

Funding options to combat housing exclusion

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CEB: The social development bank for Europe



- The oldest European multilateral development institution, set up in 1956
(by 8 members of the Council of Europe)
- 42 member states
- 3 lines of action: inclusive growth; support for vulnerable groups; environmental sustainability
- EU: strategic partner
€621 million in grant contributions to CEB trust funds/ programmes

CEB support for social and affordable housing*

€5.4 billion in CEB financing

19 member countries

- Construction of social and / or affordable housing (€ million)
- Renovation of social and / or affordable housing, including EE measures (€ million)



*Projects approved for financing, January 2010 to June 2022

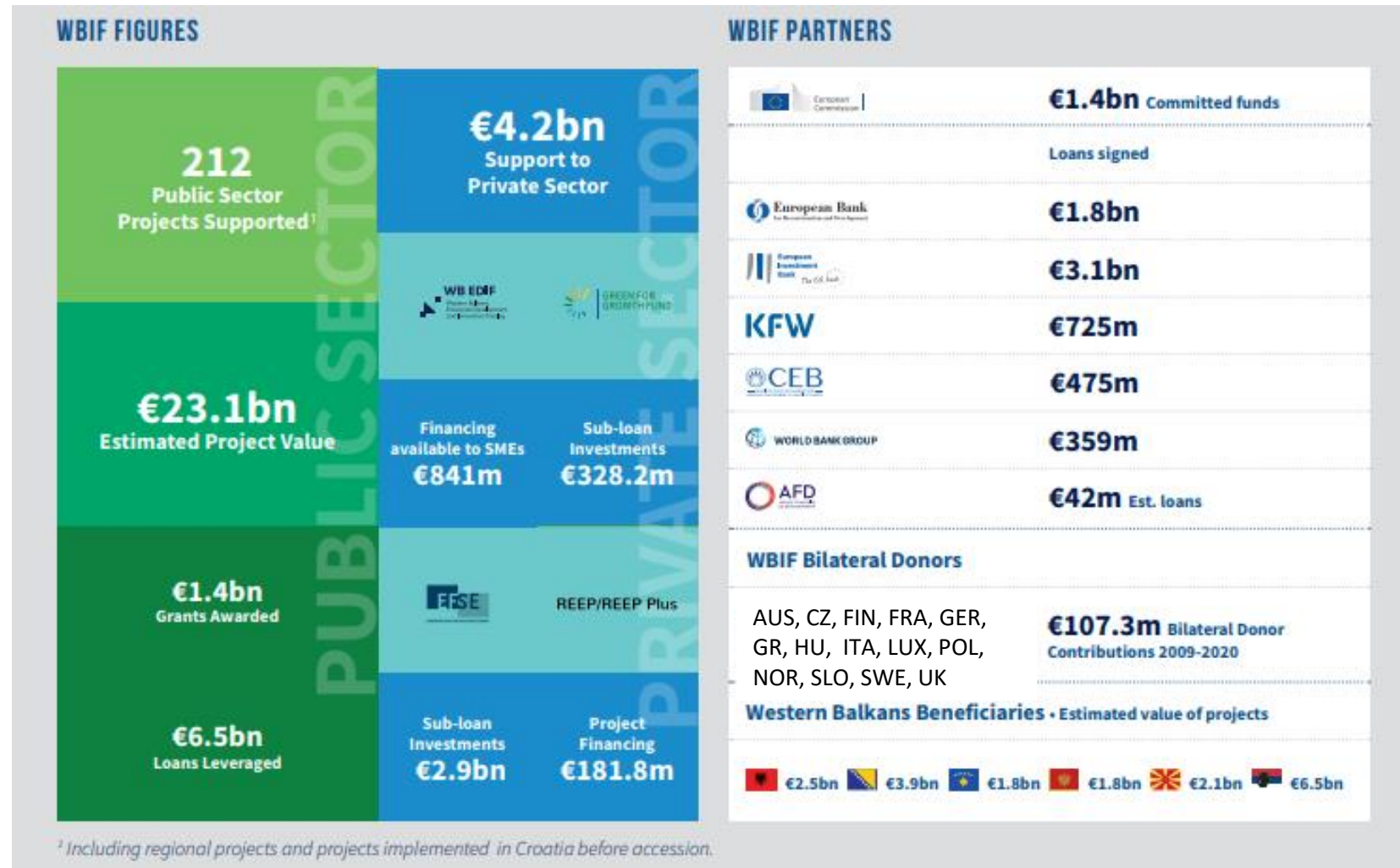
Project example 1: Regional Housing Programme - Bosnia and Herzegovina, Croatia, Montenegro, and Serbia

- 100% EU and bilateral donor grant, managed by CEB.
- EUR 290 million in donor contributions and programme implementation, including TA; additional bilateral contributions for social inclusion support.
- UNHCR and OSCE help the Partner Countries identify eligible beneficiaries and monitor their selection.



Project example 2: Social Housing under a multi-sector investment platform – Western Balkans Investment Framework.

- Blending of EU grant (investment, technical assistance, social inclusion support) with CEB loan(s)
- Via a blending platform, on competitive calls for projects
- Transparent, competitive project selection mechanism
- Social housing: €2.6m EU grant for €129m investment in social housing for 3 060 vulnerable persons (BIH, SRB).

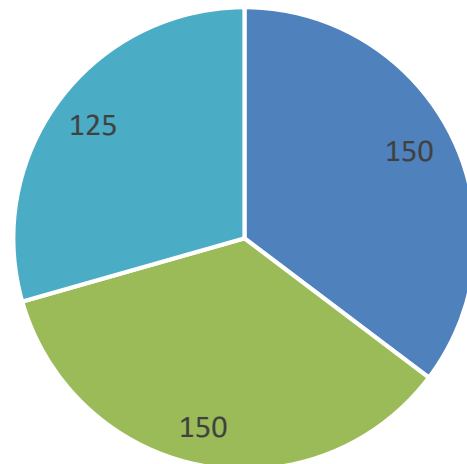


Project example 3: Lending for *Rebuilding Ireland - Action Plan for Housing and Homelessness*

- CEB supports: *Rebuilding Ireland - Action Plan for Housing and Homelessness*
- Financing through the Housing Finance Agency, on-lends to Approved Housing Bodies.

- €425m total investment cost
- Included national grant support for investment
- Complemented by EU/national inclusion measures support

Total investment cost (EUR million)



■ CEB ■ EIB ■ National, Local Gov, Approved Housing Bodies

Example: John's Lane West, Dublin / Focus Association: 31 housing units; Building: 2,571m²; Site Area: 655m²; construction cost: €6.63m [€210 000/unit]

Winner of 2019 Irish Council of Social Housing Community Housing Awards Homeless Project Category



Project example 4 – Housing retrofits/energy efficiency investments to mitigate energy poverty & housing exclusion

Improvement in Energy Efficiency in Residential Buildings, Lithuania

- Apartment Building Renovation Fund co-financed by EU grants (ESIF/ERDF), CEB and EBRD loans, and domestic funds (2014 – 2020 MFF)
- € 100 million CEB loans, €433 million total investments, 230 sub-projects
- 9 000 final beneficiaries, 15% of which are low-income households; expected 70% reduction of average energy consumption



Project example 5 – Housing and Empowerment for Roma (HERO), a pilot project in Slovakia, Bulgaria, and Romania

- €3 million pilot project, funded by the European Parliament and Spain
- 2 to 6 municipalities/country
- Key target: marginalised Roma families living in unregulated settlements
- Access to micro-loans to expand/build adequate homes in regulated areas
- Micro-loans complemented by capacity building in the form of training, coaching and mentoring services to support access to housing, employment and education.



InvestEU: General



- InvestEU Fund: An EU budget guarantee of €26.2 billion to mobilise more than €372 billion of public and private investment
- InvestEU Advisory Hub: EUR 430 million EU grant for TA to project developers to prepare, structure, and implement projects.



SUSTAINABLE INFRASTRUCTURE

Financing projects in **sustainable energy** | **digital connectivity** | **transport** | **circular economy** | **water, waste and other environment infrastructure and more.**



RESEARCH, INNOVATION AND DIGITISATION

Financing projects in **research and innovation** | **taking research results to the market** | **digitisation of industry** | **scaling up larger innovative companies** | **artificial intelligence and more.**



SMALL BUSINESSES

Facilitating access to finance for **small and medium-sized companies (SMEs)** | **small mid-cap companies.**



SOCIAL INVESTMENT AND SKILLS

Financing projects in **skills, education, training** | **social housing, schools, universities, hospitals** | **social innovation** | **healthcare, long-term care and accessibility** | **microfinance** | **social enterprise** | **integration of migrants, refugees and vulnerable people and more.**

- CEB – preselected Implementing Partner for:
 - Social Investment and Skills Window
- Guarantee and advisory agreements under negotiation; est. signature date: October 2022
- Potential investments include those aimed at people experiencing / at risk of homelessness.



Relevant project example 1 (anonymised)

Social and affordable housing (regional project)

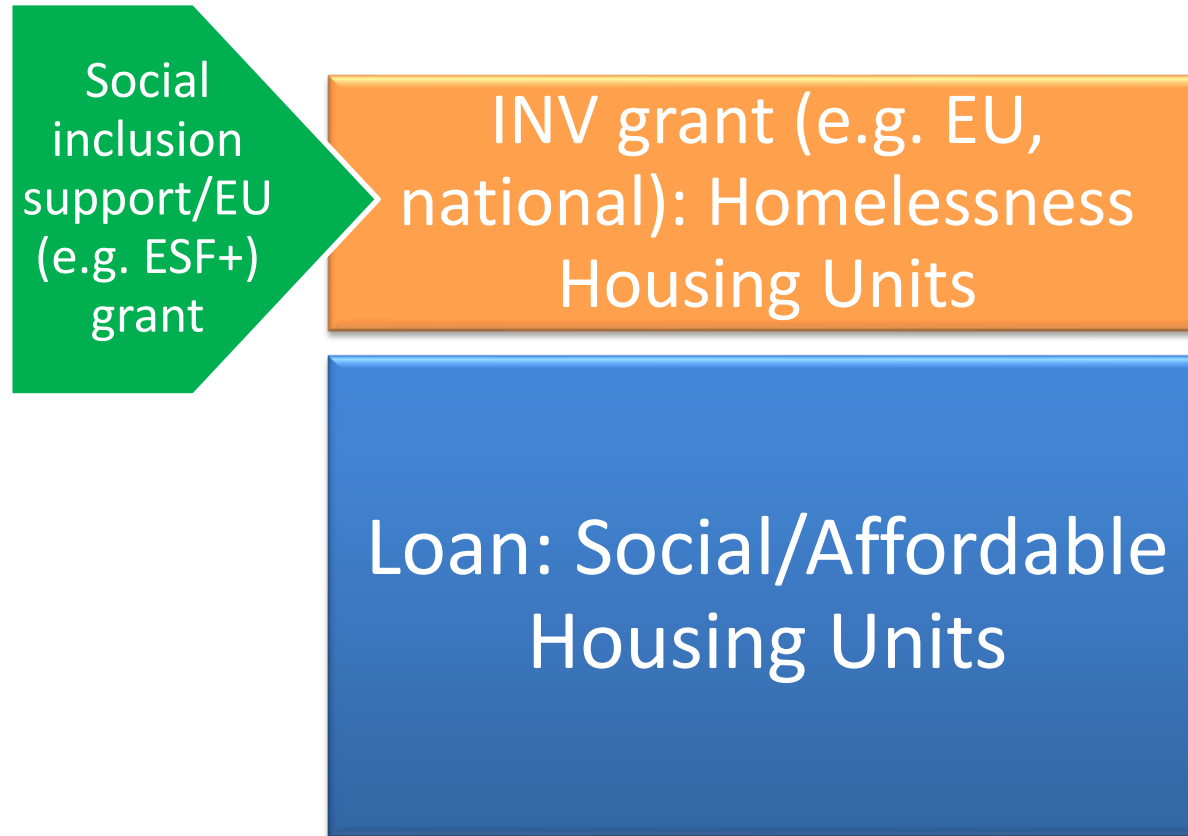
- Value: €100 million
- Type of partner: Publicly owned
- Use: On-lending by Partner to social and affordable housing providers (municipalities, municipal public companies, social enterprises, non-profit private companies, NGOs)
- Components:
 - Social/Affordable Housing-Acquisition programme: finance acquisition and rehabilitation of social housing dwellings to rent to extremely vulnerable population groups, including people experiencing homelessness (approx. 800 units)
 - Social/Affordable Housing-Construction programme, to finance the construction of social and affordable housing dwellings to rent to low- / middle- income persons (approx. 800 units)

Relevant project example 2 (anonymised)

Social/Affordable housing for socially disadvantaged groups (national project)

- Value: €50 million
- Type of partner: Privately owned, dedicated investment vehicle
- Use: Direct acquisition of housing for rental, within existing urban/built areas.
- Scope:
 - Flats primarily rented as social rental flats to non-profit organisations, who cater to disadvantaged and vulnerable persons and families, including those experiencing / at risk of homelessness.
 - Maximum 30% can also be rented out on standard commercial terms

Model for the most vulnerable of those experiencing homelessness



Conclusion

- Homeless segments in planned housing projects
- Mixed buildings to prevent “ghettoisation”
- Incentive grant to cross-subsidise non-profitable housing units and to incentivise potential sponsors to take in homeless persons
- Soft component inclusion support for homeless, starter-rent subsidies
- Partnership principle: public bodies – civil society – private sector (e.g. social enterprises)



Thank you

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