



Supporting mechanisms favor thorough renewal ...

Bratislava October 2, 2015





Short Introduction to the State Housing Development Fund

- **The State Housing Development Fund ("ŠFRB")** was established in **1996** by Act No. 124/1996 Coll. as a financial tool of the housing development under the national housing policy concept.
- **ŠFRB** is a budgetary organisation governed by the Ministry of Transport, Construction and Regional Development of the Slovak Republic.
- As of 2013, **ŠFRB** is a financial institution for the implementation of financial instruments.





- Pursuant to Act on the State Housing Development Fund No. 150/2013 Coll. (“**Act on ŠFRB**”), **ŠFRB** grants favourable long-term loans for following purposes:
 - Procurement of rental housing for vulnerable members of society;
 - Construction and purchase of apartments into private property of natural persons;
 - **Complex renovation of residential buildings;**
 - Construction and renovation of social housing.



- **From 1996**, when it was established, **until 31 December 2014**, **ŠFRB** supported:

Construction of **76,441 new apartments**;

Renovation and insulation of **151,425 existing apartments**;

- Since its establishment, ŠFRB has concluded **46,871 individual loan agreements** in a total amount of circa **EUR 2,400 million**.
- Loan accounts **of ŠFRB clients** are held by the Slovenská záručná a rozvojová banka a.s., in which the state has a 100 per cent stake.



Sources of Funding ŠFRB

Public budget

Payments of interest and
principal on loans granted
in the previous period

Allocation of structural
funds through financial
instruments



JESSICA – the Slovakian Financial Instrument

- ☐ The objective is to improve financing options for a sustainable development of cities and urban districts by means of NFI;
- ☐ Improving public and private resources from the budgetary perspective to achieve strategic investment levels in individual regions;
- ☐ Using existing limited available resources for the highest possible number of projects by means of repaid investments provided in form of favourable loans;
- ☐ Improving the energy efficiency of existing apartment blocks in city areas;
- ☐ Supporting energy efficiency of existing apartment blocks.



Difference between JESSICA I and JESSICA II

JESSICA I

Activity: insulation of residential buildings in urban areas

Eligible applicants: owners of apartments and non-residential premises represented by an administrator of the estate, association of house owners and owners of non-residential premises.

1,5% interest rate



JESSICA II

Activity: a complete renovation of residential buildings in urban areas

Insulation, removal of systematic deficiencies, replacement or modernisation of elevators, replacement of utility pipes: gas, electricity, heat, sewerage, water, barrier free entry and other modernisation.

Eligible applicants: association of house owners and owners of non-residential premises, owners of apartments and non-residential premises represented by an administrator of an estate, **municipality (town status), urban area, self-governing region, another legal entity with its domicile in the SR.**

Combining particular purposes, eligible applicants may reach 0% interest rate.





Launching the Pilot Project and its Present Times

Launching the pilot program JESSICA – June 3, 2013

- ❑ In the period **from June 3, 2013 to December 31, 2014** there were submitted **105** applications for the objective loans of which **72** met the conditions for obtaining the loan.
- ❑ Of the total volume of funds allocated for the pilot project JESSICA – **11,529 million EUR**, **99.60%** was depleted in the same year.
- ❑ In **2015**, the ŠFRB budget was increased in further allocation for ROP and OPBK, JESSICA II in the volume of **103 mil. EUR**.





Overview of Demand for Credit Aid – the Pilot Project JESSICA I for Individual Regions of the Slovak Republic

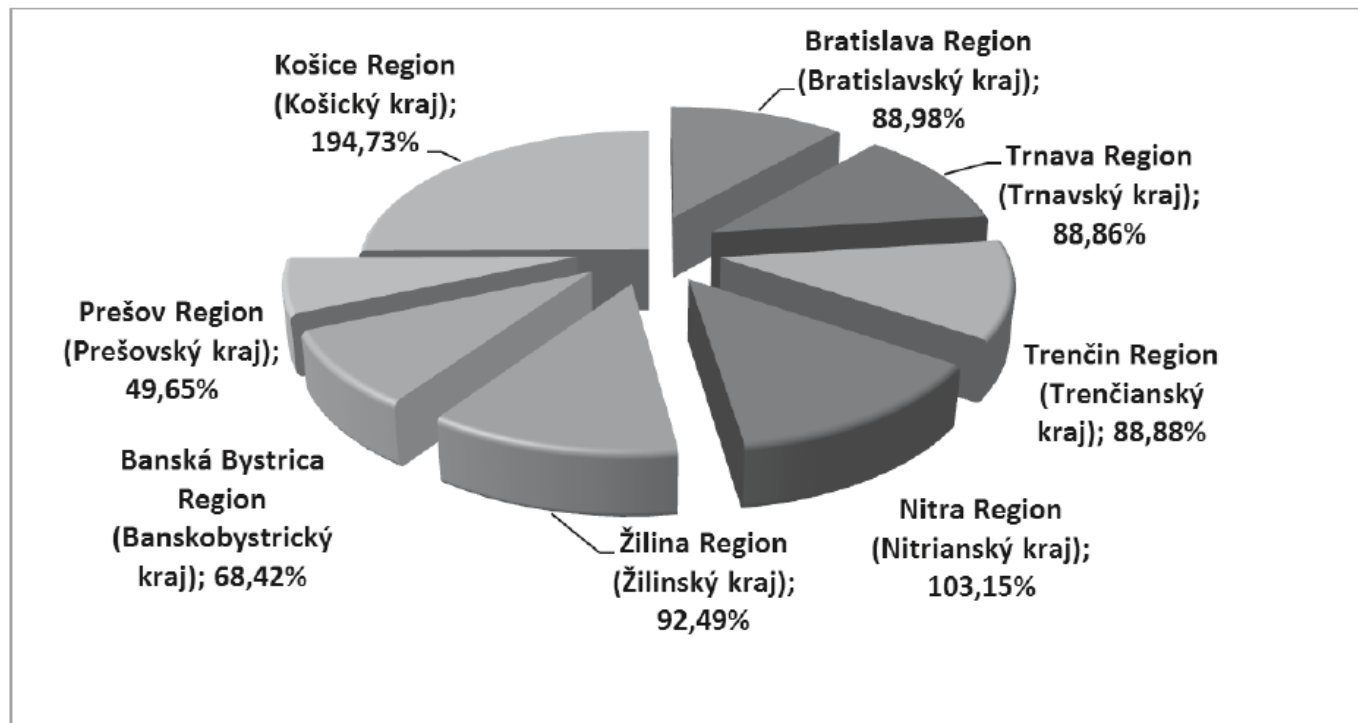




Table 1: Overview of the Usage of SHDF Projects within the Initiative JESSICA I under Operational Programmes until December 31, 2014.

year 2013/2014	total funds	depleted funds in 2013	depleted funds in 2014	the balance of funds	total number of applications	the total percentage of funds depleted
The Operational Programme of Bratislava Region	3 529 412,00	3 140 451,39	375 320,00	13 640,61	17	99,61%
The Regional Operational Programme	8 000 000,00	7 823 735,02	143 500,00	32 764,98	55	99,59%
total	11 529 412,00	10 964 186,41	518 820,00	46 405,59	72	99,60%



Table 2: Overview of the Usage of SHDF Projects within the Initiative JESSICA II under Operational Programs to state September 18, 2015.

Source of funding	Disposable funds	No. of approved loans		Remaining funds (€)
		number	in €	
ROP	83 000 000,00	360	76 878 670,00	6 121 330,00
OPBK	8 048 940,61	29	7 988 720,00	60 220,61

*Applications can be filed between **15th and 31th October** of the respective calendar year.*



System of Monitoring Energy Consumption

- ❑ One of the conditions for acquisition of allocations from the structural funds is monitoring energy consumption and savings in residential buildings.
- ❑ On behalf of ŠFRB, this activity is provided by “SIEA” – Slovak Innovation and Energy Agency.



Thank you

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