Habitat for Humanity International (HFHI) wants to highlight the case of Central and Eastern European (CEE) countries focusing on 7 key points 1. Owner occupied Multi Apartment Buildings (MAB) 2. Technical and social assistance to Homeowner Associations (HOAs)3. Role of municipalities 4. Involvement of commercial market 5. Socially targeted subsidies 6. Energy poverty in single family houses 7. Holistic approach in renovation.

1. The housing stock in CEE countries consists of a significant percentage of MABs with low energy efficiency (EE) and high owner occupation rates. These buildings are managed by HOAs. The challenge of the renovation of co-owned properties is the size of investment which is then shared by high number of co-owners. Policies must incentivize overcoming legal, human and financial obstacles to be able to renovate co-owned properties. Professional management of HOAs is a baseline requirement for large-scale renovations. Beside financial instruments, policies must acknowledge that informational instruments boost EE renovation projects. If residents receive reliable information on future benefits, they will make more informed choices positively affecting the market.

2. To carry out renovations at the needed phase/scale, supporting programs for renovation must put emphasis on technical and social assistance for owners, e.g. training the owners on technical, financial and community aspects of EE retrofits, facilitating the process of renovation from financing to the actual construction. It is important to guarantee that renovations programs are predictable and available over years.

3. Municipalities can play several roles in renovation programs to accelerate renovation rates as e.g. financial intermediators, facilitators of building renovation process among all actors, providers of technical assistance to HOA, etc. They may be key actors in involving low-income and energy poor households. E.g. best practice from Lithuania (JESSICA) shows that the involvement of municipalities as agents of interventions was key to successful implementation of EE retrofits on a wider scale.

4. EE improvements cannot be based only on subsidies on the long run. A volume effect can only be achieved if commercial banks take part in the financing schemes. E.g. best practice from Slovakia where after introducing state loan scheme banks followed and accelerated the renovation rate. All the grant schemes from CEE countries became successful only after HOAs were able to access co-financing through banks.

5. In CEE countries social housing stock is small, incomes are lower than EU average, savings at household level scarcer. Loans should be coupled with socially targeted subsidies and must be long-term so that monthly instalments are not higher than energy savings. E.g. the same best practice from Lithuania where the targeting scheme connected the municipal support to an already existing social system reduced the transaction costs. Tackling the problems of the poorest can be an efficient tool to accelerate renovation.

6. Additional focus must be put on low-performing single-family houses as this is where high proportion of energy poor live. Barriers to comply with regulations should be analyzed and tackled by providing specific assistance (e.g. eco-design of space heaters; chimney regulations). The soft elements of renovations must be considered for vulnerable households. Where funding is available for renovations,

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but no resources are dedicated to change e.g. an entire heating system, renovation initiatives may entail rebound effects.

7. To effectively address EE renovations and energy poverty, EU must promote a holistic approach that combines social and energy policies. As the EGD aims to transform EU into a fair and prosperous society, sufficient measures should be sought to ensure affordable access to energy, to alleviate energy poverty, to mitigate social inequality and social exclusion, and to improve social well-being in general.