. It undertakes research and consultancy projects related to sustainable development, environmental impact, energy transition, circular economy, and social responsibility. By combining its expertise in sustainable development with social and economic factors, the institute helps organisations navigate the complexities of sustainable development and make informed decisions that balance environmental, social, and economic stakes.



# SOCIAL HOUSING ASSOCIATIONS IN DUTCH SOCIETY

Social housing associations are a cornerstone of the Dutch housing system. As of January 1, 2025, the Netherlands is home to 269 housing associations.

Housing associations provide services of general economic interest ('Diensten van Algemeen Economisch Belang' (DAEB)). Their task is to provide affordable rental homes for people with low incomes. A rental home owned by a social housing association is considered a DAEB dwelling—or social housing—if the monthly rent does not exceed €879.66 (2024 price level). In addition, the construction of institutional healthcare properties such as nursing homes, facilities for people with disabilities or long-term (mental) health issues, and investments in neighbourhood liveability are considered as DAEB activities as well. The development of private sector rental housing, owner-occupied housing, and commercial real estate are non-DAEB activities.

Social housing associations collectively own over 2.30 million rental homes that can be divided into 2.18 million DAEB dwellings and 0.12 million non-DAEB dwellings. They represent nearly 28.3% of the total Dutch housing stock and account for 66.2% of all rental housing nationwide.

## Core tasks of housing associations

Availability, affordability, quality of life and sustainability continue to shape the debate within the social housing sector—just as they did more than a century ago. These principles are also reflected in the social housing sector today, as evidenced by the 5 core ambitions of Aedes, the Dutch federation of housing associations:



**AFFORDABILITY:** Rents that residents can afford



**AVAILABILITY:** Sufficient and suitable social rental houses, everywhere in the country



**SUSTAINABILITY:** Sustainable rental houses without additional housing costs for tenants



**LIVEABILITY:** Rental houses in mixed neighbourhoods where people feel at home



**FINANCIAL VIABILITY:** Good preconditions and healthy business operations

## 5 CORE TASKS

## Challenges in the Dutch housing market

Accomplishing the core tasks of social housing is full of challenges. In 2024, there were approximately 450 thousand households seeking a (new) home, but there were only 50 thousand available dwellings. This represents a shortage of 4.9% relative to the total housing stock. The shortage affects both the rental and owner-occupied segments of the housing market. In addition, average national house prices have risen sharply (from €416 thousand in 2023 to €451 thousand in 2024) and waiting lists for social housing continue to grow. Access to affordable housing is particularly limited for young people and first-time buyers or renters. Moreover, access to the housing market varies significantly between regions in the Netherlands.

## Commitments of the Dutch social housing associations

In 2022, Aedes, Vereniging Nederlandse Gemeenten (VNG), Woonbond, and the Minister for 'Volkshuisvesting en Ruimtelijke Ordening' (VRO) signed the first National Performance Agreements. These agreements were revised in 2024 to establish a renewed joint agenda through 2035. The updated commitments address the need for sufficient affordable housing, improving existing homes and enhancing liveability in neighbourhoods.

## NATIONAL PERFORMANCE AGREEMENTS

- Building 30,000 new social housing dwellings per year starting in 2029, with the ambition to reach this annual target as early as 2027.
- An additional investment of €200 million annually in housing improvements and €75 million in neighbourhood liveability through 2030.

### Measures regarding affordability:

- An additional €1.7 billion in rent subsidies for low-income households annually.
- Rent increases will be capped based on a three-year average inflation rate.
- No rent increases after insulation improvements.

### Measures regarding sustainability:

- By 2028, all E-, F-, and G-label homes must be phased out.
- By 2034, the average heating demand must be reduced to 87 kWh/m<sup>2</sup>
- By 2034, 450.000 homes must be gas-free.



# FINANCING THE SOCIAL HOUSING SECTOR

BNG is market leader in financing the Dutch social housing sector. The mandate of this sector and its activities are laid out in the Dutch Housing Act and the Rules of Participation of the Social Housing Guarantee Fund (WSW). The range of activities that can be financed with a WSW guarantee is therefore restricted. The methodology of the social housing sub-framework maps the social housing associations’ activities to the ICMA SBP categories and to the UN SDGs. The proceeds of the BNG social housing bonds will be used to fund the SDG expenditures of the Dutch social housing associations.

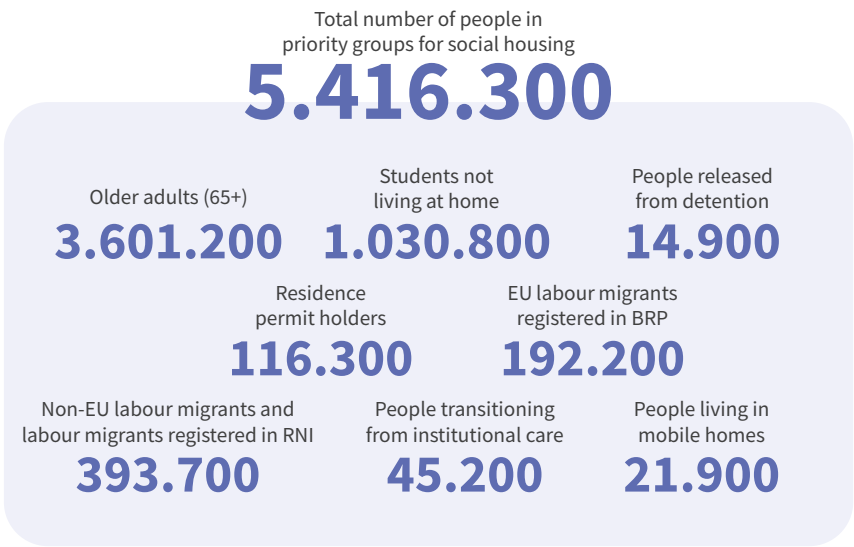
2024 was the fourth year that BNG issued social bonds under the Sustainable Finance Framework. The table on page 3 presents an overview of social bonds issued for Dutch social housing associations since 2021 that remain outstanding at the end of 2024.

## TARGET POPULATION

Social housing in the Netherlands is primarily intended for lower income households. First, there is a target group that determines eligibility for access to social housing (DAEB dwellings). In 2024, the income thresholds were set at €47,699 for single-person households and €52,671 for multi-person households. Social housing associations are required by Dutch legislation to allocate at least 85 to 92.5% of their social housing dwellings towards this primary target group. The remaining 7.5% to 15% may be offered to other tenants, provided that social housing associations give priority to specific groups, such as:

- households granted priority by the municipality,
- those facing health, safety or social challenges,
- home swappers (with permission from the housing association),
- co-tenants who wish to become main tenants.

In addition, there is a second target group aimed at ensuring housing affordability, referred to as the appropriate allocation target group. For this group, maximum income thresholds range between €27,725 and €37,625, depending on household type. Housing associations must ensure that at least 95% of allocations to this group concern dwellings with a rent below the appropriate allocation threshold (known as the *aftoppingsgrens*). This threshold is €650 for one- and two-person households and €697 for households with three or more persons. Households with a low income and a rent below this threshold may apply for rent allowances. In 2024, about 1.5 million households received rent allowances.



*Note: Figures are rounded to the nearest hundred.  
Source: Monitor Huisvesting Aandachtsgroepen 2022*

# USE OF LOAN CAPITAL BY DUTCH HOUSING ASSOCIATIONS

**In 2023, the collective group of social housing associations in the Netherlands spent around €4.7 billion on the construction of new dwellings, including rental and owner-occupied homes.**

As mentioned before, social housing associations provide services of general economic interest (DAEB). Their core task is the construction of affordable rental homes for people with low-income, but the construction of institutional healthcare properties (i.e. nursing homes, care homes etc.) is another important task of social housing associations.

In 2023, investments in the construction of new dwellings resulted in the delivery of approximately:



These amounts, however, concern gross results; due to demolitions and sales, the net increase of DAEB dwellings was approximately ten thousand units. This underlines the importance of sufficient gross new construction to keep pace with increasing the net housing stock.

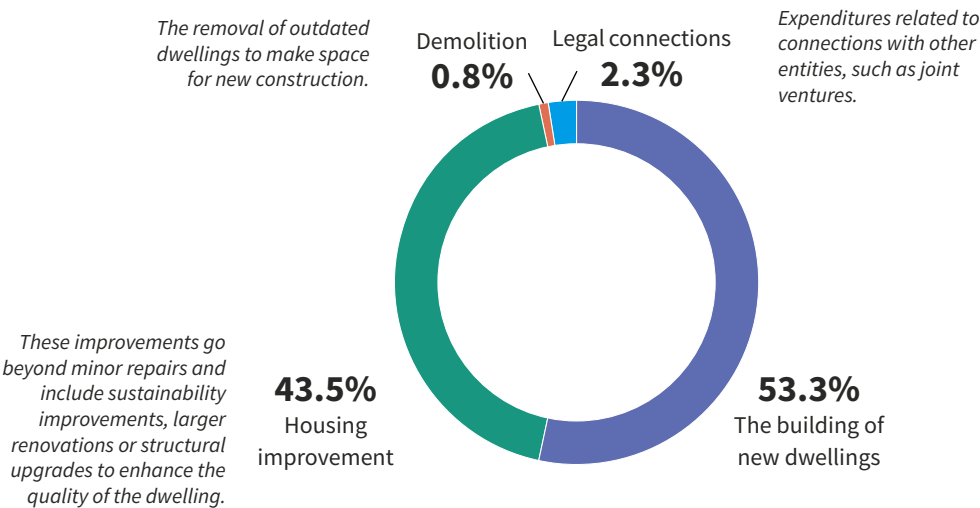
## Distribution of loan expenditures

BNG offers loans and advances to its clients and is market leader in financing the Dutch social housing sector. Housing associations in the Netherlands manage a wide range of activities that require substantial investment. Their expenditures can be broadly categorized into capital investments, which are often financed through external loans (for example from BNG), and operational expenses, which are typically covered by rental income and internal cash flow.

Operational expenses include maintenance costs, such as scheduled maintenance and minor repairs to keep properties in a good living condition, and liveability investments. These are generally small investments in neighbourhood liveability, such as the provision of green spaces and investments in the safety of the community.

The expense categories that can be (primarily) associated with loan financing are distributed as seen in the figure for social housing associations in 2023.

The distribution shows that 96.8% of the borrowed funds were used for new dwellings (53.3%) and improvements to existing homes (43.5%). It is therefore likely that more than half of the financing provided by BNG is related to the construction of new dwellings and a substantial part of the remaining part to improvements and renovations.





## CASE STUDY > De Kwekerij Climate-proof living in Doetinchem

**In early 2025, the municipality and Sité Woondiensten will start building 32 social rental homes at De Kwekerij in Doetinchem. This former plant and tree nursery site is being developed with funding from BNG and a guarantee from the Social Housing Guarantee Fund (WSW). The focus is on sustainable, circular and bio-based homes, which contribute to a livable and future-proof residential environment for first-time tenants, families and seniors.**

### **Sustainable living starts at home**

The homes are built with materials that limit waste flows, reuse water and promote energy efficiency. This ensures a healthy indoor climate and boosts climate resilience. The project also incorporates nature-inclusive elements such as green spaces, flower-covered riverbanks, ecologically managed verges and gardens where birds can shelter and nest.

De Kwekerij is an innovative project that can serve as an inspiration for other housing associations, precisely because the challenges are so great beyond the Randstad. It is inspiring to see how this extraordinary project is being implemented. It is perfectly consistent with our ambition to create a greener and more social living environment in the Netherlands. This project highlights how vital cooperation between municipalities, housing associations and financiers is for achieving sustainability targets – especially in smaller municipalities, where the challenges are often more complex.







## CASE STUDY > Barneveld housing association

### A sustainable future for the Oude Bloemen district

**Barneveld housing association has made 79 houses in the Oude Bloemenbuurt more sustainable. It worked with building contractor Van Wijnen and obtained funding from BNG to implement various energy-saving measures, including the insulation of the buildings' outer shell and the installation of solar panels. The measures have reduced carbon emissions and energy costs, and provide greater comfort for residents. This project is a perfect illustration of how housing associations can accelerate sustainability through smart partnerships.**

#### **Social task**

Barneveld housing association has approximately 3,800 rental homes in the social sector, and the association's social task is twofold according to operations manager John van Maastricht. 'We provide high-quality, affordable homes, but we also have an ambition in the area of sustainability. The renovations have made the houses more comfortable to live in while also reducing energy costs for our tenants. That's very important right now.'

#### **Collaboration with Van Wijnen**

A crucial aspect of this project is the collaboration with contractor Van Wijnen. Following a number of positive experiences in the Oude Bloemen district, the housing association entered into a five-year contract with Van Wijnen. This strategy is in line with a broader sector trend in which housing associations are more likely to opt for long-term collaboration to respond more quickly to the sustainability challenge. 'Our long-term collaboration will ensure continuity and cost-effectiveness', project leader Daniël Rijkeboer explained. 'We are learning from each other and aligning our processes more closely.' Van Wijnen has expertise in working in inhabited properties, and pays close attention to social as well as technical aspects.

#### **Funding with an impact**

When it came to funding, the housing association opted for its principal banker, BNG. 'In addition to offering excellent terms, BNG actively contributes ideas about the entire funding process', van Maastricht said. 'They understand our social task and offer solutions that fit in with it.' René Goorden, Housing sector lead at BNG, said 'As a bank, we are committed to the Dutch Climate Agreement. We welcome projects such as these, which focus on ensuring sustainable housing and therefore serve the interests of society. Making homes more sustainable is not only important for society, it also makes financial sense as organisations with real estate that can be used sustainably are more future-proof.'

#### **Inspiration to the sector**

Barneveld housing association wants 80% of its housing stock to have an average energy rating of A by 2030. Despite delays in newbuild projects, the housing association is on course to achieve this goal. The average energy rating is currently B and only forty homes still have a poor energy label (E, F or G label). The project serves as inspiration for other housing associations. 'This form of cooperation can serve as an example for other housing associations facing similar challenges', Goorden said. This project demonstrates how a clear vision for sustainability, combined with strategic cooperation and appropriate funding, can enable the social housing sustainability challenge to be tackled more quickly, leading to direct benefits for tenants, housing associations and the climate.



**FACTS AND FIGURES** > ON CORE TASKS OF  
HOUSING ASSOCIATIONS

# AFFORDABILITY

## AFFORDABLE RENTS FOR EVERYONE



**Providing affordable housing remains the core mission of Dutch social housing associations. In a period of high inflation and growing financial pressure on households, access to affordable homes is more important than ever. Currently, 27.6% of all households in the Netherlands live in a dwelling owned by a social housing association.**

Affordability has improved over recent years. The average rent charged for social housing (relative to the legal maximum under the Housing Valuation System, WWS) dropped from 69.3% in 2022 to 62.5% in 2023. This significant reduction is likely the result of the National Performance Agreements that imposed rent moderation measures for a period of three years, in response to rising inflation. As a result, the share of income that households spend on rent in social housing has declined—from 31.6% in 2021 to 30.3% in 2024.

In addition to the rent costs, the quality of the property and the service provided by the housing association play a major role in shaping tenants' overall housing experience. Tenant engagement has increased: tenants are more likely to give feedback. New tenants rate their housing association with a 7.8 on average, while departing tenants give a score of 7.4—both figures have remained stable over the past years. Tenants with repair requests report a slightly higher rating, rising from 7.7 to 7.9 in a one-year period. Perceived housing quality remains stable, averaging 6.9, though attention should be paid to the group of almost 20% of tenants that rate their housing quality between 1 and 5. Tenants living in dwellings with better energy labels tend to give higher ratings. Similarly, those who pay less than half of the national rent index are more likely to give favourable ratings, suggesting that both energy efficiency and affordability are closely linked to perceived housing quality.

## FACTS

- **Percentage of households living in a dwelling owned by a social housing association:** 27.6%
- **Average rental cost to national rent index:** 62.5% in 2023 and 69.3% in 2022
- **Percentage of household income spent on social housing costs:** 30.3% in 2024 and 31.6% in 2021
- **New tenants' rating of the housing association:** 7.8
- **Perceived housing quality:** 6.9
- **Maximum rent price up to the liberalisation limit:** €880 in 2024 and €808 in 2023
- **Maximum rent price up to the allocation limit:** €650 in 2024 and €647 in 2023 for one- and two-person households

## SDG RELATED





# AVAILABILITY

## SUFFICIENT, SUITABLE SOCIAL HOUSING EVERYWHERE



Providing adequate social housing is the second pillar of social housing associations. The goal is set to build 30.000 social housing dwellings per year from 2029 onwards, with the ambition to reach this by 2027. The target for each municipality is to have at least 30% social housing in its housing stock. A number of challenges remain: access to the housing market is difficult, waiting times for social housing can stretch to years, while in other regions, demand is declining due to a shrinking population.

As of 2023, social housing associations owned around 2.30 million rental homes in the Netherlands, from which 2.18 million were social housing. Investments in the construction of new dwellings increased by €1.23 billion compared to the previous year. In 2023, 16,200 social housing dwellings were built. However, the net increase in housing stock was lower, due to demolitions and sales. The increase is still well below the level of ambition. This is mainly due to high construction costs, environmental regulations such as nitrogen restrictions, and a shortage of available building sites.

In 2024, 57.1% of all dwellings in the Netherlands were owner-occupied and 28.3% were owned by a housing association. The match between the size of the target group for appropriate allocation and the number of dwellings with a rent within the appropriate allocation threshold has increased from 79.5% in 2022 to 82.7% in 2023, indicating a better alignment between supply and demand. However, sometimes there is a misalignment between the income of tenants and the rent price of their home. For example, the share of households with incomes too high for social housing - which limits the availability for lower-income households that form the primary target group - rose from 12.0% in 2021 to 14.6% in 2022.

## FACTS

- **Number of DAEB rental homes:**  
2,179,100 in 2023 and 2,171,400 in 2022
- **New-build DAEB rental homes:**  
16,200 in 2023 and 14,000 in 2022
- **New-build costs:**  
€4.74 billion in 2023 and €3.52 billion in 2022
- **Percentage of housing associations' housing stock of total housing stock:** 28.3% in 2024
- **Match housing stock to target group:**  
82.7% in 2023 and 79.5% in 2022

## SDG RELATED



# SUSTAINABILITY

## SUSTAINABLE RENTAL HOUSES WITHOUT EXTRA COSTS FOR TENANTS



**Social housing associations are currently at the forefront of the transition to sustainable housing. Their ownership of large parts of neighbourhoods enables them to make large scale sustainability improvements that are efficient and impactful. Close collaboration with local authorities plays a key role in the implementation of these efforts. Tenants directly benefit from these investments through more comfortable homes and lower energy bills, thereby enhancing affordability.**

According to Aedes, social housing associations implemented a wide range of sustainability measures over the past year. Solar panels have been installed and roofs, façades, floors and windows have been insulated. These efforts are reflected in the average investment in the improvement of dwellings, which increased to €1,555 per dwelling in 2023 compared to €1,330 in 2022. These measures have led to great improvements towards sustainable housing. For example, the net heat demand decreased from 112.1 to 108.2 kWh/m<sup>2</sup>, due to improved insulation, ventilation systems and gap sealing. CO<sub>2</sub> emissions per square meter fell from 18.1 to 16.6 kg/m<sup>2</sup>, a reduction of 1.5 kg/m<sup>2</sup>.

Additionally, the average energy efficiency improved from 186.8 to 176.8 kWh/m<sup>2</sup> in one year. The number of social housing dwellings with an energy label of A or better increased by nearly 150,000 between 2023 and 2024. In line with this, the number of dwellings with a poor label (E, F or G) decreased from 180,700 in 2023 to 142,900 in 2024. It is essential that housing associations continue these efforts to meet the ambitions of the revised National Performance Agreements: phasing out all E-, F- and G-label homes by 2028, reducing the average heat demand to 87 kWh/m<sup>2</sup> and having 450.000 gas-free homes by 2034.

## FACTS

- **Net heat demand:**  
108.2 kWh/m<sup>2</sup> in 2024 and 112.2 kWh/m<sup>2</sup> in 2023
- **Energy efficiency:**  
176.8 kWh/m<sup>2</sup> in 2024 and 186.8 kwh/m<sup>2</sup> in 2023
- **Number of dwellings with energy label E, F, G:**  
142,900 in 2024 and 180,700 in 2023
- **Average improvement costs per dwelling:**  
€1,555 in 2023 and €1,330 in 2022

## SDG RELATED





# LIVEABILITY

## RENTAL HOUSES IN MIXED NEIGHBOURHOODS WHERE TENANTS FEEL AT HOME



**Social housing associations aim to support and create vibrant, inclusive neighbourhoods, both in terms of housing and in terms of the people who live in the neighbourhood. Housing associations actively work with local authorities to invest in (social) housing, public (green) spaces, tenant well-being and social cohesion.**

In the National Performance Agreements, housing associations have agreed to invest an additional €275 million annually in housing improvements (e.g. tackling damp, mould, asbestos and fire safety) and neighbourhood liveability (e.g. clean, safe and social neighbourhoods). According to Aedes, social housing associations spent an average of €160 per dwelling on liveability-related expenses in 2023, an increase from €158 in 2022 and €122 in 2021, including personnel costs. Examples of such expenses are support for community initiatives and cleaning services. The number of full-time equivalents (FTE) working on liveability also increased strongly, from 1,893 in 2022 to 2,186 in 2023.

A survey among tenants provides insights into perceived neighbourhood liveability. Tenants rate disturbances with a 6.9 and the cleanliness with a 6.4. The efforts of the social housing association to improve liveability is rated a 6.0. In addition, tenants rate the safety of the neighbourhood with a 7.4, a figure that reflects a generally positive feeling of security. This perception is nuanced by crime data, which shows a mixed picture: traditional crimes like burglaries are on the decline, yet reports of violent and sexual crimes have risen—possibly due to increased willingness to report.

Total particulate matter (PM2.5) emissions have fallen by 607,300 kg from the year 2022 to 2023. This is due to a reduction in emissions from traffic, industry and the fossil energy sector. However, weather conditions played a role here as 2023 was a rainy and windy year, which contributed to the dispersion of particulate matter in the atmosphere. The average share of greenery in public spaces—including grass, shrubs, and trees—is 28.4%. More public green space in the area encourages exercise and reduces the risk of heat stress in the summer.

## FACTS

- **Liveability cost per dwelling (including personnel costs):** €160 in 2023 and €158 in 2022
- **Tenants' rating of neighbourhood safety:** 7.4
- **Emissions of particulate matter (PM2.5):** 16.0 million kg in 2023 and 16.6 million kg in 2022
- **Average percentage of greenery in public space (including grass, bushes and trees):** 28.4%

## SDG RELATED





# FINANCIAL VIABILITY

## GOOD PRECONDITIONS AND BUSINESS OPERATION



**In order for housing associations to effectively pursue and achieve the abovementioned goals, affordability, availability, sustainability and liveability, certain preconditions are crucial: efficient and effective associations, a well-functioning association system and a healthy investment climate.**

The average ICR (Interest Coverage Ratio) – which reflects the extent to which interest payments can be covered by operating cash flows - decreased with 0.15 percentage points to 2.18. The minimum value as demanded by the Social Housing Guarantee Fund (WSW) is 1.4 for DAEB dwellings and 1.8 for non-DAEB dwellings.

The Loan to Value (LTV) ratio, which is the extent to which properties are financed through external loans based on realisation figures, increased from 38% to 45%. This suggests that housing associations have invested more or that they are experiencing a reduction in cash flows. The maximum value as determined by WSW is 70%, which means that housing associations are still well below that threshold.

The solvency ratio fell from 57% to 50%, meaning that currently half of the total housing associations' assets are financed by equity. The ratio must be at least 30% in line with the rules of WSW, indicating that housing associations are still well above the threshold.

## FACTS

- **Interest Coverage Ratio (ICR):**  
2.18 in 2023 and 2.33 in 2022
- **Loan to Value (LTV) ratio:**  
45% in 2023 and 38% in 2022
- **Solvency ratio:**  
50% in 2023 and 57% in 2022

## SDG RELATED



# IN-DEPTH RESULTS SDGS

Dutch social housing associations contribute most directly to SDGs 1, 4, 7, 10, and 11 through the expenditures financed by the BNG's social housing bond proceeds. The contributions to these SDGs are demonstrated by the progress on a couple of indicators. In these examples is referred to the most recent year for which data is available.

Het PON & Telos has developed a methodology to translate individual indicator outcomes into standardised sustainability scores (ranging from 0 to 100, with higher scores indicating better performance). Sustainability norms are defined for each indicator and are applied to define performance ranges corresponding to different levels of goal achievement. Once the scores for each indicator have been calculated, they are aggregated into overall SDG scores by applying equal weighting across all indicators within a specific SDG. An arrow below the final SDG score indicates the trend over the past five years: upward or downward for material changes that reflect measurable development, or a horizontal line for stable scores.



**35.8**

The performance score for SDG 1 has declined slightly over the past five years, which is a cause for concern. The data presents a contradictory picture for the Netherlands. The percentage of households that do not have sufficient income and assets to participate fully in society decreased from 3.4% in 2022 to 3.1% in 2023. Similarly, the share of children living in low-income households has declined steadily to 5.2% in 2022. However, the share of adults who report difficulties making ends meet rose sharply from 12.7% in 2020 to 18.8% in 2022. Additionally, the share of households that have problematic debts has increased over the last years. These negative developments are likely linked to the sharp rise in inflation in the Netherlands.

Social housing associations play a crucial role in combating poverty in the Netherlands. Recent data confirm their positive impact: tenants are paying a smaller proportion of their income towards rent and the average rent prices in comparison to the national rent index have decreased. These data illustrate the contributions of housing associations to provide affordable housing in financially challenging times.



**50.0**

Progress towards achieving the targets of SDG 4 has slightly declined in recent years. While social housing associations are not education providers, they do play an important supporting role in community development and equal access to education, particularly through their close connection to neighbourhoods. Social housing associations often invest in the improvement of neighbourhood infrastructure, including the accessibility to schools. Educational facilities increasingly serve a role that extends beyond traditional education. These spaces may also include community schools, childcare facilities and social services. Social housing associations actively contribute to the development of such multifunctional buildings.

In addition, housing associations can contribute to SDG 4 by the provision of adequate student housing. Rising inflation and housing shortages in the Netherlands have made it increasingly difficult for students to find suitable and affordable housing. More students are forced to live with their parents rather than independently, which creates a barrier to pursuing further education, especially in cases where higher education institutions are located far from home. This might partly explain the increase in the share of young people completing education without a basic qualification.

## 7 AFFORDABLE AND CLEAN ENERGY



52.3



The progress towards the targets of SDG 7 has been remarkably strong. Social housing associations have taken diverse measures to improve the energy performance of their dwellings. According to Aedes, social housing associations implemented a wide range of sustainability measures over the past year. For example, solar panels were taken as sustainability measure on 75.200 occasions. In addition, efforts were made to insulate roofs, façades, floors and windows. These measures resulted in the following: The net heat demand decreased from 112.1 to 108.2 kWh/m<sup>2</sup>, due to improved insulation, ventilation systems and gap sealing. CO<sub>2</sub> emissions per square meter fell from 18.1 to 16.6 kg/m<sup>2</sup>. The number of social housing dwellings with an energy label of A or better increased by nearly 150,000 between 2023 and 2024. In line with this, the number of dwellings with a poor label (E, F or G) decreased from 180,700 in 2023 to 142,900 in 2024. Additionally, the average energy efficiency of improved from 186.8 to 176.8 kWh/m<sup>2</sup> in one year, measured as the theoretical primary fossil energy consumption per square meter. All these measures contribute to SDG 7, not only by reducing CO<sub>2</sub> emissions but also by lowering energy bills, improving the affordability and comfort of social housing.

## 10 REDUCED INEQUALITIES



46.5



While the progress towards achieving SDG 10 has fluctuated over the past years, the overall trend is upward. One key indicator is the match between the DAEB housing stock with a rent price up to the allocation limit and the size of the primary target group eligible for appropriate allocation to social housing in the social housing association's operating area has improved from 79.5% in 2022 to 82.7% in 2023. This indicates a better balance between supply and demand. In addition, the rent-to-income ratio for tenants of social housing associations – comparing rent to net disposable income – fell from 23.3% in 2021 to 20.2 in 2024. This indicates that tenants are spending a smaller proportion of their income on rent.

However, challenges remain. One problem in the Dutch housing market nowadays is 'scheefhuur'. Households with incomes exceeding the social housing eligibility threshold continue to occupy these dwellings, thereby reducing availability for lower-income households that are the intended target group. The share of such mismatched tenants has risen from 12 in 2021 to 14.6% in 2022. The percentage of households with incomes too low for their expensive housing associations' dwellings rose to 14.9% of all tenants. Both kinds of 'scheefhuur' contribute negatively to the reduction of inequality.

## 11 SUSTAINABLE CITIES AND COMMUNITIES



42.3



During the reporting period (2021-2025), the sustainability performance score for SDG 11 increased slightly, but has remained quite stable overall. This suggests that there has been little progress or decline in certain aspects related to sustainable cities and communities. Tenant satisfaction levels have been consistent over the past years. For example, the average residential satisfaction score has remained a score of 7.0 out of 10.0. The social cohesion in the neighbourhood is rated at 6.4 on average. Tenants generally feel safe in their neighbourhoods, indicated by a perceived safety score of 7.4 in 2024, a slightly decrease from 7.5 in 2023. Disturbance levels in the neighbourhood are rated with a 6.9, and the cleanliness with a 6.4. The housing association's effort to create a safe and pleasant neighbourhood is rated with a 6.0. Notably, one third of tenants reported that they are unaware of what their housing association is doing to improve the liveability of the neighbourhood. On average, housing associations spend €160 per dwelling on liveability (including employee costs) – a slight increase of €2 compared to last year. This suggests that while investments in liveability continue, housing associations should be more transparent about these efforts to be noticed by all tenants and to strengthen the satisfaction of tenants.



# RESEARCH METHODOLOGY



**This chapter briefly explains the research methodology. The full methodology can be found in the research report.**

Several expert meetings were used to develop the matrix between the Use of Proceeds, the core tasks of social housing associations and the SDGs. For each core ambition, the link to different SDGs was made plausible, including a link to measurable indicators. Het PON & Telos included a set of indicators to measure the SDGs, based on a long tradition and experience with sustainable development indicators and expert judgement.

The choice of indicators is influenced by three basic principles:

- The indicator must be linked to an SDG financed by the new BNG Social bond
- The indicator must be closely linked to core tasks of social housing associations, availability, affordability, liveability, sustainability and financial viability
- The data used must be of high quality and from a reliable source

This year, a total of 12 SDG targets and 72 indicators were measured for 268 social housing associations. Due to insufficient data, 17 social housing associations were removed from the data, leaving 268 housing associations.

The framework for social housing associations from a sustainability perspective is based on the measurement of two aspects: the internal performance aspects of social housing associations and the external sustainability performance of the housing unit environment. Internal performance includes the challenges of financial sustainability of the organization and their contributions to availability, affordability and sustainability. External sustainability is concerned with the local environment in which the rental housing units are located, with other words their contribution to the liveability. The data collection used publicly available sources such as the latest DVI/DPI reports from 'Inspectie Leefomgeving en Transport', Aedes benchmark, Central Bureau of Statistics and Climate Monitor. The most recent data were used.

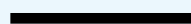


Het PON & Telos has developed a methodology to translate individual indicator outcomes into standardised sustainability scores (ranging from 0 to 100, with higher scores indicating better performance). Sustainability norms are defined for each indicator and are applied to define performance ranges corresponding to different levels of goal achievement. Once the scores for each indicator have been calculated, they are aggregated into overall SDG scores by applying equal weighting across all indicators within a specific SDG. An arrow below the final SDG score indicates the trend over the past five years: upward or downward for material changes that reflect measurable development, or a horizontal line for stable scores.

### Example score arrows



Material increase



No material change



Material decrease

Compared to last year's (2024) impact reports, several changes have been made that affect the sustainability performance scores. Indicators have been added, removed, or modified, and the sustainability norms for some indicators, by which ranges of sustainability goal achievement are defined, are optimised. Changes in data availability, new scientific evidence and policy changes are examples of reasons for reviewing or adjusting the framework and its indicators. These adjustments to the indicators and the optimisation of the norms have affected the sustainability performance scores. As the data should be comparable between years, adjustments are reconstructed for previous years. As a result, the sustainability performance scores presented in this report are not comparable with those published in earlier impact reports.

## > COLOPHON

**Design by** Mark Dierick

**Photography**

All photos by BNG, except

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