



FUNDING OPPORTUNITIES TO ADDRESS HOMELESSNESS

Briefing for Housing
Europe Members

MARCH 2023

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Design

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DISCLAIMER

While every effort has been made to ensure that the data and other information in this paper are accurate, some errors may remain. In some cases, the report mentions approximate figures as precise information was not available.

While the author has used various sources and data, including from the European Commission, estimates and aggregate figures were computed by the author and the responsibility for the accuracy of those figures lies with the author. Views, thoughts, and opinions expressed in the text belong solely to the author and Housing Europe.

Housing Europe, the European Federation for Public, Cooperative, and Social Housing

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STRUCTURAL FUNDS

The Multi-annual Financial Framework (MFF) for 2021 - 2027 represents a total of EUR 1,074.3 billion which is divided into 7 Headings.

The budget of the Cohesion Policy fund can be found under the budget line Heading 2 “Cohesion, Resilience and Values”.

This Heading represents in total EUR 377,768 million.



NEW ESF+



A big restructuring was carried out by the European Commission under the European Social Fund that became the European Social Fund Plus (ESF+)¹. ESF+ is the new instrument which is merging existing programmes: the ESF, the Youth Employment Initiative, the Fund for European Aid to the Most Deprived (FEAD) and the Employment and Social Innovation programme (EaSI).

The programme contributes to the five overall policy objectives and it focuses on the challenges identified in the **national reform programmes**, in the **European Semester** as well as in the relevant CSRs, and take into account principles set out in the **European Pillar of Social Rights**. Thematically, the following focus of ESF+ is pre-defined:



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- ➔ **at least 25% to the specific objectives for social inclusion, including integration of migrants;**
- ➔ **at least 3% to the specific objective addressing material deprivation with co-financing rate of 90%;**
- ➔ **at least 12.5% to targeted actions for young people not in employment (NEET).**

€87.3 billion of the ESF+ budget will be implemented under the shared management strand; thus, the application is possible at your national Managing Authorities.

See the contacts of National Managing Authorities here:

https://ec.europa.eu/regional_policy/in-your-country/managing-authorities_en

Website of the ESF+:

<https://ec.europa.eu/european-social-fund-plus/en>

ESF+ Technical Assistance and EaSI calls for proposals will be published here:

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/esf>



1 / Regulation on the European Social Fund Plus (ESF+) https://www.europarl.europa.eu/doceo/document/TA-9-2021-0272_EN.html

SCOPE OF SUPPORT UNDER THE DIFFERENT FUNDS



ERDF ²	CF ³	ESF+ ⁴
<ul style="list-style-type: none"> ➡ A) investments in infrastructure; ➡ B) investments in access to services; ➡ C) productive investments in SMEs; ➡ D) equipment, software and intangible assets; ➡ E) information, communication, studies, networking, cooperation, exchange of experience; ➡ F) technical assistance. 	<ul style="list-style-type: none"> ➡ A) investments in the environment, including investments related to sustainable development and energy presenting environmental benefits; ➡ B) investments in TEN-T; ➡ C) technical assistance. <p>CF shall not support investment in housing unless related to the promotion of energy efficiency or renewable energy use.</p>	<p>The scope of support is aligned with the European Pillar of Social Rights. Merging different instruments under the ESF+ will make it possible to pool resources for the implementation of the principles of the Pillar.</p> <p>General support:⁵</p> <ul style="list-style-type: none"> ➡ A) actions of social innovation and social experimentations, or strengthen bottom-up approaches based on such as the Local Action Groups designing and implementing community-led local development strategies. ➡ B) upscaling of innovative approaches tested on a small-scale (social experimentations). ➡ C) Direct staff costs shall be eligible under ESF+ under shared management provided that their level is not higher than 100% of the usual remuneration for the profession concerned in the Member State as demonstrated by Eurostat data. <p>Under the Employment and Social Innovation strand:</p> <ul style="list-style-type: none"> ➡ A) Analytical activities (survey, study). ➡ B) Policy implementation (upscaling of innovative approaches tested on a small-scale). ➡ C) Capacity building (transfer of best practices) ➡ D) Dissemination of good practices/evidence. <p>Under addressing material deprivation:</p> <ul style="list-style-type: none"> ➡ A) food and/or basic material assistance provided to the most deprived persons. <p>ESF+ shall not support the purchase of land and real estate, and the provision of infrastructure, and the purchase of furniture, equipment and vehicles except where the purchase is necessary for achieving the objective of the operation, or these items are fully depreciated, or the purchase of these items is the most economic option.</p>
<p>2 / Art 4 on ERDF and CF. 3 / Art 5 on ERDF and CF. 4 / Art 14, 24 on ESF+. 5 / Article 13 ESF+.</p>		

INSPIRING PROJECT EXAMPLES BY ACTION AREA

PREVENTING HOMELESSNESS

Development of measures across service sectors to prevent Homelessness.



Beneficiary



ARA The Housing finance and development Centre of Finland



Total Budget



ESF 2.1 M€ (personnel costs 1.7 M€)



Timeframe



2016 – 2019



Operations



Early Intervention:

- Housing social work (Professional know-how-Toolbox)
- Education and lectures

Social inclusion:

- Expertise through experience
- Piloting job descriptions
- Educational institutions
- Commitment of management

Supported Housing:

- Supported housing at home
- Meaningful daily life
- Subletting

Headed and coordinated by ARA, the Housing finance and development Centre of Finland, the objective of the projects is the development of preventive measures across service sectors and professional boundaries and the dissemination and introduction of these workable and promising solutions to prevent homelessness. Besides that, on international level the project aims to:

- Identifying administrative and professional practices that promote or interfere with the prevention of homelessness.
- Utilise the results of the national strategies and strategy work.
- Dissemination of Housing First and multisectoral practice.

CAPACITY BUILDING



Beneficiary



Ministry of Labour and Social Affairs



Total Budget



96,004,556.45 CZK (€3,759,945.0310)
77.56% is covered by ESF (under OP Employment),
22.44% by State budget.



Timeframe



February 2016 – December 2020



Operations



Informational support to help set up and developing the system of social housing and to provide adequate methodical support to 14 municipalities and 2 of Prague's city districts:

- a) international cooperation (study visits abroad)
- b) research and analysis
- c) education and methodologies
- d) collection and distribution of information

A Liaison centre was established.

Municipalities carried out the pilot testing of social housing models.

ACCOMPANYING DURING AND AFTER HOUSING CONSTRUCTION

Providing 150 modern social houses and inclusion measures, Bulgaria.⁶



6 / More information on <https://urbact.eu/home-everyone>



Beneficiary



City of Dupnitsa



Total Budget



€6,311,757.06 from ERDF
(grant funding from OP “Regional Development 2007-2013”)



Timeframe



2012 – 2015



Aim



Improving housing conditions and giving marginalized groups the opportunity to remain in permanent jobs so they are able to maintain the dwellings in which they are housed and to pay rent.



Actions



Construction of 15 buildings (150 social homes) for at least 460 vulnerable people, including Roma population, in single-family and multifamily residential buildings, located in a new regulated urban area adjacent to other residential areas and access to infrastructure and public services.



Establishment of a new Community centre for counselling, retraining, vocational guidance, housing, professional advice.



Intervention to avoid segregation: participation in maintenance activities of areas for public use, joint neighbourhood councils and participation in joint initiatives.



Creation of a **social enterprise** that caters new homes.

WHY THE PROJECT SHOULD BE SCALED UP

Combining ESF and FEAD to help social inclusion of homeless in Italy.⁷

- ➔ **Neighbourhood approach**
- ➔ **Complex measures**
- ➔ **Participation of tenants**

7 / Page 55-57, <https://www.housingeurope.eu/resource-1075/a-mid-term-analysis-of-the-impact-of-structural-funds-on-public-cooperative-and-social-housing-in-2014-2020>



Beneficiary



Metropolitan cities and municipalities with more than 250,000 inhabitants and 1,000 homeless/deprived persons; Regions (directly or delegating local authorities)



Total Budget



ESF and FEAD (€100 MILLION (50% + 50%))



Timeframe



2016 – 2019



Operations



Developing new systemic and structured responses and ensure tailor-made interventions:
integrating services, empowering cooperation, implementing social intervention plans.



Actions on inclusion (ESF)



- a)** Promoting integration between infrastructural intervention on houses and hosting structures and supporting measures leading homeless people to independence;
- b)** Preventing homelessness through activities addressed to people in de-institutionalization and/or at risk of social exclusion;
- c)** Strengthening and integrating low threshold intervention with early intervention services.



Actions of FEAD



- a)** Supporting low threshold services (distribution of basic goods);
- b)** Distribution of other goods (equipment for transition houses as part of housing inclusion paths, tools for trainings, etc.) within a supporting measure aiming at enhancing personal independence.
- c)** Accompanying measures by partner organisations (social secretariat, support in accessing services, multidimensional measures) should be ensured.

A €21 million Equity instrument, called Affordable homes under ESF, Slovakia (2021).

For the period 2021-27, Slovakia set up a €21 million equity instrument from ESF to provide **affordable homes to disadvantaged and vulnerable people, such as homeless people or victims of domestic violence**. This unprecedented scheme under ESF is also accompanied by another €4 million from ERDF for the marginalised Roma community.

Under the scheme 700 units will be built and thus provide affordable rental housing for 1,000 people until 2023. It will be **a catalyst to provide example that it is possible to develop such a project sustainably**.

The manager of the Equity fund is the Slovak Investment Holding, that manages the different ESF instruments such as:



- ➔ The Social Economy Guarantee Instrument (€7.3 million)
- ➔ Social Economy Loan Instrument (€10.2 million)
- ➔ Direct Equity instrument Affordable homes (€25 million)
- ➔ Social Economy Equity Instrument (€22.6 million)

As such a scheme is a first try in Slovakia, several challenges should be solved such as the **slow selection procedure of financial intermediaries, the difficulty to organise all partners** on board or **expenditure eligibility** (under which fund different operations can be supported).

However, the success factors of the scheme included the **newly introduced rule** which allows Member States to combine grants with financial instruments in a **Single operation**, as well as the **tackling of State Aid rules** as the **scheme addresses market failure**.

ESF ALLOCATION

Contracted: EUR 21 000 000

INVESTMENT DETAILS

- ➔ Join 1:1 *pari passu* investment with SLSP.
- ➔ **Mission:** to provide accessible rental housing to the disadvantaged and vulnerable people, while achieving long-term sustainability.
- ➔ Housing often a basic pre-condition to increase employability and find jobs.
- ➔ Target group includes the long-term unemployed, members of the Marginalised Roma Communities, homeless people, victims of domestic violence, etc.



- ➔ **Pilot phase:** EUR 4,000,000
- ➔ **Folow-up phase:** EUR 17,000,000
- ➔ Pilot successfully completed at the end of September 2021.
- ➔ 38 apartments acquired, 42 persons from the target group members housed.

DePaul project -a 'Housing First' initiative for housing provision and accompanying in Slovakia (2021).

The non-governmental organisation DePaul operates dozens of projects for some of the most deprived - including the largest homeless shelter in Central Europe, which accommodates up to 250 people in the winter.

'Housing First' projects represent a novel approach to combatting homelessness. The DePaul project⁸ focuses on **finding decent accommodation** in the general rental market – incredibly important due to the lack of social housing in Slovakia. The approach also concentrates on **negotiating rental conditions with private landlords**, as well as **assisting with personal issues such as health, debt relief and pursuing employment**.

The Housing First initiative will be fundamental to implementing the goals of the European Platform for Combatting Homelessness⁹, which aims to make concrete progress towards ending homelessness in the EU. The platform will build on lessons learned from pilot innovations – such as the DePaul project – as well as discuss national measures that can be reused and expanded.



FUNDING: ESF+ (FEAD strand brings €90 million to address material deprivation with an addition €24 million available under REACT-EU).



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8 / <https://ec.europa.eu/european-social-fund-plus/fr/news/esf-project-tackles-homelessness>

9 / https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3044

TACKLING ENERGY POVERTY THROUGH RENOVATION

KredEx Revolving Fund -Home renovation support scheme in Estonia.



The KredEx Fund', started in 2009, has been provided by ERDF, the Government of Estonia, the Council of Europe Development Bank (CEB) and by the KredEx Foundation.

Aim of the Fund: to renovate at least 1,000 buildings and to target energy savings of at least 20% for buildings with a net area of less than 2000 m² and at least 30% for buildings with a net area of more than 2,000 m². The Fund provided revolving project finance, under the "Apartment building renovation loan programme" **to multi-family apartment building owners and housing associations** who wish to improve the energy performance and living conditions of their homes, achieve substantial energy savings and reduce their energy consumption. It also administers grants in the energy efficiency and housing sector on behalf of the Estonian national and local authorities.



FUNDING: €72 million (including €3 million ERDF and about €40 million coming from the sale of CO2 emission allowances)



FINANCING METHOD: the Fund provides preferential loans and loan guarantees (for renovation of apartment buildings).¹⁰

SKILLS DEVELOPMENT

Promoting wider recruitment and strengthen the provision and matching of skills in the construction sector of Stockholm city, Sweden.



11 / More info: https://ec.europa.eu/regional_policy/sources/docgener/panorama/pdf/mag58/mag58_en.pdf, page 23-25.

-  **Beneficiary** → Swedish Public Employment Service
-  **Total Budget** → SEK 60 million (50% ESF)
-  **Timeframe** → 2016 – 2020
-  **Operations** → Promoting wider recruitment, strengthen the provision and matching of the skills gap in the construction sector with the competencies of recently arrived migrants and locals.

In the frame of innovation and sustainable growth, Stockholm region implements the Sverige bygger nytt project, the Swedish Public Employment Service, together with several municipalities, district administrations, industry associations and trade unions, to promote wider recruitment and strengthen the provision and matching of skills in the construction sector. This is carried out through making use of the competences of recently arrived immigrants and novative citizens. Work on core values, skills, language support and workplace-based learning will be strengthened and better matched with jobs in occupations facing shortages in the sector.

Development projects underline the desire in the Stockholm Region that ERDF should contribute to coherent strategic initiatives. This is achieved by concentrating resources, creating synergy through the funds and by using **'the Stockholm model'** – a new model for the implementation of funding. This means that **Cohesion Policy is more closely linked to overall regional growth policy** and its resources in the county, and contributes to greater interaction among regional players to create coherent strategic initiatives.¹¹



'Progression towards deployment service', Northern Ireland.



-  **Beneficiary** → Northern Ireland Housing Associations Charitable Trust
-  **Total Budget** → ESF Programme 2014 – 2020
-  **Timeframe** → 2014 – 2020
-  **Operations** → Triangle facilitates for autistic tenants with a service combining facility based enterprise and open supported employment models.
-  **Contact** → **More info:**
<https://www.trianglehousing.org.uk/progression-to-employment-service>

Northern Ireland Housing Associations Charitable Trust launched in 1998 the 'Progression towards Employment service' which **prepares people with learning disabilities and autism for the world of work using a supported employment approach.** Triangle facilitates a supported and staged approach to working, with participants with a service combining facility-based enterprise and open supported employment models within the progression to the employment service continuum. These facilities are a preparation stage before participants move on towards employment opportunities. The scheme helped at about **350 participants** each year. About 10% of them are Triangle tenants while 90% are members of a wider community. Around 28% of participants secure temporary or permanent work. The service is funded primarily under the Northern Ireland ESF Programme 2014-2020. The department of education and learning and the National health and social care trust (NHSCT) also provide funding support.

Three NHSCT day opportunities coordinators contribute to a total of 10 hours per week to the service. Health professionals also assist in the process and the co-ordinators facilitate and additional support required by the individuals like speech and language therapy, social work support, etc.

IMPORTANT!



Structural Funds can also support trainings for housing managers of the homeowner associations, so any issue about the refurbishment can be solved at an early stage.



As the European Commission highlights in its technical guide¹², a Certification scheme for housing professionals can provide a uniform basis for the upskilling of housing managers, construction sector workers, including energy and resource efficiency, climate-resilient housing, renewable energy technologies and digital technologies in housing.



Its crucial to mention that such initiatives to develop the skills are in general not caught by State Aid rules. However, public funding to train the workforce of specific undertakings may constitute training aid. Training aid of a maximum EUR 2 million per scheme will be compatible with the Internal Market if it complies with the conditions set out in Chapter I and in Article 31 of the General Block Exemption Regulation (GBER).¹³

¹² / Reforms and Investments - Renovation wave aimed at enhancing energy and resource efficiency, European Commission https://ec.europa.eu/info/sites/info/files/component_renovation.pdf

¹³ / For training aid that would not comply with the requirements of the GBER, the country should envisage a sufficiently early notification to allow for the necessary compatibility assessment by the European Commission. The assessment should follow the principles set out in the Communication from the Commission on the Criteria for the analysis of the compatibility of State Aid for training subject to individual notification (2009/C 188/01).- Page 10, Reforms and Investments - Renovation wave aimed at enhancing energy and resource efficiency, European Commission.

EUROPEAN URBAN INITIATIVE

The EUI is a single instrument (financed with €500 million from ERDF), that replaces different programmes such as the Urban Innovative Actions and URBACT.

It aims to strengthen integrated and participatory approaches to sustainable urban development. It will do so by facilitating and supporting capacity building, innovative actions, knowledge, policy development and communication.¹⁴

3 STRANDS OF ACTIVITIES:



Support for capacity-building -open for all cities of all sizes that will be built on the previous URBACT programme;



Support for innovative actions -based on the previous UIA;



Support for knowledge, policy development & communication -workshops, conferences and will also support the EU Urban Agenda.



The calls will be launched every year on a dedicated website which is still under construction.

Contact: Kristijan Radojicic, Networking Officer

14 / Art. 10 ERDF/CF.

INSPIRING PROJECT EXAMPLES FROM THE PREVIOUS PERIOD

Refugee launch Pad, Utrecht, Netherlands.

The Utrecht Refugee Launchpad seeks to develop a new way to deal with reception facilities for refugees in neighbourhoods by **introducing an inclusive approach**.

The project aims to create **a combined learning and living environment for both refugees and the local community**. It offers the neighbourhood a vibrant and enigmatic centre with a SOCIUS community. A group of carefully selected youngsters with a strong connection to the neighbourhood and it's improvement created trendy living quarters in the same building where the refugee shelter is located.

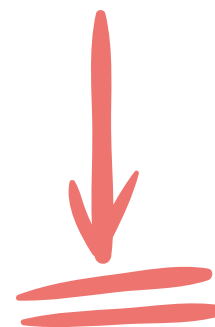
Youngsters are of mixed levels of education, occupation, gender, age, colour and background. Their common ground is the intent to create a community with the asylum seekers within the neighbourhood.

Neighbourhood members are invited to **follow international entrepreneurship training or Business English classes** together with the asylum seekers, followed by peer-to-peer coaching and introductions to local businesses. The lessons learned in the URLP could be both used within the Netherlands or elsewhere.

This way the approach ensures a future-proof investment into the participants' lives, which could be built up in Utrecht or elsewhere if the asylum request is denied or when refugees may want to rebuild their home country when the war is over. By mixing refugees with neighbourhood participants, potentially opposing groups are thought to **bridge a gap and experience mutual support** instead of growing alienation.¹⁵



15 / More information: <http://www.uia-initiative.eu/en/uia-cities/utrecht>



Calico-care and living in the community, Belgium.

The CALICO project¹⁶ was developed by the Community Land Trust Brussels (CLTB). This association, which was founded in 2012 with the support of the Brussels Government, works to improve access to housing and property for everyone.

The project provided 34 homes. CLTB bought the land and the common parts of the building. By taking this cost out of the equation, both affordable owner-occupied homes as well as social rental apartments were provided. The CLT resale mechanism guarantees that these houses will remain affordable, generation after generation.

The homes are organised in three community-led cohousing clusters. Each of the clusters focuses on vulnerable groups, thus addressing their housing situation. One cluster targets **(older) women and single-family mothers**. The two other clusters take an **intergenerational approach**, with a significant proportion of units reserved for older adults and low-income families.

Calico developed a community-led model of care that reinforces the autonomy of those in need of support, integrated in an intergenerational, intercultural context. **An accommodation for birth- and end-of-life in a homelike environment**, open to the wider community, is also at the heart of one of the cohousing clusters. By bringing different population groups and different functions together in the same project, and by strengthening social cohesion, both within the project and within the neighbourhood, CALICO will investigate a new model of housing policy.



16 / CALICO - Care and Living in Community - Housing Evolutions Hub <https://www.housingevolutions.eu/project/calico-care-and-living-in-community/>

INVEST EU

In 2021-27, InvestEU will act as a single EU investment support mechanism for internal action, replacing all existing financial instruments.¹⁷ Its overall objective is to support the policy objectives of the Union by mobilising public and private investment within the EU that fulfil the criterion of additionality, thereby addressing market failures and sub-optimal investment situations that hamper the achievement of EU goals regarding sustainability, competitiveness and inclusive growth.

InvestEU is expected to mobilise at least €372 billion in additional investment between 2021-27.



¹⁷ / Regulation <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R0523&qid=1617090511360>

4 POLICY WINDOWS ARE SET UP UNDER INVESTEU FROM WHICH THE FOLLOWING AREAS ARE RELEVANT:

Sustainable infrastructure

- ➔ **Energy, in particular renewable energy, energy efficiency and building renovation projects** focused on energy savings and the integration of buildings into a connected energy source, storage, digital and transport system, improving energy infrastructure interconnection levels.
- ➔ **Digital connectivity and access** including in rural areas.
- ➔ **Supply and processing of raw materials**, space, oceans, **water, waste management** in line with the waste hierarchy and **the circular economy**.

Social investment and skills

- ➔ Social enterprise finance and social economy.
- ➔ Social infrastructure (including health and educational infrastructure and **social and student housing**).
- ➔ **Social innovation, including social impact, impact investing and social outcome contracting**.
- ➔ Health and long-term care.
- ➔ **Inclusion and accessibility**.
- ➔ **Integration** of vulnerable people, including third country nationals.

It's a key to mention that **managing authorities may decide to contribute to InvestEU and have their financial instruments implemented through the four policy windows. Applicable rules are those of InvestEU.**¹⁸

Under InvestEU, a **new Advisory Hub is available** for project promoters and intermediaries seeking advisory support and technical assistance related to centrally managed EU investment funds.¹⁹

INVESTEU ADVISORY HUB DETAILS

- ➔ **Miha Svent:** Advisor
- ➔ **Jelena Emde:** Coordinator of “social impact” within the advisory hub
- ➔ **Tim Hudson:** Advisor

¹⁸ / Art. 10 CPR.

¹⁹ / https://europa.eu/investeu/investeu-advisory-hub_en

PROJECT EXAMPLES

InvestEU supports social and affordable housing in Hanover with €60 million, 2022, Germany.

Municipal housing provider hanova will build 640 new apartments for rent. The social and affordable flats will meet the EU's high energy efficiency standards. The EIB loan will be the **first in Germany backed by the EU budget under the new InvestEU programme.**²⁰

Establishment of an investment platform for social and affordable housing, 2017, Poland.²¹

The EIB and Bank Gospodarstwa Krajowego (BGK), the Polish development bank, have signed an agreement to set up an investment platform supporting social and affordable housing projects in different municipalities across Poland.

The project supports social and affordable housing investments for a total cost of some PLN 2.1bn (around €496 million) until 2021. The operations are financed under the investment platform concern **the construction (more than 100,000 housing units) or retrofitting of social/affordable housing units for rental, as well as the construction of regulated affordable rent-to-buy housing.**

The municipal authorities and registered social and affordable housing providers, such as non-profit housing enterprises (TBS) were the eligible beneficiaries of this platform.



20/ <https://www.eib.org/en/press/all/2022-349-investeu-in-germany-eib-supports-social-and-affordable-housing-in-hanover-with-eur60-million>

21 / <https://www.housingevolutions.eu/project/establishment-of-an-investment-platform-for-social-and-affordable-housing-in-poland/>

Construction of 524 energy efficient rented social housing units in Navarre with €40 million loan, 2017-2020, Spain.²²

The EIB provided €40 million to the city of Navarre to finance the construction of 524 social housing units. These will be NZEB, i.e. buildings with very low energy consumption owing to their design and the materials used in their construction. A total of 78 000 square metres of housing will be constructed under the project and 700 jobs will be created.

Thanks to the use of renewable energies, the units built under the project will consume up to 75% less energy than conventional housing. Tenants will pay less to stay warm in winter: heating costs will be 90% less than for buildings that are 30 years old or more. Average costs **for the efficient new units will be €75 a year** compared to €785 a year for an old building.

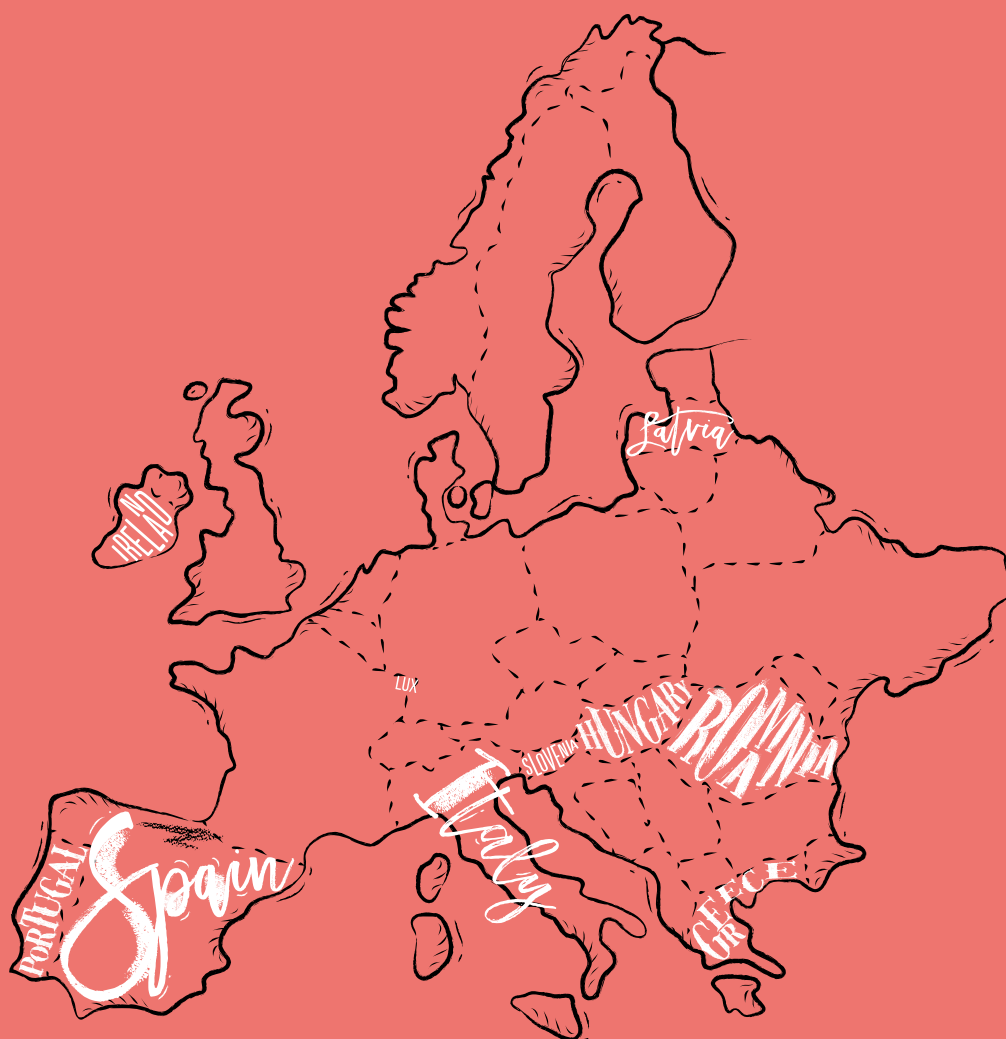
The new buildings will be used for affordable rented housing, so contributing to social integration and urban regeneration. A particular aim of the project is to provide **access to housing for young people and people on low incomes**, in line with current social housing legislation in Navarre. The implementation is carried out by the national promotional bank, the Instituto de Crédito Oficial (ICO).



²² / More information: <http://www.eib.org/infocentre/press/releases/all/2017/2017-243-eib-to-finance-construction-of-524-energy-efficient-rented-social-housing-units-in-navarre-with-eur-40-million-loan-under-juncker-plan.htm>

NATIONAL RECOVERY AND RESILIENCE PLANS

Our recent Report on the impact of the National Recovery Plans²³ finds that at least 10 countries put forward ambitious plans in their national Recovery and Resilience Plans to improve access to social housing and Housing First which represents a €5.5 billion budget.



23 / <https://www.housingeurope.eu/resource-1635/impact-of-the-recovery-plans-on-the-social-and-affordable-housing-sector>

- ➔ The **Portuguese** Plan seems the most ambitious towards our sector, with **six different programmes, including the Programme to Support Access to Housing** (€1.25 billion), National Urgent and **Temporary Accommodation Grant** (€186 million), Reinforcement of the supply of **supported housing in Madeira** (€136 million), Improvement of the **housing stock in the Azores** (€60 million), Support for the **public affordable housing stock** (€774 million), **Affordable Student Housing** (€375 million). Overall, the Portuguese Plan dedicates more than 20% of its overall budget for the building sector. In total, more than 12,000 dwellings will be built.

- ➔ **Spain** follows Portugal in terms of budget volume. The €1 billion Programme for the construction of social housing aims to build **at least 20,000 new dwellings** for social rental purposes until 2026. These will be built in particular in areas in which social housing is currently insufficient and on publicly owned land.

- ➔ The **Slovenian Rental housing construction scheme** (€400 million in total, €60 million grant funding from RRF) aims to tackle the big societal need of affordable rental housing, which is also in line with the national Sustainable Construction guidelines.²⁴ The scheme aims to **improve access to rental housing for the socially disadvantaged and other marginalised groups**, e.g. disabled people, victims of violence, homeless, families with children, Roma people. This includes not only the activation of existing vacant housing, but also expanding the stock of available affordable rental housing. The plan is to provide **at least 5,000 additional public rental dwellings** by 2026.²⁵

- ➔ The **Greek** Plan includes a **social housing pilot programme** with a budget of **€1.3 million**, which is planned to be running in parallel in Athens and Thessaloniki, with the idea to provide social housing through privately owned homes. **The landlords can access grants to renovate their homes** (estimated €10,000 for each unit), **if they agree to let it out (at low rent) to people selected by the local authority**. Besides this, the Greek government is going to fund a **social inclusion and employment programme** for vulnerable people.

- ➔ **Hungary's** draft Plan includes a **Renovation programme for the 300 most disadvantaged settlements** in the country²⁶ **through building new housing units and managing them in the framework of a Social Rental Agency**. Renovations are also planned (not deep energy efficient retrofits, but preliminary interventions to reduce risks related to substandard housing situations). They aim for a the **renovation and building of a minimum of 15 units per settlement**, targeting the most sub-standards units first. This would mean **4,500 units renovated or newly built**.

- ➔ The **Italian** Plan foresees the provision of **public services and public housing for low-income groups. It also envisages specific housing projects for disadvantaged groups, for instance for people with disabilities**, for young people, and for the non-self-sufficient elderly. Italy will also boost the **regeneration and affordable housing**.²⁷ The programme is going to get €175 million from the RRF which will be complemented by national funds and ESF+ later.²⁸

24 / Page 443-458, Slovenian Plan, April 2021.

25 / Page 450, Slovenian Plan, April 2021.

26 / Hungarian draft Resilience and Recovery Plan.

27 / Page 42, Assessment of the European Commission on the Italian RRP https://ec.europa.eu/info/system/files/com-2021-344_swd_en.pdf

28 / Page 100, Social Services Action Plan, <https://www.lavoro.gov.it/priorita/Documents/Piano-Nazionale-degli-Interventi-e-dei-Servizi-Sociali-2021-2023.pdf>

- **Ireland** is planning significant funding for **social housing and residential housing**. The Priority 3: Social and Economic Recovery and Job Creation of the Plan foresees the **increase of the Provision of Social and Affordable Housing** through **progressing the Affordable Housing Bill** and the **Land Development Agency Bill**. It is known that in 2021, Ireland plans to achieve 12,750 additional social homes, including 9,500 new build homes, 800 targeted acquisitions, and 2,450 long term leased homes.²⁹
- **Latvia** engages in the provision of **700 new affordable housing**, as well as measures providing accessibility to private homes for 259 persons with disabilities and to 63 public buildings and build long-term care facilities for 852 elderly persons.
- **Sweden** is planning to **support the already existing rental housing and student housing** programmes with **increased funding in construction**. It is not yet known how much of that budget will be provided by the RRF.
- The **Romanian** Plan foresees the implementation of Romania's Territorial Development Strategy that aims to reduce territorial disparities. According to the Plan, eligible projects include the Construction of **housing for young people, social housing, and emergency housing of necessity for health and education professionals**.³⁰ The budget provided for housing construction is **€288 million**.
- Finally, **Luxembourg's** very much needed initiative to **'increase the offer of affordable and sustainable public housing'** will dedicate €51.46 million to construction and renovation.³¹



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29 / Based on data from the Irish Council for Social Housing www.icsh.ie

30 / Page 795, Romanian Plan, April 2021.

31 / Page 45, Luxembourgish Plan, June 2021.

GREECE	<ul style="list-style-type: none"> ➔ Social housing pilot programme Total budget: €1.3 million ➔ Housing and employment Programme Total budget: not yet defined ➔ Housing Programme for Roma Total budget: not yet defined
HUNGARY	<ul style="list-style-type: none"> ➔ Renovation programme for the 300 most disadvantaged settlements Total budget: unknown
ITALY	<ul style="list-style-type: none"> ➔ Housing first programme Budget supported from RRF: €174 million
IRELAND	<ul style="list-style-type: none"> ➔ Provision of Social and Affordable Housing Total budget: unknown Target in 2021: 12,750 additional social homes³²
LUXEMBURG	<ul style="list-style-type: none"> ➔ Component 1 'increase the offer of affordable and sustainable public housing' Under Pillar 1 Cohesion and social resilience³³ Total budget: €51.46 million, of which €24 million is covered by the RRF. Total delivered housing units: at least 1,200 affordable housing until 2025 ➔ Component 2 'Project « Neischmelz » in Dudelange' Under Pillar 1 Cohesion and social resilience³⁴ Total budget: €51.46 million of which €24 million will be covered by the RRF Total delivered housing units: more than 1,000 housing units (50% affordable)
LATVIA	<ul style="list-style-type: none"> ➔ Provision of 700 new affordable housing Total budget: €42.9 million
PORTUGAL	<ul style="list-style-type: none"> ➔ Programme to Support Access to Housing Total budget: €1,251 million ➔ National Urgent and Temporary Accommodation Grant Total budget: €186 million ➔ Reinforcing the supply of supported housing in the Autonomous Region of Madeira Total budget: €136 million ➔ Increase the housing conditions of the housing stock in the Azores Autonomous Region Total budget: €60 million ➔ Public affordable housing stock Total budget: €774 million ➔ Affordable Student Housing Total budget: €375 million
ROMANIA	<ul style="list-style-type: none"> ➔ Social housing infrastructure and old age homes Total budget: €288 million
SLOVENIA	<ul style="list-style-type: none"> ➔ Financing scheme to increase the provision of Affordable rental housing Total budget: €400 million (€60 million grant from RRF)
SPAIN	<ul style="list-style-type: none"> ➔ Programme for the construction of social housing in energy efficient buildings Objective: 20,000 new dwellings Total budget: €1 billion
SWEDEN	<ul style="list-style-type: none"> ➔ Support for rental housing construction ➔ Support for student housing construction Total allocation for the two programmes: €1.2 billion

32 / Based on data from the Irish Council for Social Housing www.icsh.ie

33 / Page 45, Luxembourgish Plan, June 2021.

34 / Page 50, Luxembourgish Plan, June 2021.

TECHNICAL ASSISTANCE

As the Member States would need to absorb very large amounts in a short period of time, implementation can be challenging. In order to help Member States, technical assistance is made available **under the Technical Support Instrument**. Technical support requests should be addressed to **DG REFORM** of the European Commission through the national Coordinating Authority for the Technical Support Instrument. Member States are also encouraged to make use of other sector specific services offered by the Commission services.



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EIB LOANS

The European Investment Bank (EIB) contributes to the affordable and social housing sector since it is key to integrated urban development and it is an EIB priority as social and affordable housing are key to integrated urban development, contributes to inclusive growth and social and economic cohesion.

EIB support is eligible for a wide range of operations, including energy efficiency, however, **it does not support maintenance**. The scale of project support can vary. However, above €25 million, the negotiations should be carried out with the EIB directly, otherwise designated national financial intermediaries.³⁵

The EIB also can play a role in response to the refugee crisis, by financing housing and shelter (incl. reception centres, temporary accommodation, and social housing), as well as associated infrastructure (incl. water supply, wastewater and solid waste management, sustainable transport, power supply, health and education).

35 / A list of EIB intermediaries can be found on their website: <https://www.eib.org/intermediarieslist/search/index>

EIB FINANCING TOOLS FOR TERRITORIAL DEVELOPMENT (REGIONAL AND URBAN SECTOR) ARE AS FOLLOWS:

1. EIB Structural Program Loans (SPLs):

- Aimed at co-financing multi-scheme investments managed by public authorities included within an Operational Programme (OP) to meet EU economic and social cohesion objectives and supported by grants from the ESI Funds. SPLs can cover one or more OPs (National, Regional and Sectorial).

2. Investment Loans:

- Direct loan for a specific investment project or programme (>EUR 100m project cost).

3. Framework Loans (FL) directly to a city:

- Loan (> EUR 100m) to a city which has more than 75,000 inhabitants for a 3–4-year project. The loan can be a long-term financing (maturities up to 25 years). Also, small schemes can have access to EIB financing (less than EUR 25m).

4. Framework Loans (FL) via an intermediary:

- Is a facility for financing smaller municipalities. Relies on a good intermediary which applies financing criteria agreed upon with EIB.

5. Equity Funds:

- Investment into an urban development, infrastructure fund or brownfield fund. The investment criteria are targeted.

CONTACTS

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EXAMPLES OF FRAMEWORK LOANS

A €200 million loan to build and refurbish social rental housing, the Netherlands.³⁶

Portaal housing corporation and the EIB signed in 2016 a financing agreement to making a €200 million facility available to make existing housing more energy-efficient and build new energy-neutral homes. The investment programme consists of **more than 40 small-scale sustainability projects** in the regions where Portaal operates and therefore involves **nearly 5 000 homes**.

Jessica II -multi-apartment home renovation programme, Lithuania.³⁷

The scheme-agreed by the European Investment Bank, the Ministry of Finance and Ministry of Environment, as well as with national housing cooperatives and home owners aims to support energy efficiency and the use of renewable energy.



Duration

→ 2009 – 2023



Target Group

→ Homeowners in multi-apartment buildings



Funding Method

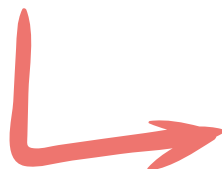
→ ERDF funds, private resources and JESSICA reflows



Financing method

→ Preferential loans (issued at a 3% fixed interest rate with maturity of a 20 years)









This was the first time that these institutions took risks on these type of loans in Lithuania. All of Lithuania's 60 municipalities have participated in the Modernisation Programme which had a positive effect on job creation and economic growth.



36 / More information: <http://www.eib.org/infocentre/press/releases/all/2016/2016-016-portaal-in-zee-met-europese-investeringsbank.htm?lang=en>

37 / More information: <https://www.energy-poverty.eu/observatory-documents/jessica-ii-fund-multi-apartment-building-modernisation>

Better energy warmer homes scheme targeting energy poor households, Ireland.³⁸

-  **Aim** → The scheme aims at improving the energy efficiency of the household at risk and in the process, reduce the amount of expenditure that is required to be spent on energy.
-  **Funding Method** → Recipients of the scheme do not receive grants but have measures installed free of charge.
-  **Target Group** → Privately owned housing units (built before 2006) of low-income households at risk of energy poverty.³⁹
-  **Result** → In 2016, 11,376 low-income households in the South & East region had had their energy efficiency improved. Since its creation, the scheme has upgraded in total 126,889 dwellings with more than €175 million invested.
-  **Beneficiary** → Sustainable Energy Authority of Ireland (SEAI)
-  **Total Budget** → €21million in 2017, €40 million in 2016 (partly from ERDF and co-funded by the Irish Government)
-  **Timeframe** → Regional Operational Programme 2014 – 2020
-  **Operations** → Funding energy efficiency improvements in the homes of the elderly and vulnerable, making the homes more comfortable, healthier and more cost-effective to run.

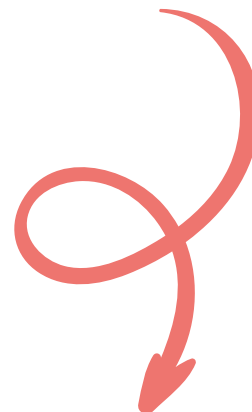


³⁸ / More information: <https://www.seai.ie/publications/Scheme-and-Application-Guidelines.pdf>

³⁹ / These vulnerable groups include chronically/severely diseased, households on social benefits, pensioners and unemployed.

French Alliance for social housing.⁴⁰

The strategic agreement was signed in 2022, and is part of the implementation of the European Union's Recovery Plan from the global pandemic and the EU Renovation Wave. The Union sociale pour l'habitat, the Banque des Territoires (Caisse des Dépôts group), the European Investment Bank and the Council of Europe Development Bank **have declared their willingness to establish a partnership aimed at facilitating the access of social housing organisations** in France **to European financing for long-term investments in social housing**.



40 / <http://www.eib.org/projects/pipelines/pipeline/20170769> and <https://www.union-habitat.org/communiqués-presse/plan-de-relance-europeen-alliance-europeenne-pour-un-logement-social-durable-et>

ELENA

ELENA is the tool of the EIB that provides up to 90% of the project development under the form of technical assistance. The support does not only include feasibility and market studies, but also program structuring, energy audits and tendering procedure preparation. The remaining 10% of the co-financing should be ensured by the beneficiary. Pre-financing is also possible, which means that 40% of the support must be paid at the beginning of the project.

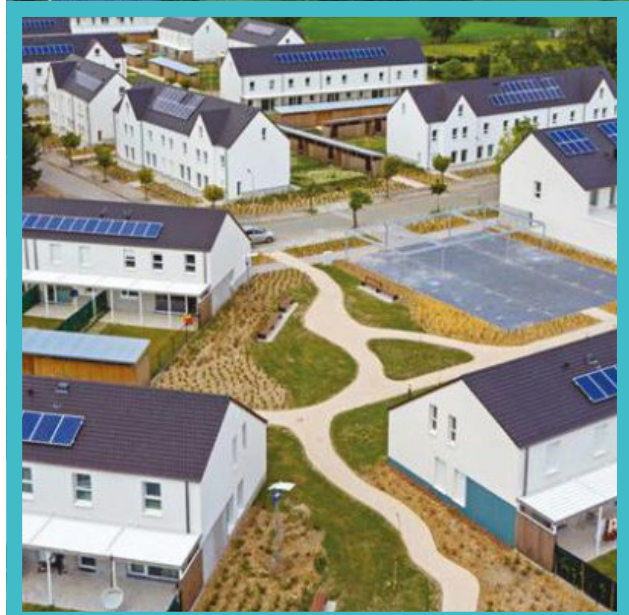
Currently, ELENA supports the implementation of energy efficiency refurbishment programs and renewable energy investments that are expected to provide the necessary tools and expertise in order to facilitate:






- buildings' inspections and energy audits;
- studies for PV installations and energy storage;
- bundling of bankable and cost-effective investment programs;
- evaluation of financial instruments;
- the tender for construction works, the evaluation of bids and the quality monitor.

The challenging part of ELENA lays within the obligation to link the project development assistance to a planned investment program of minimum €20 million (with a min of 3-year implementation period) given that it cannot be utilized for helping an existing program. On the other hand, the key advantage of ELENA is that final beneficiary (applicant) does not necessarily have to be the one who is finally implementing the investment.

FIRST EXAMPLES

Access to sustainability for tenants through energy-effective retrofit.








-  **Beneficiary** → **VWH, Flanders, Belgium**
-  **PDA** → **€1 million**
-  **Timeframe** → **2018 – 2021**
-  **Operations** → **Establishing, new standalone company to access finance and manage implementation of the programme, and future investment programmes.**
→ **Engaging tenants about SHM participation in the programme and energy savings.**
-  **Linked investment** → **42 million euros**
39 MW solar panels integrated into existing stock (approx. 20,000)



Implement substantial energy-efficient refurbishment programmes & renewable energy investments in 286 buildings.



	Beneficiary	→	Frederikshavn, Denmark
	PDA	→	€1,732,000
	Timeframe	→	2018 – 2021
	Operations	→	Buildings' inspections and energy audits, studies for PV installations & energy storage;
		→	Bundling of bankable and cost-effective investment programmes, evaluation of financial instruments;
		→	Prepare the tender for construction works, evaluate bids and monitor quality.
	Linked investment	→	€36,527,200 Energy efficiency (EE) refurbishments in residential buildings as well as investments in building-integrated renewable energy (RE) technologies.

CONTACTS

Elena Team

- **Louise WHITE:** Advisor on Energy Efficiency and Small-Scale Energy Projects
- **Gaela GONZALEZANGULO:** Energy Expert
- **Website:** www.eib.org/en/products/advising/elena/index.htm



URBIS

Urbis is a dedicated urban investment advisory platform to urban authorities: cities and towns and other public entities (or private entities with a public mission) with responsibility for substantial investment through projects and programmes. In other words, Urbis provides advisory services to facilitate and unlock urban investment projects, programmes and platforms.

Eligible operations:

- Initial preparation of urban development strategies, Preparation of full-scale feasibility studies, Environmental Impact Assessments, grant applications
- Funding of detailed designs
- Procurement of goods and services
- Ex-ante assessment for financial instruments under ESIF
- Interpretation of ESIF regulations, legal advice

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CEB LOANS

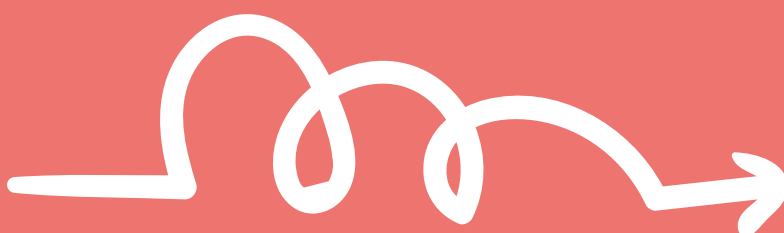
Social-housing constitutes one of the eligible sectors for the CEB to finance. The Bank often finances sustainable and affordable housing for vulnerable populations, including large families, young or low-income people, Roma and refugees that have difficulties accessing housing or can only do so under unfavourable conditions.

Concerning eligibility, the CEB applies its own criteria such as income, floor area, ownership and residence.

Energy-related eligible activities involve the construction or refurbishment of housing and the conversion of existing buildings in order to turn suited for residential use. These projects may target to accessing property ownership or rented accommodation and associated infrastructure, provided under national- and local-assisted governmental schemes.

CEB finance can be considered more flexible from the final beneficiaries' point of view. Even though the nature of finance is based on loans, the co-financing rate of projects is subject to negotiations which is a significantly more flexible process compared to the EIB products. On top of that, grant resources can be made available through the CEB's fiduciary accounts, in order to subsidize interest rates, technical assistance and/or part of the investment costs.

Due to this support flexibility, CEB often co-finances EIB-supported projects. The most recent examples include loans to support Poland, Slovakia and Portugal.



PROJECT EXAMPLES

€90 million loan to the city of Nuremberg to build and modernise social housing, 2023, Germany.⁴¹

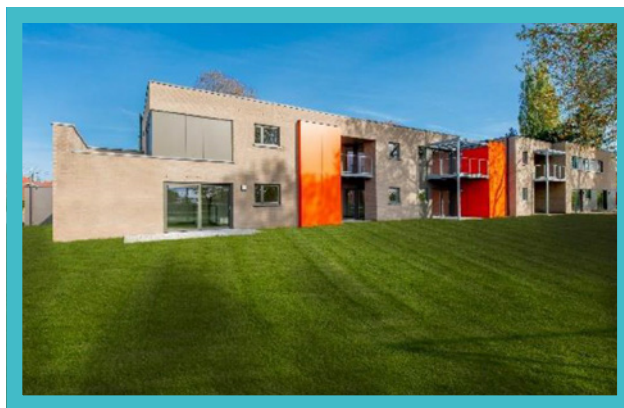


The loan is going to finance the construction and modernisation of social and affordable housing, as well as the construction of modern and socially accessible care homes for the elderly.

A €230 million loan to help vulnerable people to access affordable housing, 2018, Belgium.⁴²

November 2018 saw the end of a three-phase social housing programme in Belgium that had lasted nine years and benefited nearly **4,000 vulnerable families**. Out of the 4,000 supported families, 30% was single-parent families, while 20% have a migrant or refugee background.

Through the programme, the CEB and the Fonds du Logement des Familles Nombreuses de Wallonie (Walloon Housing Fund for Large Families) (FLW), aimed to reduce child poverty and improve access to adequate affordable accommodation for large, including single-parent, families on insecure and low-incomes.



41 / More information: <https://coebank.org/en/project-financing/projects-approved-administrative-council/Low-income-Housing-and-Social-Care-in-City-of-Nuremberg/>

42 / Page 8 of the Report: https://coebank.org/media/documents/CEB_info_04_2018_en.pdf

A €70 million loan to the Housing Fund of the Republic to implement urban and rural modernization projects, 2021, Slovenia.⁴³



The project will include urban and rural public infrastructure, including the improvement of public services, access to social and affordable housing, as well as energy efficient investments. The end-borrowers are municipalities, public and municipal organisations and enterprises that will directly use the funds for eligible investments.

The loan will facilitate access to affordable housing through the construction of 900 new housing units across seven regions in Slovenia. The project will contribute to reducing regional disparities in the housing market and will benefit low- and middle-income families and individuals who cannot meet their housing needs.



⁴³ / <https://coebank.org/en/project-financing/projects-approved-administrative-council/urban-and-rural-modernisation-and-protection-environment-throughout-slovenia/>





Housing Europe is the European Federation of Public, Cooperative and Social Housing

Established in 1988, it is a network of 46 national and regional federations which together gather about 43,000 public, social and cooperative housing providers in 25 countries. Altogether they manage over 25 million homes, about 11% of existing dwellings in the EU.

Social, public and cooperative housing providers have a vision of a Europe which provides access to decent and affordable housing for all in communities which are socially, economically and environmentally sustainable and where everyone is enabled to reach their full potential.

www.housingeurope.eu