

**European
Investment
Bank**

The TENANTS Day

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EIB's activities in social housing

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EU APPROACH TO URBAN POLICY

Cohesion Policy 2007-2013

- Urban agenda within the mainstream
- Urban culture as a major comparative advantage of the EU in a “global” economy
- Identification of common challenges: demographic, environmental, security, social cohesion...
- Subsidiarity principle

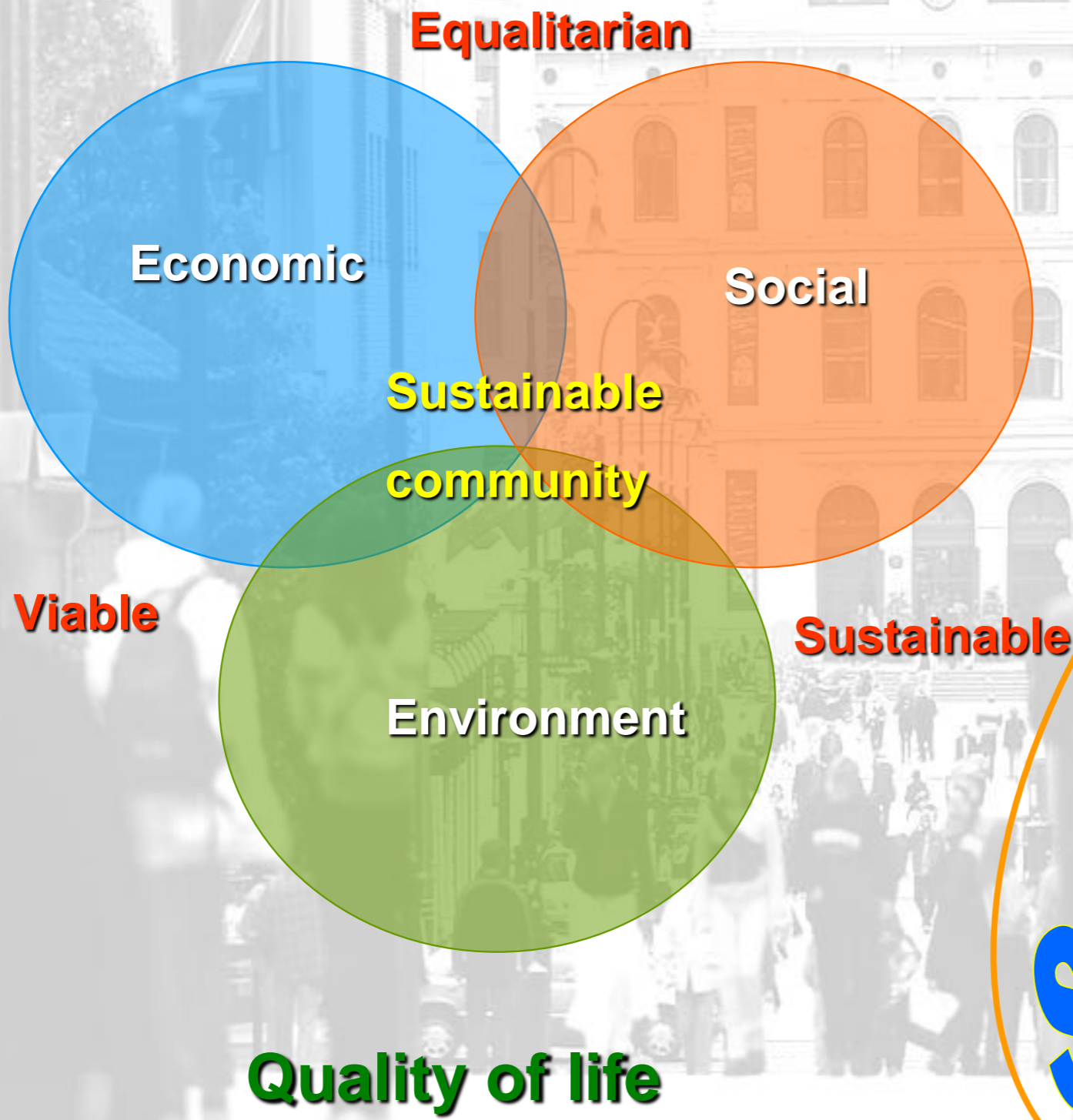
The Leipzig Charter (2007)

- Sustainable communities, avoiding urban sprawl
- Ensure urban sustainability, taking advantage of existing (massive) assets: focus on renewal and regeneration

The EIB role: responding to the Leipzig agenda within a stronger cooperation framework

- Traditional instruments enhanced
- SFF for Sustainable Communities
- The JESSICA initiative
- Networking initiatives

EU APPROACH TO URBAN POLICY



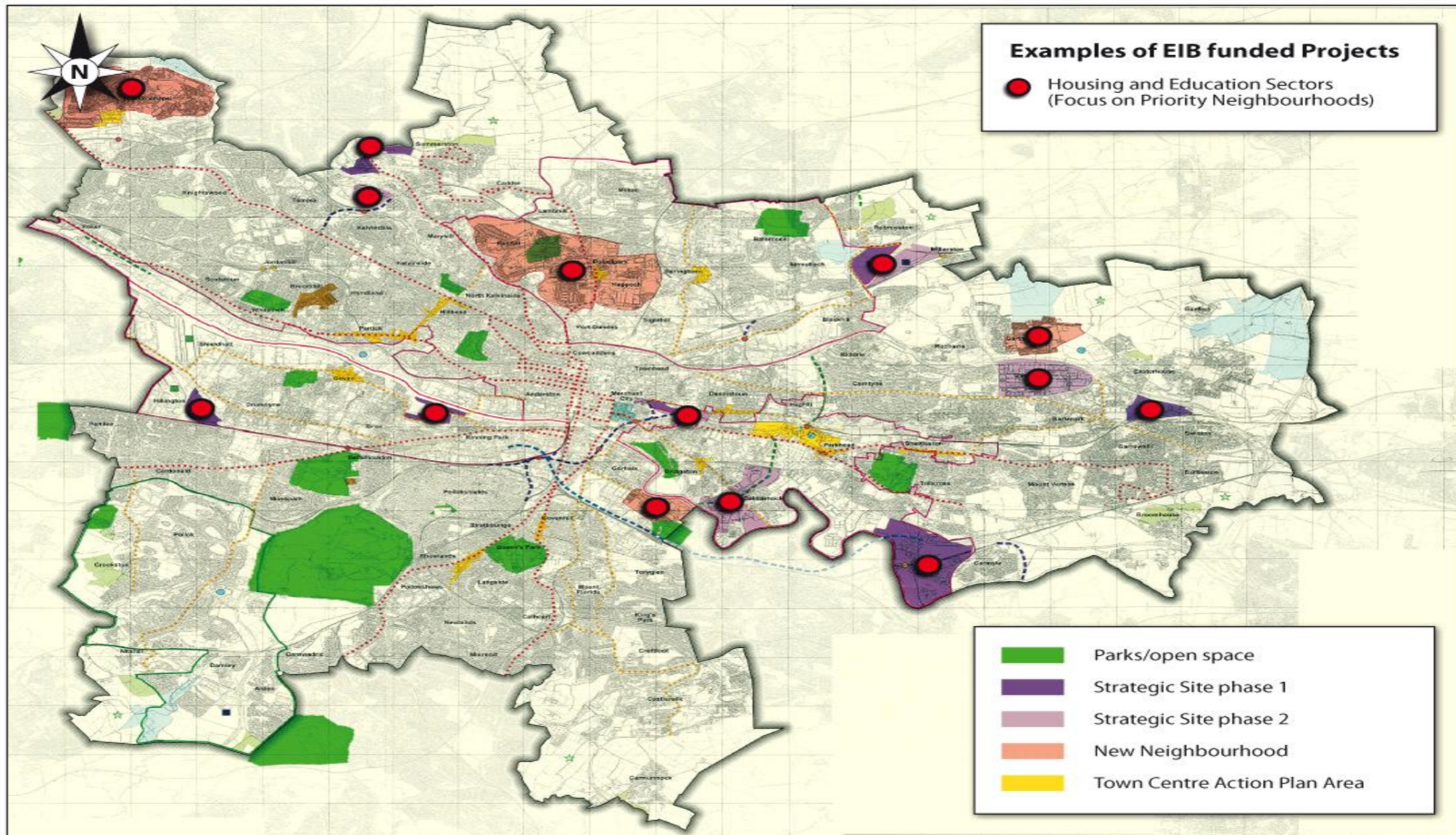
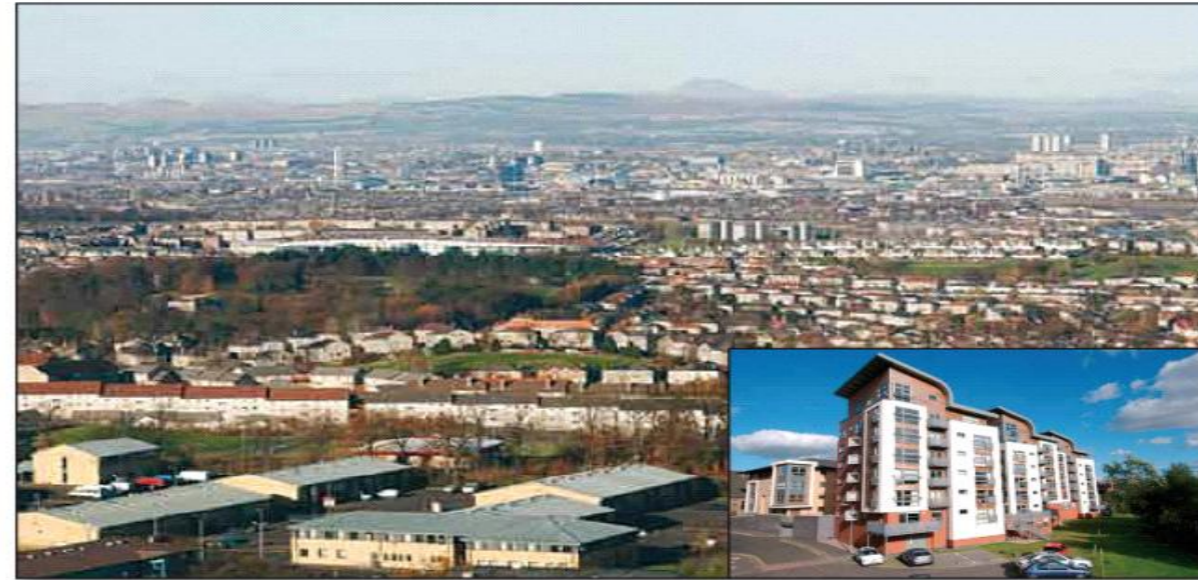
MAIN SECTORS OF ACTIVITY

- Urban development and renewal (namely infrastructures and public buildings)
- **Social and affordable housing,**
- Individual buildings of community interest, focusing on **energy efficiency** actions
- **Public transport**, soft modes, traffic calming, modal interchanges, **clean vehicles**
- Participation in Urban Development Funds (JESSICA initiative)

Annual activity = 10% of total EIB lending

- Education and health facilities; commercial and sport centers
- Water cycle and **improvement of the environment**, including waste treatment
- Utilities, including district heating & street lighting

Sustainable Cities Case Study – GLASGOW – United Kingdom



INTEGRATED URBAN PLANNING

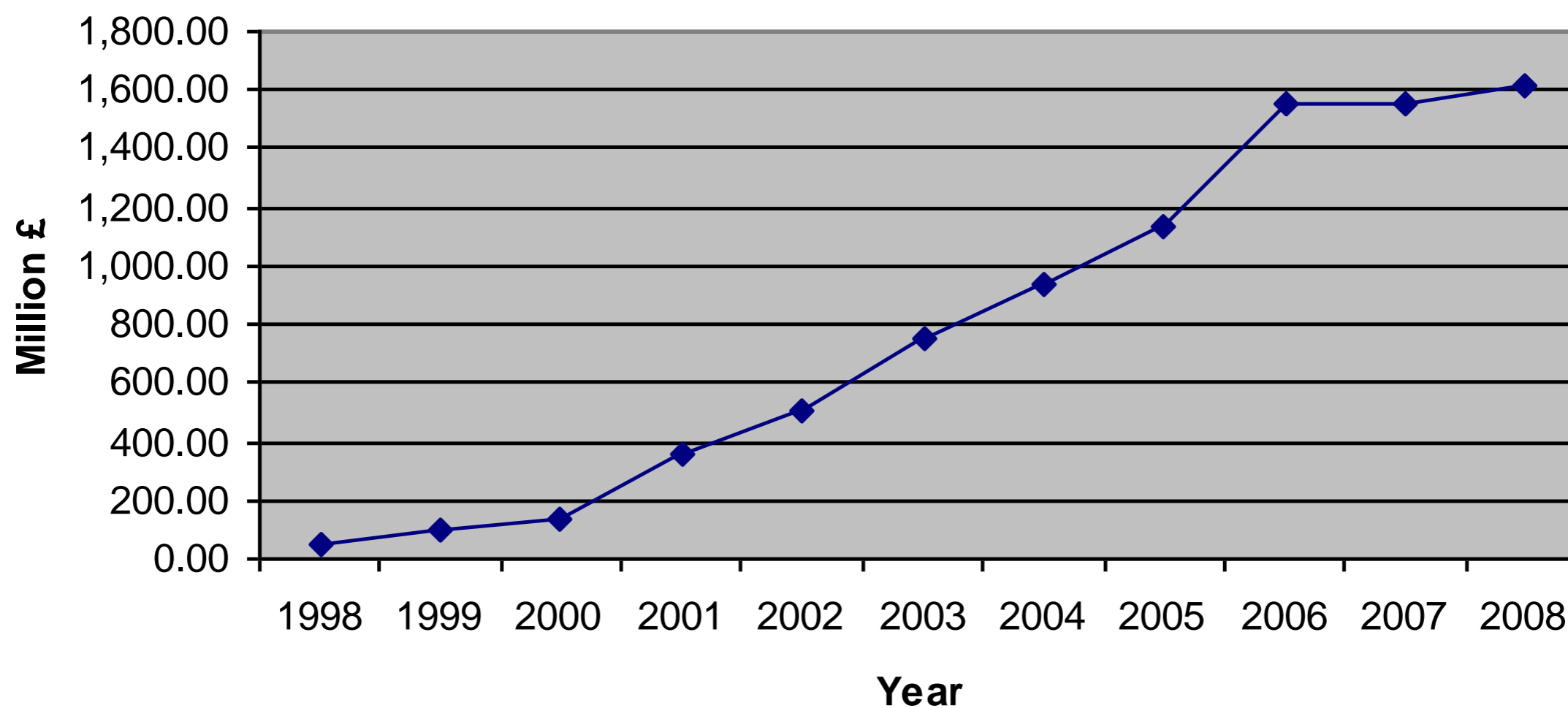
- **Strategy and objectives based on a proper diagnosis and integrated into its wider context**
- **Precise definition of land use and infrastructure to be built**
- **Consideration of basic services and equipment**
- **Assessment of environmental impacts**
- **Social effects, including employment**
- **Global economic analysis of the operation**
- **Financial sustainability (public and private) of investment and operation**
- **Adequate governance and public consultation**

✓ ELIGIBILITY AND QUALITY CONDITIONS

- **Policies: urban environment; social cohesion**
- **Location:**
 - **Brownfield sites**
 - **Greenfield sites if part of regeneration or housing plan**
- **Investment, not maintenance**
- **Quality requirements:**
 - **Well-defined strategy, objectives and procedures**
 - **Robust legal context, planning and implementation structure**
 - **Technical standards (services, size, energy, etc.)**

SOCIAL HOUSING AN EIB CONSTANTLY GROWING ACTIVITY

EIB loans to social housing in the UK (cumulative)



EIB FINANCING OF SOCIAL HOUSING

Priority

Low

- Upgrading, replacement and reorganisation of urban infrastructure and public facilities (including cultural heritage)
- Acquisition of buildings and conversion of former industrial sites for social or public usage

Medium

- New construction or retrofitting of social and affordable housing (including related infrastructure) to achieve modern standards
- Upgrading, replacement and reorganisation of key EU Institutions buildings

High

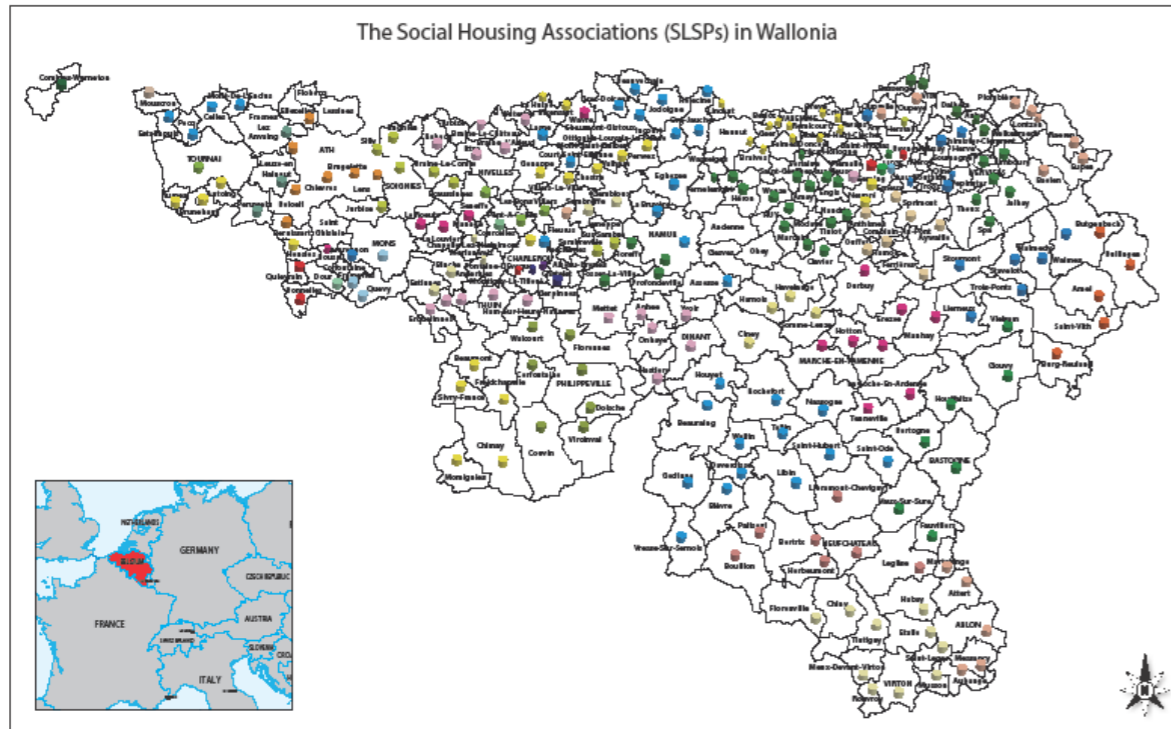
- Upgrading of existing housing stock and related infrastructure with key focus on energy efficiency
- New construction of housing as means to either alleviate poverty and social exclusion or to redevelop brownfield sites

SOME FINAL COMMENTS

- **Social & affordable housing as a way of implementing urban policy**
- **Rental stock and contribution to access to ownership**
- **Beneficiaries and targeted population (social cohesion)**
- **“Long-term” commitment (proper maintenance ensured)**
- **Energy efficiency**

A COUPLE OF SOCIAL HOUSING PROJECTS

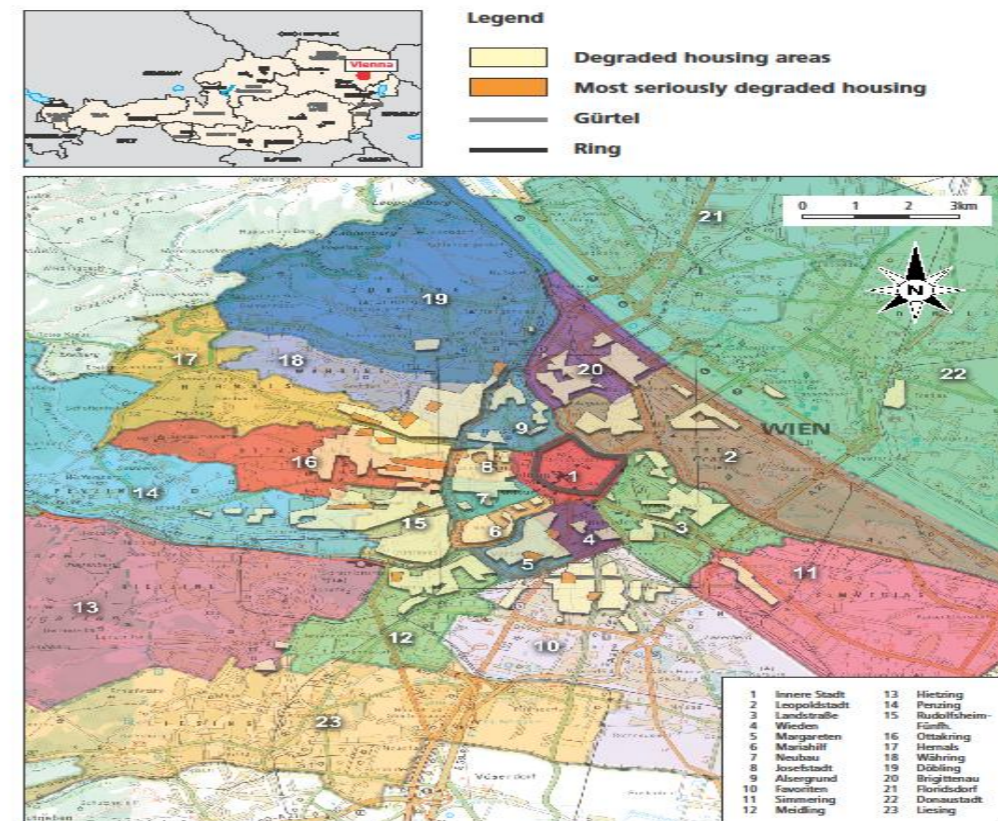
Project: WALLONIA SOCIAL HOUSING REHABILITATION II - Belgium



The projects are implemented via public intermediaries: in the Flanders region through the Vlaamse Maatschappij voor Sociaal Wonen and in the Walloon region through the Société Wallonne du Logement. The loans will contribute to a retrofitting of some 50000 social housing units in total.

(EUR 900 M through 4 loans sine 2003)

Project: WIENER WOHNEN STADTTEILSANIERUNG - Austria



Over a ten year period (2001-2011) EIB has been financing a comprehensive retrofitting programme of the City of Vienna's social housing stock (about a quarter of the City's total). The comprehensive urban renewal and upgrading investments foster a more sustainable urban development of the local neighbourhoods and provide a higher quality of life for the local inhabitants.

(EUR 515 M through 4 loans since 2001)

Thank you



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