

**Project Summary for Public Disclosure**  
**(after approval of NDB financing)**

Project Name	Affordable Housing Program
Country	The Russian Federation
Type	Non-Sovereign
Area of Operation	Social Infrastructure
Concept Approval Date	19 March 2021
Financing Approval Date	23 September 2021
Total Project Cost	USD 1.4 billion (approx.)
Initial Limit of NDB Financing	USD 300 million
Current Limit of NDB Financing	USD 300 million
Borrower	Joint-Stock Company “Russia Housing and Urban Development Corporation” (JSC DOM.RF)
Project Entity	Joint Stock Company “Bank DOM.RF”
Project Context	<p>Affordability of housing for families in Russia faces two major challenges: (i) ongoing degradation of mass market housing stock built in 1960-80s; and (ii) shortage of new affordable housing supply which caused housing prices growth, making houses less affordable for those in need.</p> <p>The National Project on Housing and Urban Environment (the National Project) approved in 2018 has the primary target to improve living conditions in Russia by increasing affordable housing construction and expanding mortgage-backed lending, providing for various incentive schemes (subsidized mortgage interest rate, subsidized interest rate for developers).</p> <p>JSC DOM.RF has the status of housing development institution, which has the objective of facilitating implementation of the state housing policy and development of the housing sector in the Russian Federation.</p>
Project Description	<p>The Loan proceeds will be used by JSC DOM.RF to address the shortage of Affordable Housing in Russia by financing housing construction projects, which meet criteria of affordability as determined jointly by NDB and JSC DOM.RF. The Program’s criteria of Affordable Housing is established by two parameters: (i) location of a project outside of the cities of Moscow, Saint Petersburg and Kazan, and (ii) classification of the residential building as “typovoy” (standardized class): standard architecture, average apartment area of 40-50 sq.m.,</p>

	ratio of living area to total area above 0.65, standard fitting out of the apartments and public spaces.				
Project Objective	<p>The Program will support the goals of the Government of the Russian Federation to expand homeownership opportunities for Russian families, improve their access to affordable housing and address the shortage of housing supply on the market, in accordance with the National Project.</p> <p>The Loan will (i) support the supply-side of the housing market by addressing the shortage of affordable housing, and (ii) result in increased number of people living in quality residential housing. The Program will also promote use of energy efficient and innovative materials in housing construction by (i) targeting a certain level of energy efficient housing to be constructed under the Program and (ii) supporting development by the Borrower of a tool for dissemination of information on energy efficiency class of housing projects.</p>				
Implementation Arrangements	<p>The Program is implemented by the Program Bank. The Borrower makes a Ruble equivalent of the NDB loan available to the Program Bank for co-financing the housing construction projects which meet eligibility criteria agreed between NDB and the Borrower. The Program Bank has a status of the authorised bank in the Russian housing construction sector and has necessary expertise and adequate internal procedures and capacity for origination, appraisal and monitoring of housing projects.</p>				
Environmental and Social Information	<p>The Program has been categorized as Category FI-B in line with the NDB's Environment and Social Framework. The housing projects to be financed under the Program will be associated with moderate environmental and social (E&amp;S) impacts and risks mainly deriving from civil works during construction period. The housing projects financed from NDB Loan will not involve developments in environmentally sensitive areas or involuntary resettlement of people. As such, the individual projects' E&amp;S impacts will be site-specific and typical to the construction industry, largely temporary and reversible, and mitigation measures can be readily designed and implemented following the country E&amp;S systems.</p>				
Financing	<p>The total cost of the Project is estimated at approx. USD 1.4 billion. Financing sources are as follows:</p> <table border="1"> <thead> <tr> <th>Source of Fund</th> <th>Amount (USD million)</th> </tr> </thead> <tbody> <tr> <td>NDB</td> <td>300</td> </tr> </tbody> </table>	Source of Fund	Amount (USD million)	NDB	300
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NDB	300				

	Other financing sources of the Borrower	1,100 (approx.)	
Contacts	<b>NDB</b>	<b>Borrower</b>	<b>Project Entity</b>
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