



**European
Investment
Bank**

The EU bank

A circular arrangement of twelve blue stars, similar to the flag of the European Union, positioned around the handwritten text 'The EU bank'.

Social and Affordable Housing

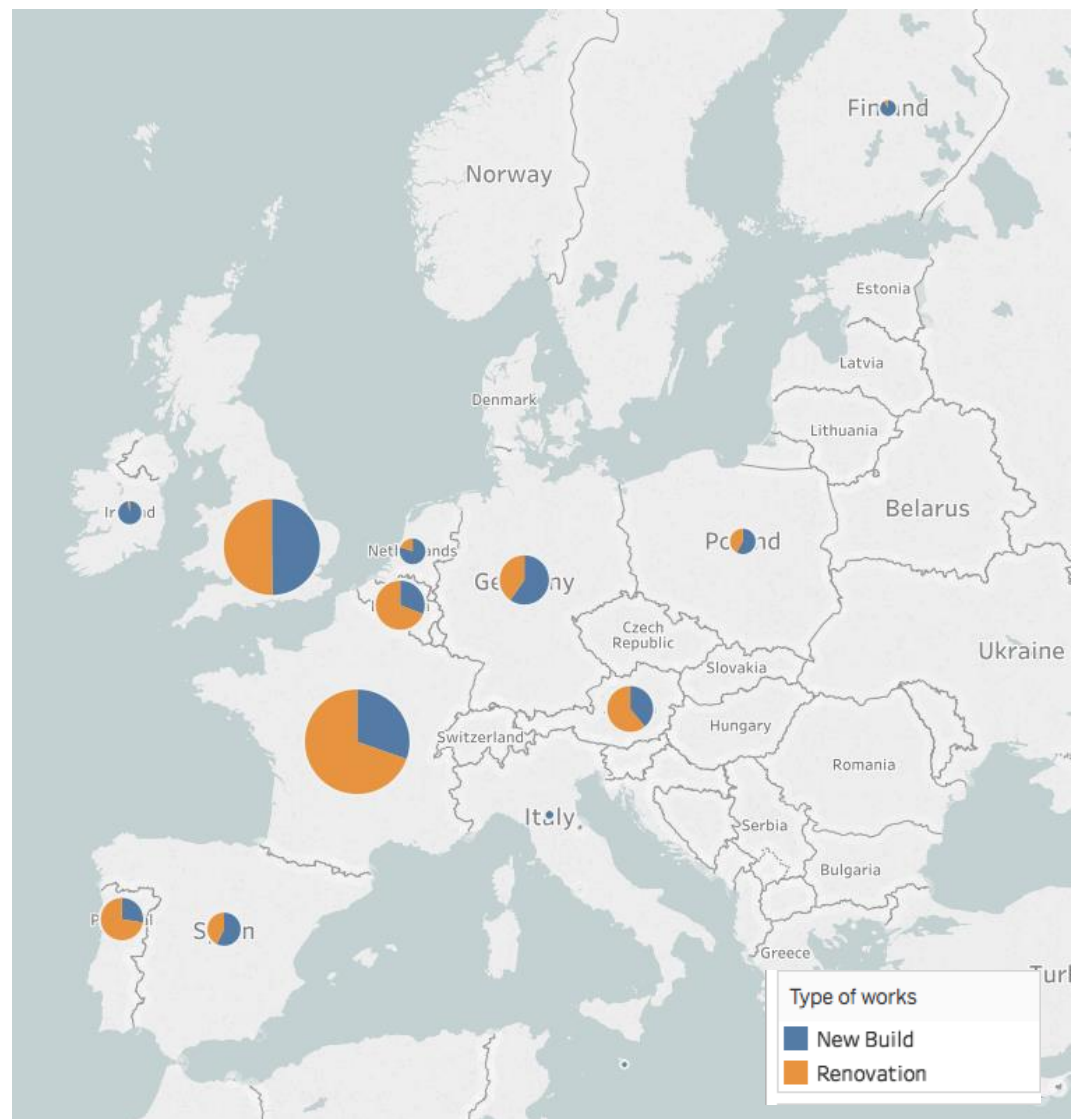
17-Apr-2019

Contents

- ▶ EIB activity in the social and affordable housing
- ▶ European social and affordable housing sector
- ▶ Examples

EIB lending for social and affordable housing

- ▶ EUR 66bn total project value
- ▶ EUR 19bn total EIB lending
- ▶ 603,000 renovated units
- ▶ 255,000 new units



EIB clients for social and affordable housing lending

- ▶ Cities
- ▶ Public housing companies
- ▶ Private housing companies
- ▶ Banks and other intermediaries
- ▶ Cooperatives

Distinctive elements of EU social housing systems

- ▶ Eligibility: based on income or universal
- ▶ Allocation: typically based on waiting lists
- ▶ Rent: either % of income or fixed
- ▶ Housing-related cost subsidies
- ▶ Growing focus on affordable housing
- ▶ Emphasis on renovations (but often cash-flows insufficient)

EIB requirements for housing projects

- ▶ Policy framework
- ▶ Planning-led urban development
- ▶ Tenure: affordable-rental, possibly with rent-to-buy and market units
- ▶ Social inclusion
- ▶ Climate action
- ▶ New construction or renovation
- ▶ Stakeholder involvement

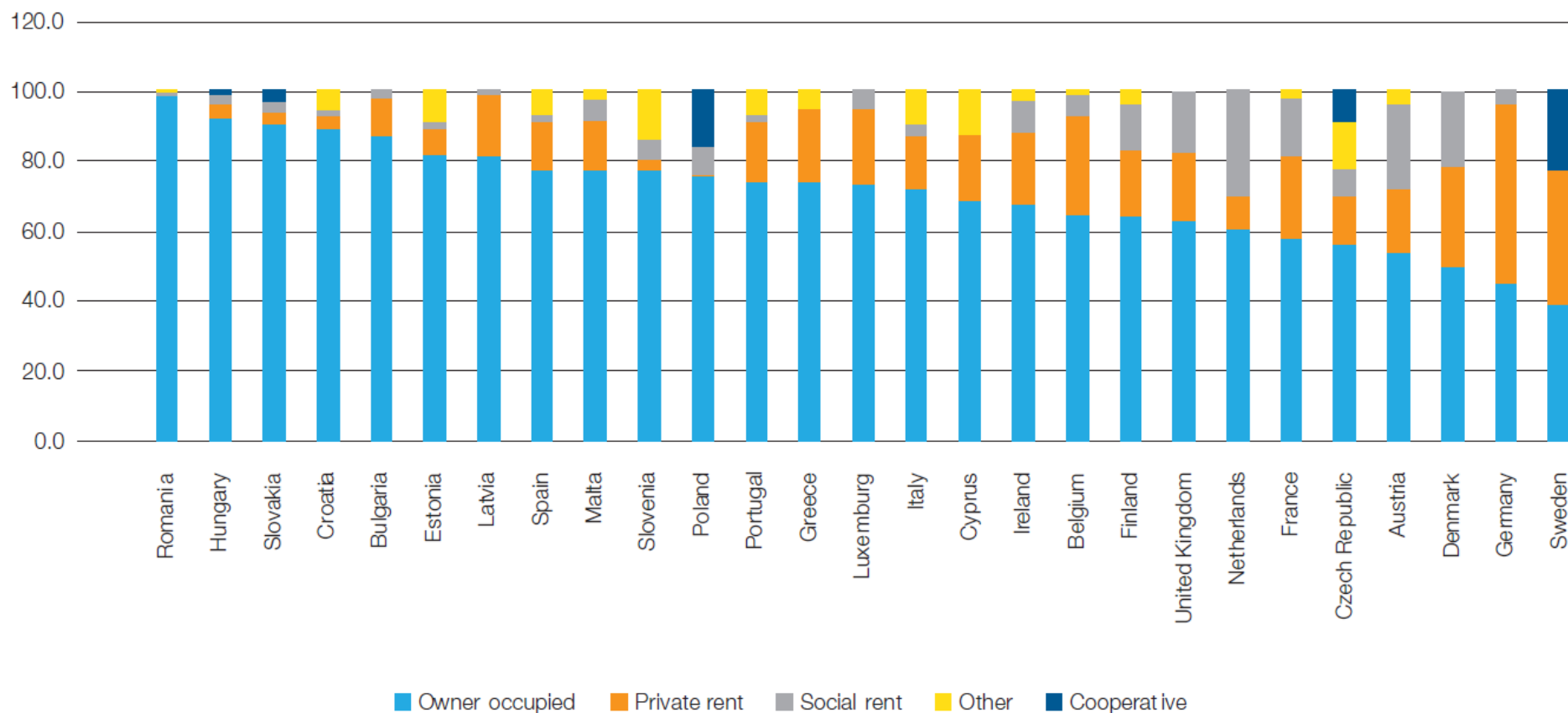
What EIB does not finance

- ▶ Urban sprawl
- ▶ Mortgage loans
- ▶ Land acquisition
- ▶ Second-hand assets
- ▶ Purely market-driven projects

EU – housing tenure structure

Tenure split in EU Member States

Dwellings in each tenure as share of total occupied housing stock,
latest year available

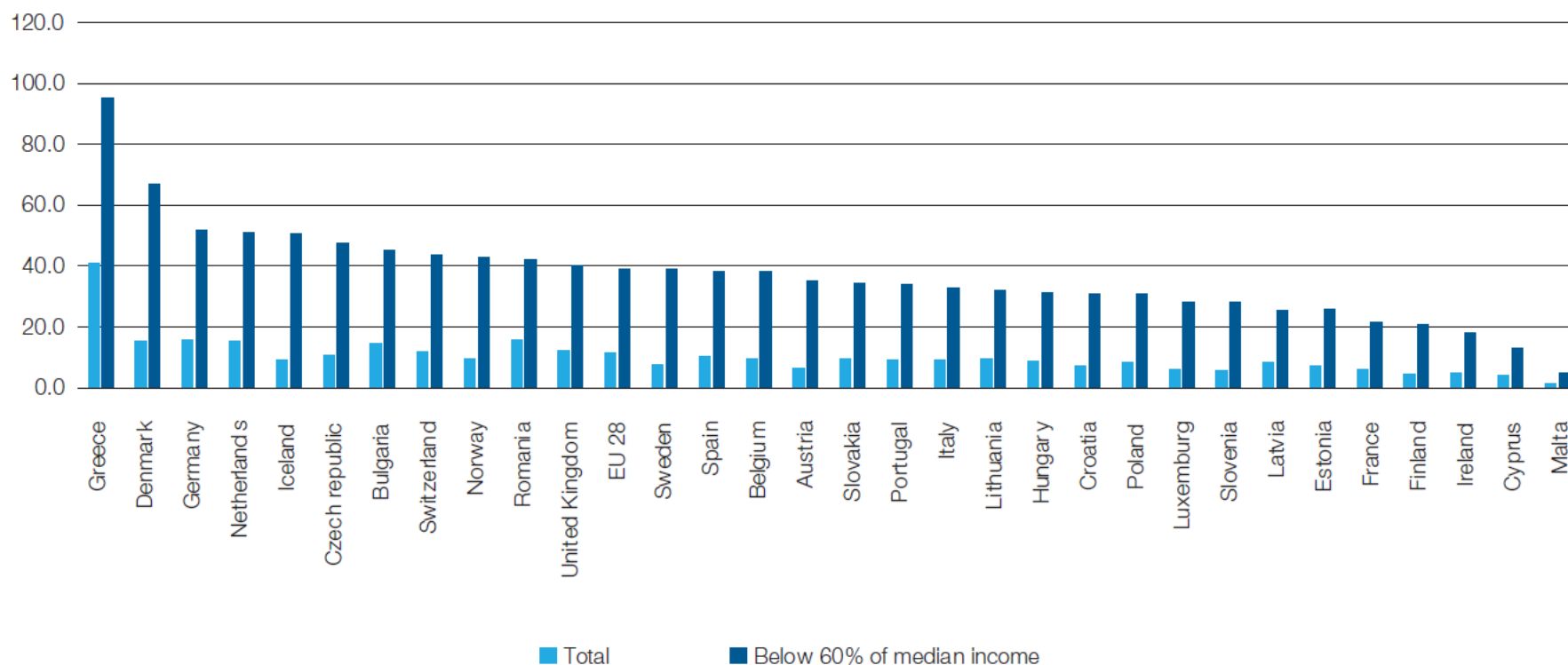


Main issue in European housing

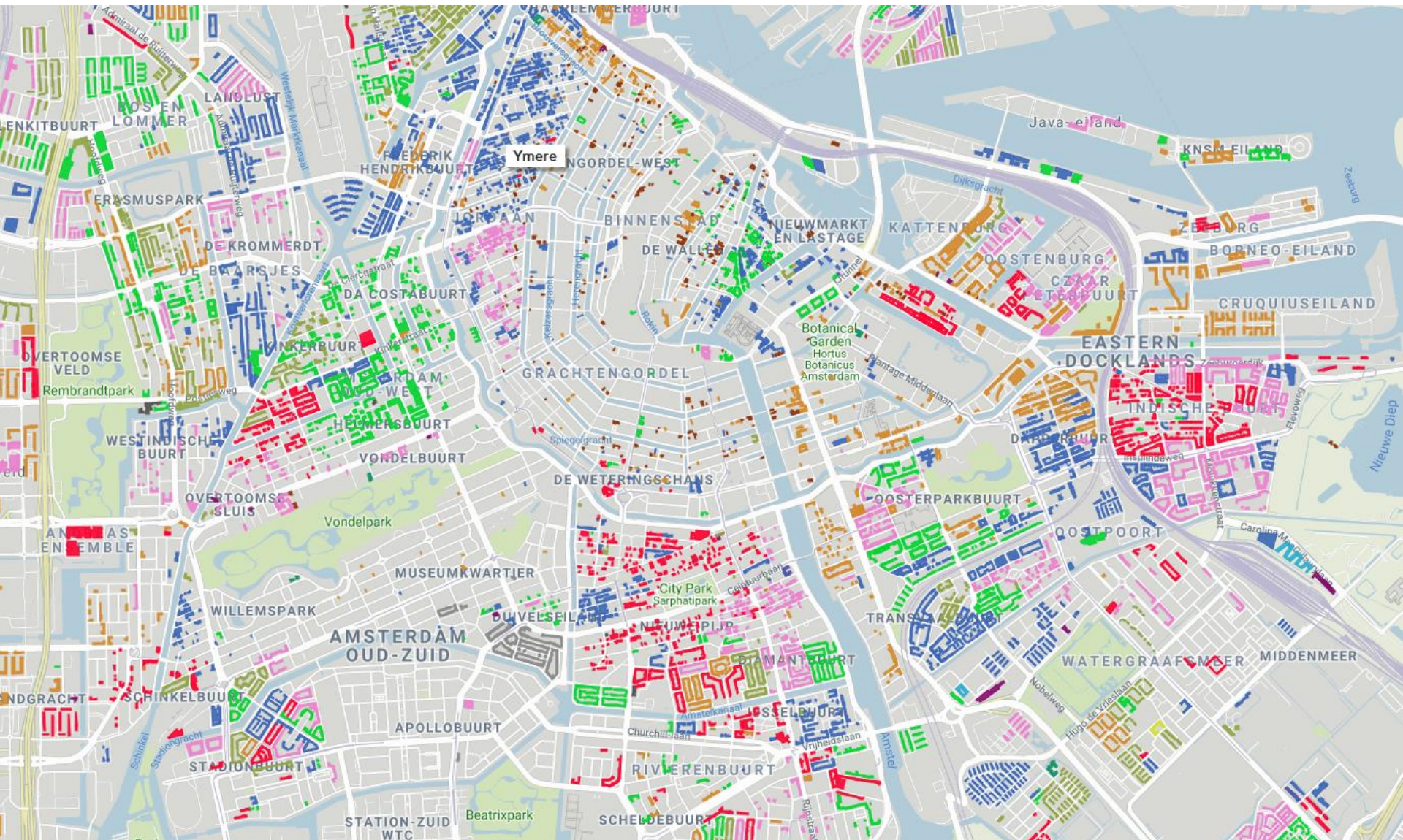
HOUSING COST OVERBURDEN BY INCOME GROUP

Overburden rate for the total population and those at risk of poverty, 2015

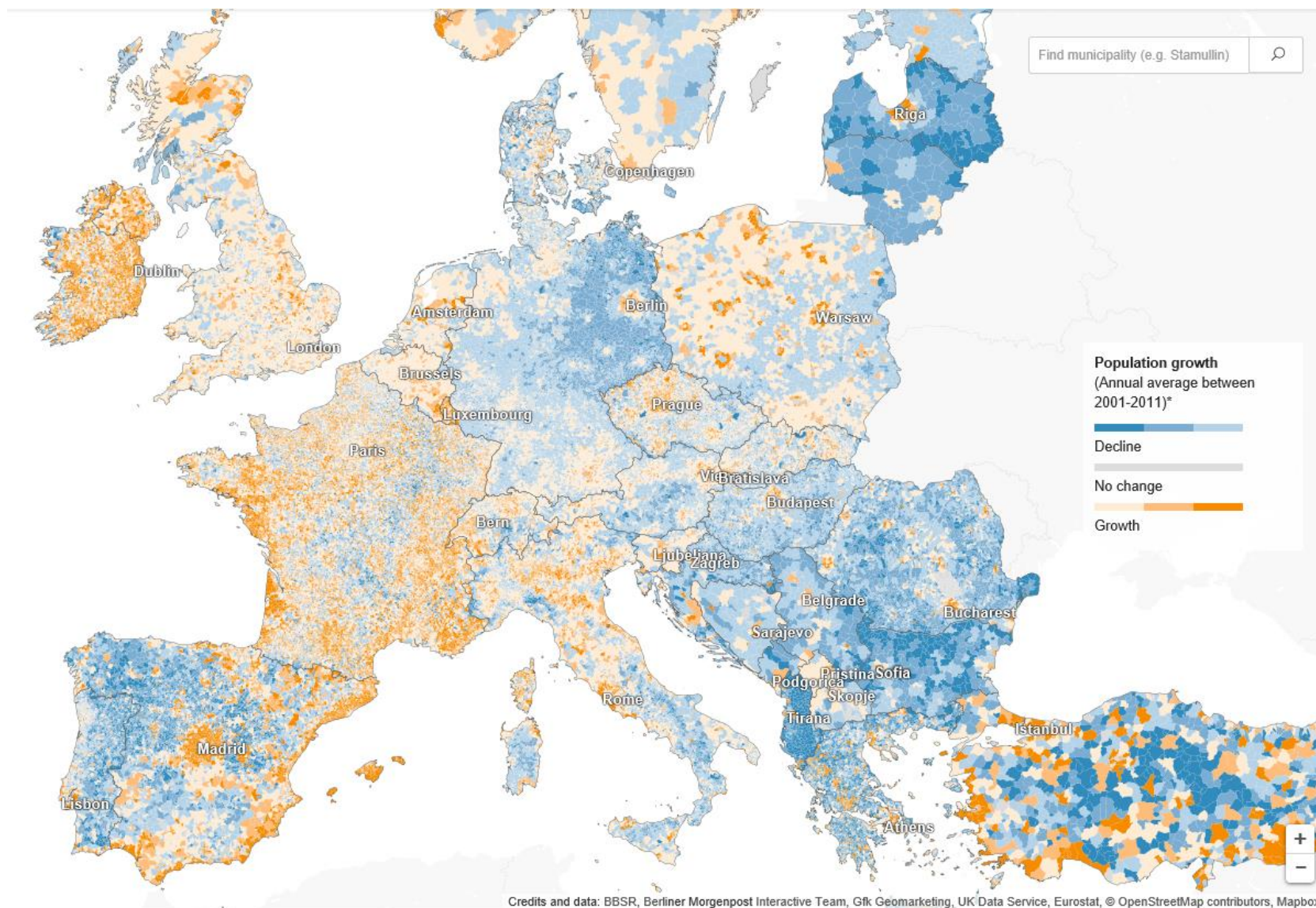
Source: Eurostat SILC



Spatial considerations of European housing



Population growth or decline

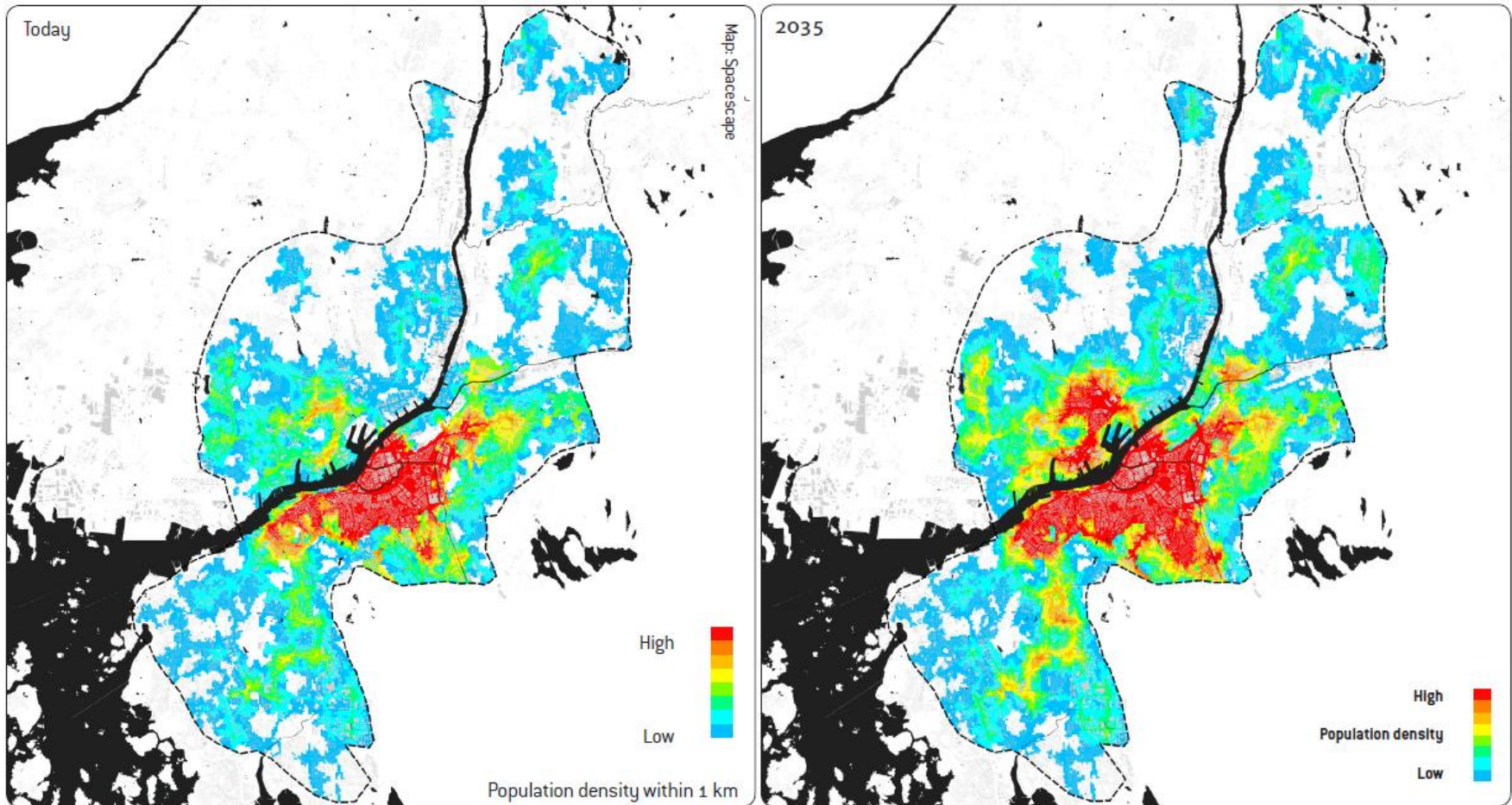


Credits and data: BBSR, Berliner Morgenpost Interactive Team, GfK Geomarketing, UK Data Service, Eurostat, © OpenStreetMap contributors, Mapbox

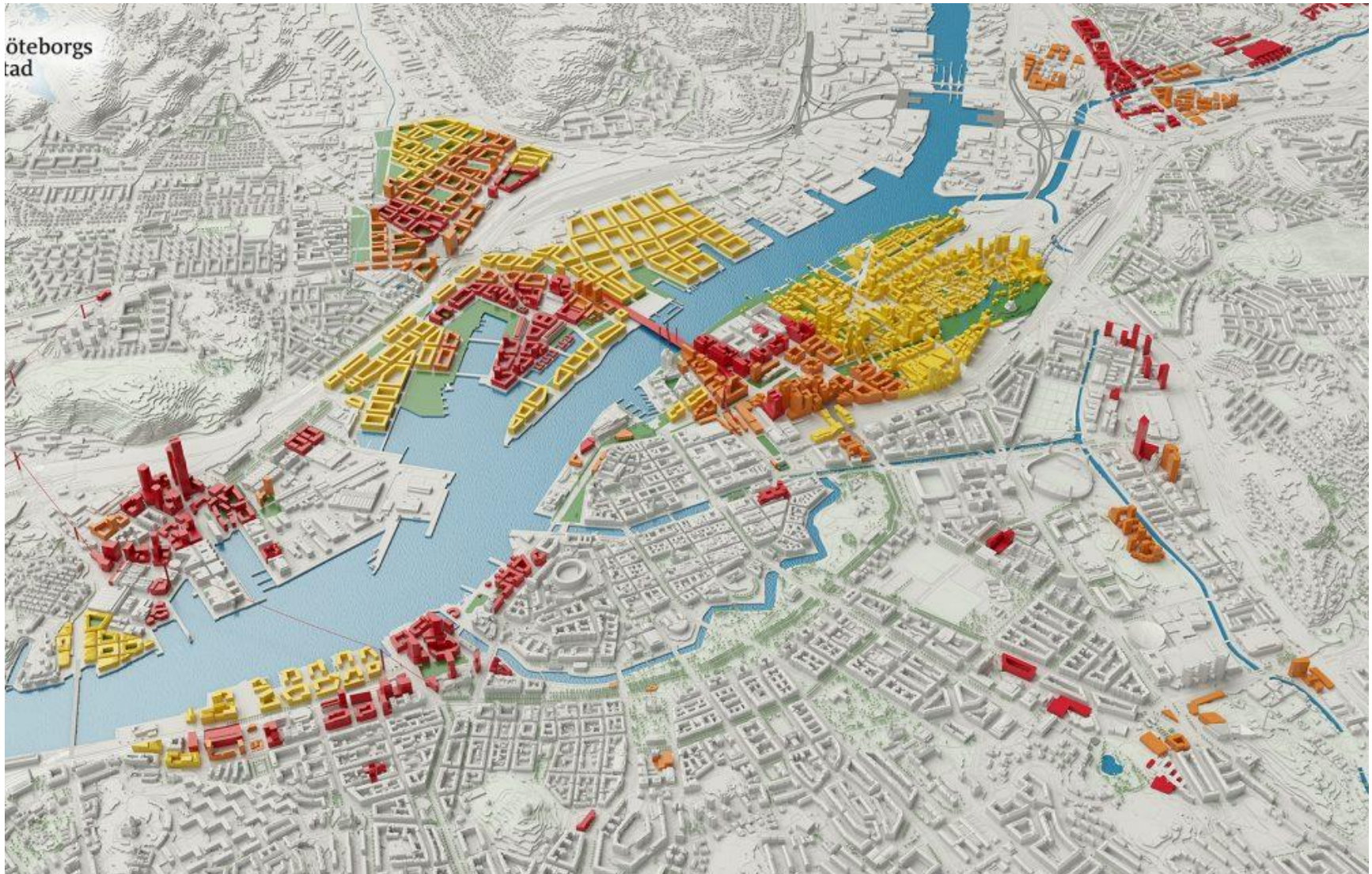
Declining vs. growing cities

- ▶ Suburbanization trends
- ▶ Need for urban renewal
- ▶ Brownfield vs. Greenfield
- ▶ Planned shrinking of cities
- ▶ National policy considerations for regional development

Combating urban sprawl



Social housing role in brownfield redevelopment



Thank you
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