

# ELTI Hybrid Workshop on Housing

## CDC and the financing of affordable, sustainable and inclusive housing 13 February 2025



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# CDC is a key actor in affordable housing in France

## A structural gap:

- 170,00-200,000 housing units needed to meet demand per year until 2040

## Social and affordable housing acting as a buffer:

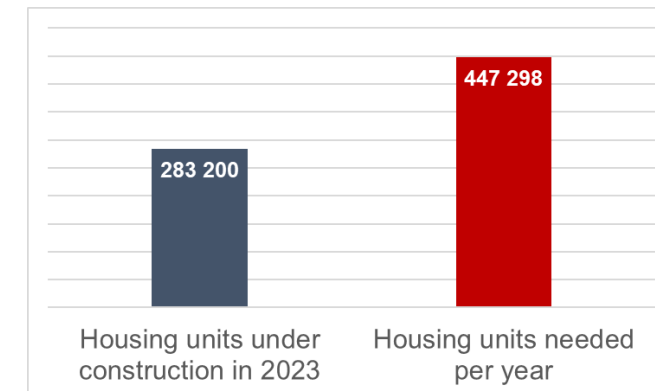
- Large stock of 5.4 million units (in 2024)
- Accounts for 17% of the overall housing stock in France and 25% of new constructions
- Provided by 559 social housing organisations (in 2023)

## The role of CDC in financing a relatively resilient system:

- 70 % of loans provided by CDC's Banque des Territoires
- 87,000 new social housing units under construction in 2024 (EUR 15 bn in loans),
- thermal renovation of 39,000 existing social housing units (EUR 2.9 billion in loans).

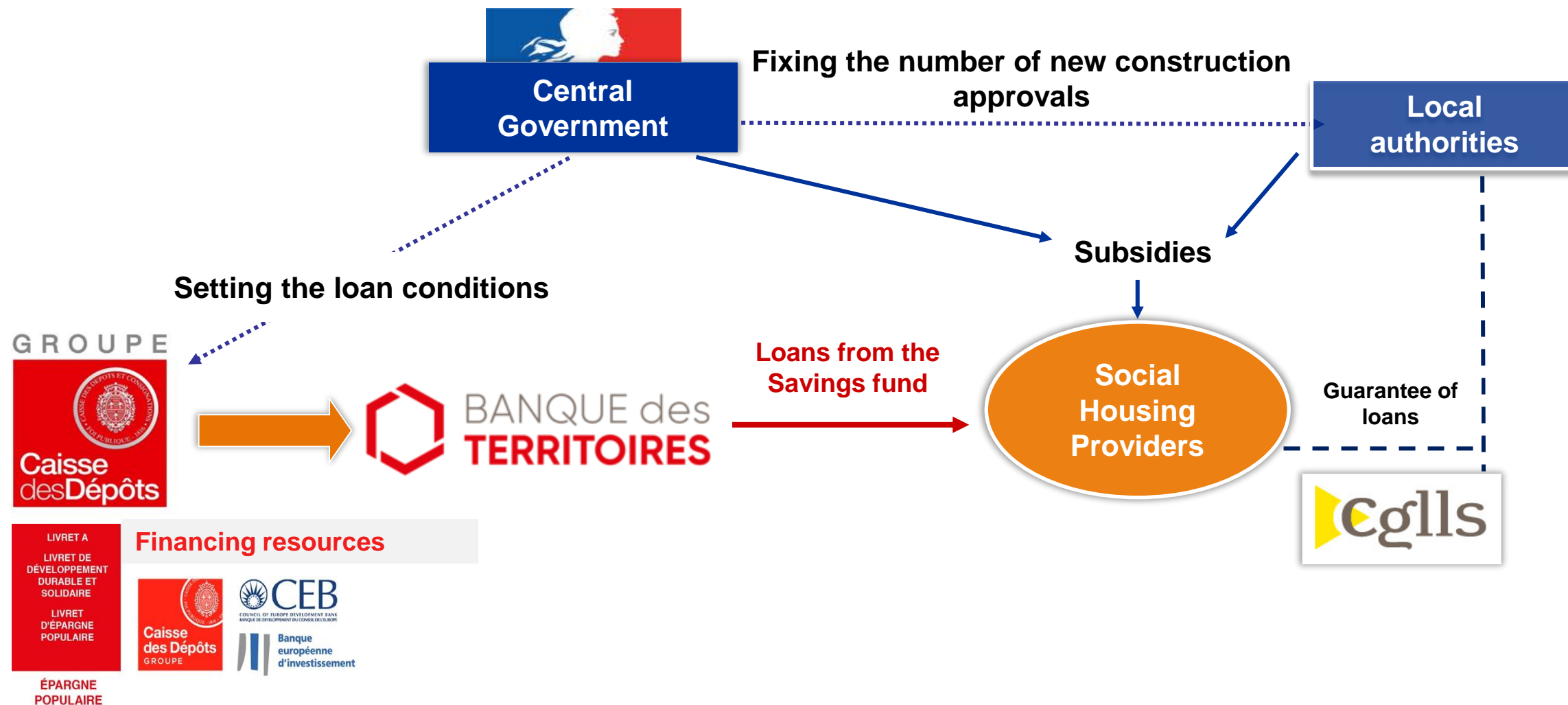
## ...and beyond:

- Public interest housing in the broadest sense: social, affordable, emergency, shelter housing, energy efficiency ...
- Diversified range of products: long-term loans but also pre-financing, quasi-equity, intermediated loans on EIB resource, technical assistance
- CDC Group active across the whole value chain: via its subsidiary CDC Habitat as an operator, via its Banque des Territoires as investor in innovative building schemes, ...



Source: Fédération des promoteurs immobiliers, study carried out with ESCP in 2023.

# The central role of CDC in financing social housing in France



# CDC is the entry point for European funding for social housing



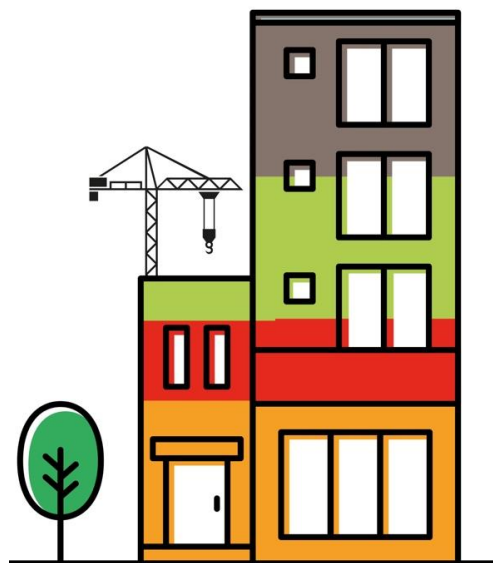
# The way forward for the sector in France

- **Addressing the housing crisis through local solutions:** The housing crisis is European, but effective solutions must be implemented at national and regional levels.
- **Enhancing existing financing structures:** To foster synergies and avoid overlaps, we should build on the existing system, completing it where needed, such as by incorporating CDC as the entry point for European funding on intermediate housing. This coordinated approach is an effective intervention model for the sector, allowing different funding mechanisms to be better articulated.
- **Facilitating technical exchanges for streamlined funding:** Improve the articulation of ERDF and CDC financing combinations to ensure a smoother pathway for beneficiaries. Introducing financing combinations with grant components can help increase the leverage of available funding.



**Annex**

# Example of financing a thermal renovation including EU funding



**Cost per dwelling : 57 000 €**

Estimated figures of renovation projects in 2023 (data from Perspectives 2024, Caisse des Dépôts)

**Amount of CDC loans : 35 000 € (61 %)**

[Of which « Eco-prêt »: 15 000 €]

**Other loans : 5 000 € (9 %)**

✓ **Eligible for EIB resources intermediated by CDC (“European Alliance”)**

✓ **Or other loans by commercial banks**

**Own funds: 9 000 € (16 %)**

**Grants: 8 000 € (14 %)**

✓ **Falls within the scope of ERDF eligibility**



