

How to make use of the

Natural Capital Finance Facility (NCFF)

within an EIB-funded Social or Affordable Housing Investment Programme

What is the NCFF?

The Natural Capital Finance Facility (NCFF) is a financial instrument which was set up by the European Commission and the EIB. It offers loans and technical consultancy support to projects that are expected to have a positive impact on biodiversity and/or adaptation to the impacts of climate change.

Greening a city and taking the environment and the effects of climate change into account has many positive effects.

These range from reducing the flood risk of a city, tackling the negative effects of heat waves, and improving local air and water quality to strengthening social cohesion and increasing a city's overall attractiveness and quality of life.

What is on offer?

- **Grant-based technical assistance** of up to 1 million EUR per project to ensure the project becomes a success (e.g. *technical or financial feasibility studies, technical design, support in project design and capacity building, evaluating, monitoring studies and others as needed*)
- **Procurement of technical assistance** is carried out on promoters behalf **by the EIB**
- **EIB financing of up to 75%** of the project costs of the NCFF components
- **Long tenors** and up to 3 year grace period on capital repayments
- An **enthusiastic and experienced team** at the European Investment Bank (EIB) supporting your project over its lifetime.

What kind of green/blue investments are supported under Social and Affordable Housing programmes?

- **Green elements in social housing design:** green roofs, green/hanging walls, rain gardens, permeable paving, trees and shrubs planting, garden areas, resident planting and others.
- **Blue elements of a housing development:** nature-based flood protection, sustainable urban drainage systems, rain gardens, swales, retention basins, creation of lakes, ponds and others.

Eligibility

- The project can pay back a loan
- Other funding for at least 25% of the overall NCFF project costs
- Loan size EUR 1-15 million (for the NCFF component)
- Project aims at contributing to the EU's LIFE objectives, in particular to having an expected positive impact on biodiversity to address the impact of climate change through nature-based solutions.

How can the NCFF be combined with an EIB loan for social housing upgrade or new build?

- A part of the EIB social housing loan could be earmarked for natural capital investments (eg. green roofs, nature-based flood prevention measures)
- A technical support programme would be developed to support implementation of the NCFF investment components (eg. how to incorporate green roof specifications into the social housing civil works tender, how to best design green spaces to address urban heat island effects)
- Alternatively, a separate facility just for the NCFF investments could be set up with an SPV or different promoter, with the investments linked to and coordinated with the social housing facility at the technical level.



Next steps

If you are interested in the facility, we would like to hear from you: NCF_Instrument@eib.org. More info on our [website](#).