

**The Implementation
of the European Structural
and Investment Funds
for Housing Projects
in the European Union**

A Mid-Term Analysis of the Impact of Structural Funds on Public, Cooperative and Social Housing in 2014-2020

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Disclaimer

While every effort has been made to ensure that the data and other information in this paper are accurate, some errors may remain. In some cases the report mentions approximate figures as precise information was not available.

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TABLE OF CONTENTS

Foreword	5
Executive Summary	6
PART I - STATE OF PLAY ON THE IMPLEMENTATION OF STRUCTURAL FUNDS	9
1. Overall allocation	10
1.1 Adaptation & mitigation measures	11
1.2 Interreg for housing infrastructure	12
2. Renovation works	12
2.1 Planned renovation	12
2.2 Already decided measures	14
3. Complementarities with the Juncker Plan & other programmes	15
3.1 Already existing practices	15
3.2 EFSI as national co-financing in a Structural Funds programme	16
PART II - COUNTRY PROFILES	19
Austria	20
Belgium	21
Bulgaria	24
Croatia	27
Cyprus	28
Czech Republic	29
Denmark	31
Estonia	32
Finland	33
France	36
Germany	38
Greece	39
Hungary	40
Ireland	43
Italy	45
Latvia	48
Lithuania	52
Luxemburg	54
Malta	54
Netherlands	55
Poland	56
Portugal	59
Romania	60
Slovakia	61
Slovenia	62
Spain	63
Sweden	64
United Kingdom	66
PART III - WAY FORWARD	71
1. Issues that Housing providers face during implementation	72
2. Policy recommendations for the future programming period	73
2.1 General considerations	73
2.2 Fund-specific recommendations	74
Conclusion	74

FOREWORD

After many years, affordable housing is able to be a direct beneficiary under the Structural Funds. In 2014-2020, the approach of Cohesion Policy has significantly improved towards housing compared to the last period: a potentially larger budget for housing, specific allocations in INTERREG and UIA, better combination of funds and more strategic focus. Combining the Structural Funds with the so-called “Juncker Plan” and other programmes also brings new hybrid opportunities of financing besides only private or public sector support.

Since 2007 the Structural Funds contribute to the improvement of housing conditions, thus the quality of people’s lives. Seeing the positive impact of the Funds, a continuation of support to the affordable housing sector is crucial.

The previous report of Housing Europe (Structural Funds and housing 2014-2020) showed that in 2014-2020 77% of Operational Programmes allow investment in housing for activities related to promoting energy efficiency as well as activities related to the regeneration of deprived urban areas and social inclusion.

This paper puts an emphasis on affordable housing as a necessary tool to face societal challenges in the EU such as ageing, increasing segregation, climate change, or difficulties to housing young people. In this context, the paper shows the first achievements under the framework of 2014-2020 highlighting the overall data on the global allocation and planned actions of the different Member States, and offers examples of innovative projects for inspiration.

At the same time, as we draw the lessons from the positive experience, we also look at the reported obstacles for a more efficient and broader use of those funds. The opportunities are made available by Cohesion Policy, however the main challenge for affordable housing providers remains to mobilise the funds at local level and make full use of them.

That is why this paper represents a real added value for the sector, being the first detailed analysis of the implementation of the Structural Funds on affordable housing, and we are confident that this publication is the first step to getting a comprehensive understanding of the state of play and how to move forward.

Sorcha Edwards
Housing Europe Secretary General

EXECUTIVE SUMMARY

Housing Europe has put together a unique study that provides with overview of the implementation of the 2014-2020 European Structural and Investment Funds on the affordable housing sector. This mid-term analysis covers a number of fields ranging from the overall allocation to concrete issues public, cooperative and social housing providers face during the implementation, the potential combination with the Juncker Plan and more...

1. OVERALL ALLOCATION

In 2014-2020, the approach of Cohesion Policy has significantly improved towards affordable housing compared to the last period as we can see that the sector is gaining importance. This is illustrated by the fact that for the period 2014-2020 the Member States allocated a potentially larger budget, with a more strategic focus to the sector, with the possibility of combination of funds.

Strategic focus: the key supported sectors are those which allow long-term, smart and sustainable development such as research, innovation, technology, and low-carbon economy. This approach is favourable for the affordable housing sector as it allows long-term, sustainable investment in several areas.

The support to the low-carbon economy is the most significant (20% of ESIF is dedicated to support low carbon economy). Among other priorities such as renewable energy, research and innovation, energy efficiency receives the largest share of funding for low-carbon economy which facilitates more investment in energy efficiency in our sector.

A potentially larger budget: a significant improvement in terms of planned expenditure can already be seen. According to the available data, in total 6.6 billion € have been allocated to housing through energy efficiency measures and improvement of housing infrastructures (i.e mostly new construction). The bigger amount, €5.24 billion (more than 79 %) will go for energy efficiency renovation of existing housing stock, demonstration projects and supporting measures. Interreg (Territorial cooperation programme) allocated in total €30,4 million to energy efficiency renovation of public infrastructure. More than half of this amount, €16,4 million is allocated for the renovation of existing housing stock. Allocation to housing infrastructures amounts to €1.36 billion in total. 13 Member States foresee this type of expenditure until 2020.

In addition, more than € 114 billion of ERDF is allocated to climate change mitigation and adaptation measures that can also affect our sector. However, several countries' Partnership Agreements foresee actions exclusively related to adaptation of public infrastructure/public buildings which makes the stock of many affordable housing providers ineligible.

Possibility to combine funds: as affordable housing providers carry out different types of interventions (housing building, community services, social inclusion, research),

combining different funds allows the development of more complex projects. In the current period, financial instruments are used very often which is also shown through the project examples (Part II).

2. PLANNED RENOVATION WORKS

9 Member States planned to carry out the measures only under the thematic objective "low-carbon economy". Most of the countries (24) plan to invest under "low-carbon economy" and "housing infrastructure". Compared to the planned measures, only 5 countries have decided the exact number of housing units to be renovated. So far altogether 874.927 households are planned to be renovated until 2020.

3. COMPLEMENTARITIES WITH THE JUNCKER PLAN

In practice, the combination of Structural Funds with the European Fund for Strategic Investments (EFSI, i.e the "Juncker Plan") is possible at project level and through investment platforms in cases where the applicable eligibility criteria are satisfied. Already implemented projects that combine the funds are already visible: Estonia - EstFund, Lithuania - Jessica II; France - the "Prêt de Haut de Bilan" (PHB) scheme.

EFSI can help to unlock better financial terms for social service providers when applying for support from a bank or other financial intermediary, although more flexible and adjustable administrative formats should be developed by the EIB to facilitate uptake from smaller social service providers. It also enables Member States to upscale their energy efficiency schemes by creating Investment Platforms which can attract private sector capital by: (i) overcoming the scale problem; (ii) diversifying risks; and (iii) allowing investors to make contributions with a risk-return profile meeting their demands.

Combining EFSI and Structural Funds is only a recent development and the relatively low uptake (so far) reflects this. However, its availability could help to achieve more investment in the affordable housing sector given that the aim of the EFSI is to upscale the investment in social infrastructure (at present only 4 % has been used). The investment clause 2.2 under the Stability and Growth Pact (entered into force in 2015) allows for the national match funding provided under a EFSI scheme to be taken out of the calculation of the public deficit under the Stability and Growth Pact (i.e the Maastricht criteria).

4. ISSUES THAT HOUSING PROVIDERS FACE DURING IMPLEMENTATION

The slow uptake of the funds is due to the late agreement on the Operational Programmes and also due to other barriers. Housing Europe Members - public, cooperative and social housing providers - report the following difficulties depending on their national governance, type of their housing stock, and of course regulatory framework:

- Heavy Procedures
- Financial barriers
- Information and skills barrier
- Priority of integrated urban development is not available for affordable housing providers
- Lack of full involvement of affordable housing providers in the development of Partnership Agreement, OPs and in monitoring committees

5. POLICY RECOMMENDATIONS FOR THE FUTURE PROGRAMMING PERIOD

The facts and findings of the study show that the Structural Funds are helping territories not only to improve quality of life of households, but also to revitalise deprived neighbourhoods or to train social housing tenants. However, some common concerns of Housing Europe Members would need to be addressed to make maximum use of the funds in terms of impact and efficiency. Therefore, Housing Europe believes that the post-2020 period should take the following elements into consideration:

Sector specific information about the bureaucratic framework is crucial.

Simplification: a strict single audit approach would be needed; pre-financing in the sector should be made possible; the last payment should be sped up (especially linked to smaller projects); Integrated approach to costs should be prioritized.

Partnership principle to be kept and improved: Full involvement of affordable housing providers is needed in the preparation process of the Partnership Agreement and of the OPs; The code of conduct of the Partnership principle should be made legally binding.

Capacity building: Housing organizations should be provided with technical assistance to help to deal with reporting and combination of funds; Managing Authorities should acquire a good understanding of the State Aid rules and its application opportunities on affordable housing providers.

Macro-economic conditionalities and budget deficit rules: As they reduce the chance of public investment in social infrastructure, an adequate compensation mechanism should be developed (for ex. exempt national co-financing from the deficit rules); Encouraging the more systematic use of the investment clause 2.2 of the Sustainability and Growth Pact could facilitate more national co-financing of projects on the social infrastructure.

Financial instruments and grants to be balanced: As financial instruments are not suitable for all types of intervention, they should be complementary to grants; For the more efficient use of the existing financial instruments increased technical assistance is needed.

Effective combination with EFSI (Juncker Plan): Ear-marking mechanisms in EFSI would be essential to ensure and upscale investment in social housing; an integrated approach in implementing projects with other social infrastructure investments (e.g. housing, healthcare, training, etc.) should be encouraged; Better communication is needed on the technicalities of the combination.

Priority of integrated urban development to be made available for affordable housing providers: Such a priority would allow delivering projects that tackle the complex local needs.

Monitoring to be focused on quality and impact delivery: Monitoring should be based on indicators (e.g.: access to adequate and quality housing, independency-autonomy, minimum quota to fight poverty); Sharing more innovative approaches on the use of funds between the Member States would be crucial.

**STATE OF PLAY
ON THE
IMPLEMENTATION
OF STRUCTURAL
FUNDS**

1. OVERALL ALLOCATION

In 2014-2020, the approach of Cohesion Policy has significantly improved towards affordable housing compared to the last period as we can see that the sector is gaining importance. This is illustrated by the fact that for the period 2014-2020 the Member States allocated a potentially larger budget, with a more strategic focus to the sector, with the possibility of combination of funds.

As far as the strategic focus is concerned, in 2014-2020 the key sectors are those which allow long-term, smart and sustainable development such as research, innovation, technology, and low-carbon economy. This approach is favourable for the affordable housing sector as it allows long-term, sustainable investment in several areas. The support to the low-carbon economy is the most significant (20% of ESIF is dedicated to support low carbon economy). Amongst others like smart distribution, renewable energy, research and innovation, energy efficiency receives the largest share of funding for low carbon economy. According to the European Commission, it is also due to the "energy efficiency first principle" which aims energy efficiency in particular in buildings¹. Therefore, the contribution of the Cohesion Policy to low carbon economy through ERDF and Cohesion Fund is clearly more ambitious than in the previous period.

Regarding the possibility to combine funds, Member States may combine grants with financial instruments² (repayable loans, guarantee or equity) in relation to all thematic objectives at regional level. This normally leads to a better combination of financial instruments with other forms of support. To give an example of the combination, the European Social Fund (ESF) and European Regional Development Fund (ERDF) can be combined to achieve low-carbon and resource-efficient economy, through the improvement of education and training systems necessary for the adaptation of skills and qualifications, the up-skilling of the labour force, as well as the creation of new jobs in sectors related to the environment and energy³. This could be also used for instance to train unemployed tenants. In the current period, **financial instruments are very often used in the sector** which can be also seen through the project examples (Part II).

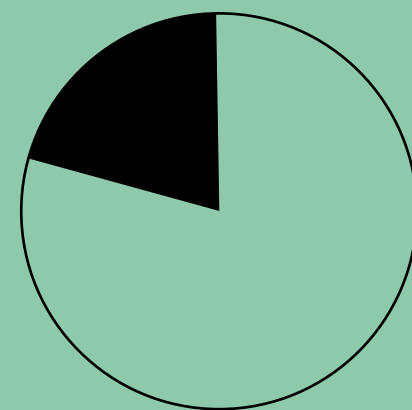
Combining Structural Funds with other programmes is also possible. As affordable housing providers carry out different types of interventions (house building, community services, social inclusion, research), **combining financial instruments with other programmes allows the development of more complex projects.**

Concerning the overall budget, our previous report 'Structural Funds and Housing 2014-2020' showed that in the period of 2014-2020, about 77% of Operational Programmes allow investment in housing. Back in 2015, only some countries published how much they intended to spend on housing under the two main priorities: energy efficiency and social inclusion. Other countries only mentioned whether they prioritise housing or not without clarifying the foreseen

amount. This year the data are becoming clearer and detailed.

A significant improvement in terms of planned expenditure can already be seen: according to the available data⁴, **in total €6.6 billion have been allocated to housing through energy efficiency and housing infrastructure expenditures.** The bigger amount, **€5.24 billion will go for energy efficiency renovation of existing housing stock, demonstration projects and supporting measures.** Small amounts can also be allocated under 'Other social infrastructure contributing to regional and local development', however the lack of available data on each country made it impossible to take this into account. Therefore, considering only the allocations under energy efficiency renovation and housing infrastructure, **a significant improvement compared to 2007-2013 should be noted:** In 2007-2013 the total expenditure for housing related projects represented only around €2 billion and the allocation was focused on the energy refurbishment of housing for low-income families.

Share of allocation (in euro) for energy efficiency and housing infrastructure in 2014-2020:

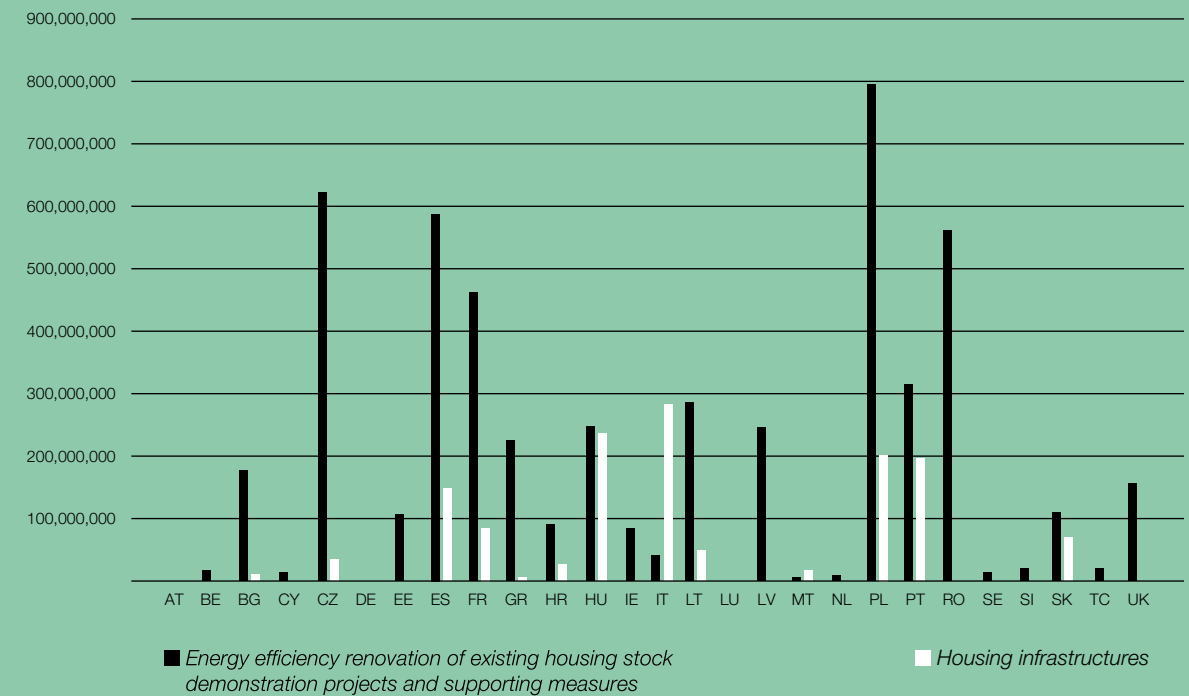


■ Housing infrastructure: 1,365,932,836
 □ Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures: 5,240,983,794

Undoubtedly the energy efficiency share is very strong. Only Denmark did not allocate any expenditure to it and we see that Austria dedicates only 200 000 € and Luxembourg 1 203 000 € to it. The biggest allocations appear in Poland (800 million €), Czech Republic (over € 600 million), Spain and Romania. **Housing infrastructure amounts to €1.36 billion in total.** The 'housing infrastructure' expenditure means investment in housing related measures, very often in social housing, depending on the country. 13 Member States foresee this type of expenditure until 2020. The biggest amount is foreseen by Italy, Hungary, Poland and

¹ European Commission, DG REGIO, B1
² http://ec.europa.eu/regional_policy/en/funding/financial-instruments/2007-2013-changes/
³ State of Housing in the EU, 2015, page 96
⁴ http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/

Foreseen allocation by country for energy efficiency and housing infrastructure in 2014-2020 (in euro)



Portugal. It is very ambitious that Italy, Portugal and Poland put housing infrastructure in all of their OPs. Others such as AT, BE, CY, EE, IE, LU, LV, NL, RO, SE, SI and the UK did not allocate money under this expenditure. This can be explained by the general decrease of public investments into housing among Member States⁵ and to the strategic priorities chosen.

Countries such as Austria, Belgium, Bulgaria, Hungary and Italy also put explicit allocation under 'Integration of marginalized communities and Active inclusion'. Interestingly, even though the Belgian regions are qualified developed, the country is still planning to invest the biggest amount under this priority (€338,5 million from ESF) compared to the other countries. At the same time, 'Active and healthy Ageing' is also eligible in countries such as Austria, Belgium, Bulgaria, Denmark, Italy or Poland.

1.1 ADAPTATION & MITIGATION MEASURES

It is known, that the European Commission is allocating 25% of ERDF - more than €114 billion - to climate change mitigation and adaptation measures that can also affect our sector. It could be an interesting opportunity for affordable housing providers especially in countries where the risk of natural disasters is important (for e. seism, forest fires, etc.).

Risk prevention measures carried out in housing is foreseen by the ERDF Regulation⁶. Article 5(5) states that investments under the TO 5 "Promoting climate change adaptation, risk prevention and management" should contribute to: "promoting investment to address specific risks, ensuring disaster resilience and developing disaster man-

agement systems". Therefore, earthquake adaptation/mitigation measures as risk prevention operations may be financed under the ERDF as they are not excluded by the ERDF Regulation scope.

However, the specific actions to be financed are defined by the Partnership Agreements, signed by the Commission and national authorities. In these Agreements, eligibility of expenditure is determined based on national rules and specific rules set out by the CPR.

Risk prevention operations in the housing sector may be financed if not excluded by national eligibility rules or programming documents. And the potential issue lies exactly there. In the current programming period (2014 - 2020) several countries' Partnership Agreements foresee actions exclusively related to adaptation of public infrastructure/public buildings which makes the stock of many affordable housing providers ineligible. To be able to finance such measures in the affordable housing stock, the Partnership Agreement and relevant Operational Programmes would need to be amended. For the future programming period (2021-2027), if we would like to make sure that operations in this type of stock are included in the eligibility criteria, affordable housing providers should already address their regional authorities to highlight the importance of including them in the criteria.

⁵ State of Housing in the EU, 2015
⁶ Article 5 of Regulation (EU) 1301/2013 lays down the investment priorities (IP) the ERDF supports within the thematic objectives (TO) referred to in Article 9 of Regulation (EU) 1303/2013 (the CPR)

1.2 INTERREG FOR HOUSING INFRASTRUCTURE

Moreover, **specific allocations under INTERREG** (Territorial cooperation programme) can be noted. In terms of energy efficiency, we can find programmes such as Germany - Austria - Switzerland - Lichtenstein, Sweden - Denmark - Norway, Italy - Slovenia and France - Germany - Switzerland. In total €30 407 648,16 are allocated to energy efficiency renovation of public infrastructure. More than half of this amount, **€16 383 756,4 is allocated for the renovation of existing housing stock.**

As for the specific expenditure on 'housing infrastructure' in Interreg: the Programme between France - Germany - Switzerland (Rhin supérieur/Oberrhein) has foreseen €500000 total allocation⁷. **Putting housing infrastructure in the Interreg programmes is a quite unique initiative without precedent.** The responsible Agency informed us that the programme allocation means only that the three countries can potentially use it if they correspond to the specific goals 11 and 12 of the Operational Programme. At the moment no specific project is planned which actually gives our Members (USH, GdW and Wohnbaugenossenschaften Schweiz) the opportunity to get in contact with their respective regions and make use of these funds.

It should be noted that all the expenditure expressed in Euros only represents the foreseen amount, since Member States have quite large freedom in implementation. Therefore, during the programming period this envisaged allocation can actually change depending on how much the countries deviate from the foreseen operations. This flexibility given to the Member States can result in big difference in allocation which remain to be seen by the end of 2020. Nevertheless, the invested amounts should be published every year on the website of the regional authority on the national language (for data please consult your respective Authority's website). As the projects have recently begun implementation, the expenditure for 2014 and 2015 should not be significant yet. Our challenge remains to mobilise at local level and make sure that the money is actually invested in the sector.

⁷ Agency is dealing with the allocation:

<http://www.interreg-rhin-sup.eu/>

National contact point:

Andreas Doppler, Leiter Förderprogramme, Regio Basiliensis, Basel, www.regbas.ch

2. RENOVATION WORKS

2.1 PLANNED RENOVATION

In terms of the of renovation works in the Member States, data retrieved from DG REGIO's Open Data Platform shows a clear picture on the exact number of dwellings which have been planned to undergo renovation works. The measures have been classified under two programme targets: social inclusion and low-carbon economy. **Nine countries planned to carry out the measures only under low carbon economy**, these are notably Belgium, Cyprus, Croatia, Czech Republic, Ireland, Lithuania, Luxembourg, Sweden and the UK. **Most of the countries (24) plan to invest under both dimensions**, however the share of low-carbon economy is significant compared to social inclusion. The reason could be the presence of ex-ante conditionalities on energy efficiency.

Austria, Denmark and Finland do not plan such works in the frame of ESI Funds and Germany will support only public buildings. According to the national authorities, this is a strategic prioritization made in the planning phase. However it is still possible under the priority of low carbon economy to carry out housing related works. As we saw previously, under energy efficient renovation Austria and Finland still have foreseen a tiny allocation probably for demonstration projects and supporting measures e.g. on research and innovation.

Finally, it is new that the INTERREG programme planned to invest in the housing sector. Under the energy dimension 1 360 households' energy performance is planned to be improved and under the social inclusion target 20 000 m2 is foreseen for construction and renovation of public or commercial buildings in urban areas. According to the European Commission's Open Data Platform, **altogether 874 927 households will be renovated until 2020 under low-carbon economy and social inclusion**⁸. This means that these households will be renovated to reduce the total energy use by at least 5.2 TWh/year.

As regards to the details, **under the low carbon economy target, 21 countries specified clearly the number of households** that they are planning to renovate, in practice this means in total 772 569 households. The top 5 countries appearing are France (142 838 households), Romania (128 758 households), Poland (102 126 households), Spain (85 490 households) and Hungary (75 922 households).

Czech Republic, Germany and Malta did not specify the number of households to be improved but the planned decrease of annual primary energy consumption of public buildings. Therefore, the overall data does not include these three countries. **Under the urban dimension, 8 countries specified clearly the number of housing units**, in total 16 696 that will be rehabilitated in urban areas.

Czech Republic → 26 862 277 kWh/year
 Germany → 232 634 000 kWh/year
 Malta → 170 000 kWh/year

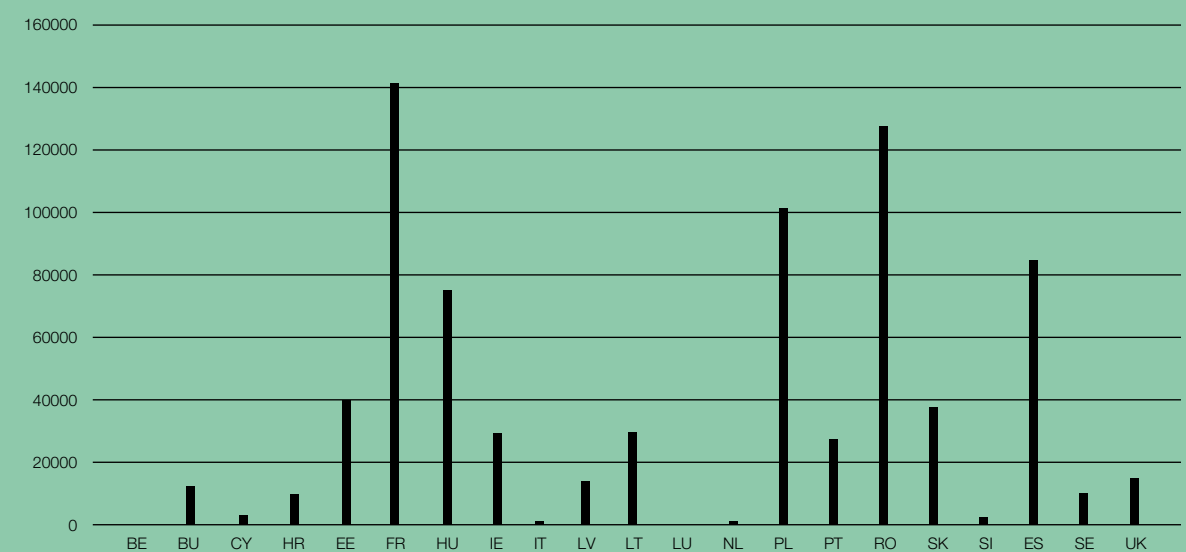
Czech Republic → 26 862 277 kWh/year
 Germany → 232 634 000 kWh/year
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⁸ <https://cohesiondata.ec.europa.eu/themes/4>

Programme target	Social Inclusion	Low carbon economy
Dimension	URBAN: Housing renovated	ENERGY: improved performance in houses
Description	Rehabilitated housing in urban areas	Energy efficiency: number of households with improved energy consumption classification
Indicator	Planned housing units	Planned households
Number of countries	15	24

	Number of countries	Countries
Only low carbon economy	9	BE, CY, HR, CZ, IE, LT, LU, SE, UK
Only social inclusion	0	
Both	24	ES, BU, EE, FR, DE, UK, HU, IT, LT, ML, PL, PT, RO, SK, SI, Interreg

Planned renovations under low carbon economy (number of households) - Oct 2017



Number of planned renovations in housing units under social inclusion - Oct 2017

Country	Rehabilitated housing in urban areas (number of housing units)
Bulgaria	560
France	90
Hungary	2019
Italy	5599
Malta	150
Poland	172
Portugal	2887
Spain	5219
In total	16696

2.2 ALREADY DECIDED MEASURES

Compared to the planned measures, only 5 countries have decided about the exact number of households whose energy consumption classification will be improved. The measures can be found of course under the energy efficiency programme target. Germany did not specify the number of households that will be renovated, however detailing the amount of planned decrease of energy consumption of public buildings. As for France, it specifies both the number of households and also amount of annual primary energy consumption decrease of public buildings.

As far as the implementation is concerned, the process is rather slow. We can note that Ireland is the only country which already implemented the decided number in terms

of number of households of improved energy consumption classification.

Overall, the total number of 874 927 households to be renovated is a good start, however in the future period more effort should be mobilized, knowing that today about 75% of the building stock is energy inefficient⁹. Of course the Structural Funds is only one tool to contribute to the yearly renovation rate in the EU¹⁰, therefore other EU funding programmes should also step up.

⁹ <https://ec.europa.eu/transparency/regdoc/rep/1/2016/EN/COM-2016-860-F1-EN-ANNEX-1-PART-1.PDF>, European Commission, 2016

¹⁰ Horizon 2020 Work Programme 2016-2017, page 30

Countries that made decision (February 2017)	Planned	Decided	Implemented
Estonia	40 000 Households	506 Households	42 Households
Germany	9 409 362 kWh/year decrease of primary energy consumption of public buildings	9 409 362 kWh/year	—
France	142 838 Households	7 825 Households	—
	83 196 891 kWh/year reduced consumption of public buildings	8 594 446 kWh/year reduced consumption of public buildings	294 197 kWh/year
Ireland	29 691 Households	17 122 Households	17 122 Households
Lithuania	30 000 Households	1 608 Households	—

3. COMPLEMENTS WITH THE JUNCKER PLAN & OTHER PROGRAMMES

3.1 ALREADY EXISTING PRACTICES

In order to be able to complement Structural Funds and secure the long-term financing of projects, the European Investment Bank (hereinafter EIB) and the European Fund for Strategic Investment (EFSI, i.e the "Juncker Plan") have a role to play. The EIB reports that the overall demand for EIB financing is increasing which also includes new countries. As affordable housing contributes to the EU Objectives, **the EIB is scaling up investments not only on energy efficiency but also refugee accommodation, assisted living, student homes, etc.** Recent projects include a €200 million loan to Netherlands and a €800 million loan to France to carry out energy efficient refurbishment, or a €56 million loan agreement to build new minimum energy apartments in the Stockholm region. Even though the Bank supports only up to 50 % of the project cost, the EIB lending is very attractive to affordable housing providers because of the more competitive pricing and repayment periods compared to commercial banks.

The EFSI (which is also managed by EIB) enables the EIB to take on projects with a higher risk profile than those normally accepted. The EFSI scheme guarantees the EIB portion of the project financing. Some of the implemented projects shown below illustrate the great need for such a scheme in long term:

- **France** - construction of 12000 intermediate housing (€250 m)
- **Portugal** - urban renewal plan: renovation of existing social housing and the construction of new accommodation (€250 m) in Lisbon
- **Poland** - construction of up to 1300 affordable residential units in Poznan (€33 m EFSI financing out of the total €66 m)
- **Poland** - establishment of an investment platform for social and affordable housing (€95 m EFSI financing out of the total €496 million)
- **Spain** - construction of 2198 rented social housing in Barcelona (€125 m)
- **Spain** - construction of 524 energy efficient rented social housing units in Navarre region (€40 m)

Similarly to the traditional EIB lending, EFSI can cover the project cost up-to 50%. Therefore the combination with other funds is vital. According to the plans of the European Commission, the Structural Funds and EFSI will together generate at least **€150 billion** of public and private co-investments, and bring the total leveraged funds to **€60 billion**. Although the Structural Funds and EFSI function independently - they are stand-alone mechanisms with separate implementation frameworks - they allow for contributions to support each other's objectives. **Structural Funds can play a crucial role in optimising the impact of EFSI (and vice versa)**

as their joint use would allow for more sizeable demand - driven interventions in innovative and infrastructure projects. Even though Structural Funds cannot be directly transferred to EFSI, both legal frameworks allow for contributions to support each other's objectives. EFSI is additional to Structural Funds, therefore the two can be combined. In practice, the combination is possible at project level, on financial instrument level and through investment platforms in cases where the applicable eligibility criteria are satisfied. EFSI and Structural Funds may cover different risks and may support different or same parts of the capital structure of a project or layered investment platform (e.g. equity or debt financing) provided that the rules on double funding and preferential remuneration are complied with. For example, EFSI support for parts of projects which are not eligible under a Structural Funds programme but which are part of a bigger investment.

EFSI can help to unlock better financial terms for social service providers when applying for support from a bank or other financial intermediary. More flexible and adjustable administrative formats should be developed (grouping projects, etc.) by the EIB to facilitate uptake from smaller social service providers. The EFSI also enables Member States to upscale their energy efficiency schemes by creating Investment Platforms which can attract private sector capital by: (i) overcoming the scale problem; (ii) diversifying risks; and (iii) allowing investors to make contributions with a risk-return profile meeting their demands.

For example, such platforms could take the form of:

- regional, national or trans-national funds bringing together public (including National Promotional Banks) and private investors to finance energy efficiency projects;
- risk sharing facilities with financial intermediaries providing risk mitigation in the form of guarantee funds and/or first-loss facilities to cover part of the risk of payment default and, if needed, additional funding. This is attractive for both NPBs and commercial banks as it could reduce the risk of the portfolio of energy efficiency loans. The platforms could also help in combining EFSI and ESIF to ease financing¹¹.

Already implemented projects that combine the Structural Funds with EFSI include:

- **Estonia** - EstFund has been launched as a fund of funds that invests in several risk capital funds. The European Investment Fund (EIF) is the fund of funds manager for this EstFund initiative which has a €48 million contribution from the ERDF and €12 million co-invested by the EIF from EFSI enabled resources.
- **Lithuania** - Jessica II (€268 million¹²) has been launched in 2014 with the aim of modernizing 37 000 multi-apartment buildings. The three pillars of the Fund not only using ERDF Funds but also attract large private investments.
- **France** - the "Prêt de Haut de Bilan" (PHB) scheme of the Caisse de Dépôts and Action Logement aims to carry out thermal renovation in 150 000 dwellings and to construct 20 000 dwellings all over the country. Out of the total €4 billion, EFSI contributes with €1 billion. The scheme already shows its added value, as 440 social housing providers are already signed up to the scheme¹³.

¹¹ http://ec.europa.eu/priorities/sites/beta-political/files/sector-factsheet-energy_en.pdf

¹² Jessica II (€150 m), Multi-Apartment Building Modernisation Fund (MBMF-€30 m) & the Energy Efficiency Fund (ENEF-€79 m)

¹³ <http://bit.ly/2kq1toE>

Combining EFSI and Structural Funds is only a recent development and the relatively low uptake (so far) reflects this. However, its availability could help to achieve more investment in the affordable housing sector given that the aim of the EFSI is to upscale the investment in social infrastructure (at present only 4 % has been used).

3.2 EFSI AS NATIONAL CO-FINANCING IN A STRUCTURAL FUNDS PROGRAMME

Given its nature and structure, EFSI support to a project cannot count as national co-financing of a Structural Funds programme. However, national co-financing of a Structural Funds programme could still be provided through another EIB/EIF financial product, either through a Structural Programme Loan or through intervention at project level.

In order to make it easier for Member States to provide national co-financing in the case of EFSI and the Structural Funds, the investment clause 2.2 under the Stability and Growth Pact (entered into force in 2015) allows for the national match funding provided under a EFSI scheme to be taken out of the calculation of the public deficit under the Stability and Growth Pact (i.e the Maastricht criteria) only temporarily if a number of conditions are met¹⁴:

“The deviation allowed must be linked to the national expenditure on projects co-funded by the EU under:

- The ESI Funds; Trans European Network (TEN); Connecting Europe Facility (CEF); or the EFSI
- With positive, direct and verifiable long-term budgetary effects
- Co-financed expenditure should not substitute for nationally financed investments, so that total public investments are not decreased”.

The investment clause has a big potential, especially in the case of EFSI that can be an opportunity when higher risk projects could not be supported otherwise. This possibility is crucial for the Eastern-Southern countries to step up more easily.

In terms of State Aid rules when combining, the EFSI does not constitute state aid and is not subject to EU state aid rules. Structural Funds provided to businesses, unless granted on market terms, may entail State aid, which is subject to EU State aid rules.

¹⁴ Page 45 of Sustainability and Growth Pact (COM(2015) 12)
https://ec.europa.eu/info/sites/info/files/file_import/ip021_en_2.pdf

**COUNTRY
PROFILES**

AUSTRIA

As the previous report (2015) on the priorities of the Operational Programmes highlighted, Austria puts an emphasis on energy efficiency in private companies and the allocation under energy efficient renovation, demonstration projects and supporting measures represents only **€200 000**. In addition, the Sustainable urban development measures will also not target residential buildings. However, according to our Member's data (GbV), in the past 5 years Austria has spent €680 million national subsidies for energy retrofitting that exceeds the amount of the top beneficiary countries' allocations of ERDF on housing. Nevertheless, under the IWB/ ERDF programme, a small project can be source of inspiration:

Clean electricity for 130 Viennese households:

Beneficiary	Municipality of Vienna
Total budget	€1,8 million IWB / ERDF (part of the "Sustainable Urban Development" programme)
Timeframe	2016 - 2017
Operations	Installation of small-scale hydroelectric power plant on the Danube to generate electricity
More info	http://bit.ly/2Bfkpwv http://bit.ly/2Bzi64f

In the area of the existing power plant Freudenu, a new small-scale hydroelectric power plant with an annual output of 400,000 kilowatt/hour will be built at "Wehr 1". The special feature of this project is that the system is installed in the existing weir and is almost invisible. The water drop between the Danube and the New Danube is used to generate electricity - an additional potential that has not been exhausted so far. No additional green areas are installed and the entire construction process is without restriction for the many recreation seekers on the Danube Island. The new hydroelectric power plant will supply green electricity to 130 Viennese households in the future. With an annual saving of 1,000 tonnes of CO₂, this project is indeed one of the smaller of its kind, but nevertheless makes it a not to be underestimated contribution to climate protection. In terms of interregional cooperation, Austria participates in the following project: **Cesba Alpine Space - Sustainable Territories (2015 - 2018)**.

The project makes available sustainability assessment tools for buildings and small urban areas, with no support for the territorial scale, typical in the rural, low density Alpine regions. With a total budget of €2.82 million (€2.2 million ERDF funding), the project aims to facilitate the development, exchange, and implementation of innovative policies and plans at territorial level based on common assessment tools. By developing a transnational assessment framework and a strategy for sustainable and low carbon territories, the project will improve the sustainability of the Alpine built environment. The tools will support:

- the sustainability assessment of a territory

- the definition of objective performance targets
- the decision making in planning processes at territorial level
- the implementation and monitoring of effective low carbon policies

IWB/ERDF project map for 2014-2020: <http://www.efre.gv.at/projekte/projektlandkarte/>
Operational programmes and list of ERDF supported projects in Vienna: <http://bit.ly/2klfgZf>
ESF 2014-2020 supported project list: <http://www.esf.at/esf/service/liste-der-vorhaben/>
INTERREG-Projects (KEEP-Database): <https://www.keep.eu/keep>

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BELGIUM

Belgium allocated altogether more than **€18 million** to energy efficient renovation, demonstration projects and supporting measures which is distributed among three regions. The biggest part of the allocation is going to be spent by Flanders (€12 million). Under the Brussels - Capital Region OP, no expenses related to housing are planned. In Wallonia, Investment priority 4c - *Support energy efficiency, smart energy management and the use of renewable energy in public infrastructure, including public buildings and the housing sector*, is present under Axe 4. However, according to the Managing Authority, affordable housing does not constitute a priority. Nevertheless, the project database¹⁵ shows two interesting demonstration projects in energy efficient renovation as first try in the region to build 'Eco-quarters': one in the city of Binche and in the Commune d'Anderlues.

Beneficiary	City of Binche	Commune of Anderlues
Project aim	Eco-quarters and urban renovation	Eco-quarters and urban renovation
Operations	Construction of 4 housing on the site of l'Ilot des Pastures	Construction of 4 housing on the site of Anderlues
Timeline	2014 - 2023	2014 - 2023
Total Budget	€750 000	€750 000
ERDF	€262 649	€242 790

According to the information received from the Flemish MA, in the frame of the ERDF Programme Flanders launched a call for project proposals (covering €12 million) specifically in the social housing sector in August 2016 and was open until February 2017.

The project call fits into the Priority 3 'Promote the transition to a low-carbon economy', Specific objective 1 '3.1 Encouraging extensive energy renovations of existing residential buildings to near-energy-neutral performance levels'. This specific objective aims to reduce the CO₂ emissions of residential buildings through thorough renovations in social housing and on the other hand by increasing the knowl-

edge and application of innovative construction techniques through training, demonstration and dissemination.

There were very specific requirements for the project proposals:

- Only officially recognized social housing organizations could apply in order to stimulate the renovation of social houses. This is because social housing organizations can already apply for national support to renovate social houses to a certain level, therefore only projects that include investments which go further (Nearly zero-energy) than standard renovations could be accepted. Nearly zero-energy was defined as an E-level of 60¹⁶.
- To be eligible for ERDF support.
- Cumulative conditions must be fulfilled both with regard to the building shell and the heating installation.
- ERDF support is calculated as the difference between a 'standard' renovation and a Nearly zero-Energy renovation.

The VMSW (Vlaamse Maatschappij Sociaal Wonen) already supports the social housing companies in their renovation projects via the RUE funds (Rational Energy Use), and the funds from the VKF (Flemish Climate Fund). However, the objective of these resources is limited to renovate the homes in accordance with ERP2020 (Energy Renovation Program 2020). Through the ERDF project call, funds were made available to allow the social housing companies to go beyond the objectives in the ERP2020 program, and to strive for the BEN standards (Nearly Energy Neutral) for renovation in social housing.

As for the state of play of implementation, six projects have been already approved which represent in total of € 6.8 million ERDF support. The projects are still in a starting phase and payments have not been made to the different beneficiaries. In addition, three project proposals are still postponed as further information is required. The requested ERDF support for these three project proposals represent at the moment €2.4 million.

The ERDF support was in each case calculated on the additional costs, ie the difference between the standard renovation (defined according to ERP2020) and the further improvement of the BEN renovation (in accordance with the 2 possibilities above).

Below and on the next page an overview of the approved and (temporarily) deferred projects:

¹⁵ http://europe.wallonie.be/sites/default/files/20171201_Liste_beneficiaires_avec_categorisation_complete.pdf

¹⁶ E-level is a Belgian standard to meet the European requirements

Project name	Approved ERDF support	Postponed ERDF support	Project costs	Housing units
1166 - Hoogbouwplein te Zelzate		€862.387,60	€2.155.969,00	64
1196 - Renovatie Kielparktoeren 1, Antwerpen	€1.480.738,38		€3.701.845,95	72

Project name	Approved ERDF support	Postponed ERDF support	Project costs	Housing units
1215 - Turnhout Klaproosstraat Boerenkrijglaan	€172.740,68		€513.902,26	22
1210 - IWT Proeftuinproject Dessel Acaciastraat 27 tem 33	€116.585,77		€291.464,44	4
1214 - Rozendreef 167 Aalst	€651.358,95		€1.637.705,76	61
1203 - Schorenhof, Wilsede	€3.192.018,05		€7.980.045,13	120
1182 - Transformatie van 60 sociale huurappartementen 'Wijk Slachthuisite' tot BEN, Diest	€839.384,08		€2.098.460,20	60
1183 - Kolderbos 4, Genk		€1.464.426,00	€3.661.065,00	104
1171 - Borgerhout XI	€464.321,46		€1.160.806,14	52
In Total	€6.917.147,37	€2.326.813,60	€23.201.263,88	559

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Entity - ERDF
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Projects

Renovation of an apartment building in 'Schorenhof' residential complex:

Beneficiary Social housing company Dijledal (in Leuven)

Total budget €3.2 million (ERDF)+ €4,79 million own
sources of Dijledal

Timeframe October 2017 - October 2020

Operations

- 1 draft special specifications
- 2 apply planning application
- 3 invitation to tender dossier
- 4 examination offers
- 5 start up renovation work

- 6 finalizing renovation work
- 7 moving residents

Contact

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Project database:
<http://bit.ly/2knlfwX>

As many blocks in Leuven no longer meet current standards and certainly not in terms of energy neutrality, Dijledal social housing company is carrying out modernization works for a few years now already. Dijledal currently has a little more than three thousand houses and apartments for social housing of which 85% meets the conditions imposed by Flanders. The remaining 15 % must also undergo much-needed renovations before 2020 to achieve the goal. The project concerns 228 apartments that were built in 1978.

Renovatie Kielparktoren 1, renovation of a tower block:

Beneficiary Willemen General Contractor NV from
Mechelen-Antwerp, Belgium

Total budget Total renovation cost (3 towers) : 42
million euros (1.5 million from ERDF)
Renovation cost Tower 1:
14 million euros

Timeframe August 2017 - August 2020

Operations

- 1 invitation to tender dossier
- 2 Examination offers
- 3 start up renovation work
- 4 deconstruction works
- 5 finalizing renovation work
- 6 moving residents

Contact

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<http://bit.ly/2knlfwX>

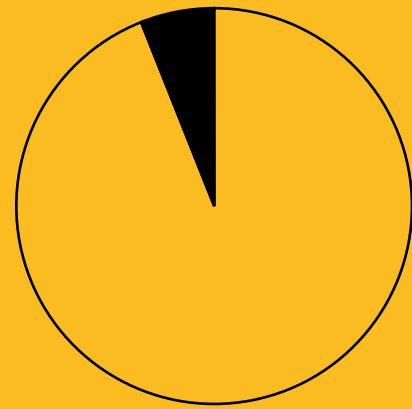
Woonhaven Antwerpen is the biggest social housing company in Belgium and has a patrimony of 18.000 houses, all of them situated in the city of Antwerp. It's the company's mission to make sure every tenant has a contemporary house that meets all demands regarding comfort, quality, energy-efficiency and affordability.

To reach this Woonhaven has been renovating it's patrimony on a large scale since 2010. In October 2017 Woonhaven started with the renovation of the first of three towers in the south of the city, called Kielpark towers. The towers, designed by Jos Smolderen, were built between 1959 and 1961 and are currently enlisted as valuable heritage. With the support of ERDF, Woonhaven can renovate the first tower to fulfil all demands regarding energy-efficiency and create a modern home with an average maximum energy-consumption of 30 kWh/m².

The renovation of the tower does not only focus on energy-efficiency, but also on increasing the living comfort in the apartments and creating a diversity of typologies. To achieve this, the total number of apartments will decrease from 96 to 72. By early 2020 the first tenants should move to the renovated tower, giving Woonhaven Antwerpen the room to start with the renovation of the second tower.

BULGARIA

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 12,133,604
 □ Energy efficiency renovation: 176,918,308

Based on the Investment priority 1.1 ("Energy efficiency, smart energy management and renewable energy use in public infrastructures, including in public buildings, and in the housing sector") of the Operational Programme "Regions in Growth", Bulgaria focuses the most of its allocation capacity to support the energy efficiency renovation of the existing housing stock, with the help of about **€177 million** ERDF. In the housing sector the objective is to achieve the national target for increasing energy efficiency namely 25% higher energy efficiency by 2020 and indirectly - to reduce greenhouse gas emissions.

The main target groups include:

- Households in the concerned residential buildings.
- Students living in the concerned dormitory buildings.
- Municipal and state institutions.
- Members of vulnerable social groups – improved access to the buildings will contribute to the social inclusion of people in a disadvantaged position.

The target territories include 39 cities of the less developed regions 'throughout the medium and large cities of the 1st, 2nd and 3rd level of the national polycentric system'.

The planned actions include deep renovation including accompanying construction works; construction reinforcement; commissioning of installations for production of energy from renewable energy sources for the buildings as well as improving access for people with disabilities to the buildings. Very importantly, eligible for support will be only buildings designed before 1999. The aim of the operations is to reach energy class "C" through appropriate combination of energy efficiency measures.

As for the nature of financing, in the case of the multifamily residential buildings and administrative buildings of the state and municipal administration, no financial instruments are envisaged to be used. However, it is envisaged that financial instruments will be used in single-family residential build-

ings, as well as in combination with grants for student dormitories.

Programme-specific result indicator:

Indicator	Final energy consumption from households
Measurement unit	Thousand tonnes of oil equivalent (thousand toe)
Category of region	Less developed regions
Baseline value	2 257,00
Baseline year	2013
Target value (2023)	2248
Frequency of reporting	2018 and 2022

Concerning the allocation of €12,133 million on housing infrastructure, it is allocated under Priority Axis 1 Sustainable and Integrated Urban Development. The main objective of this axis 1 is to improve the quality of life and the growth in the medium and big cities in Bulgaria. Integrated strategies for sustainable urban development at the local level will be supported through combined support under four thematic objectives (TO 4, 6, 9 and 10).

- The thematic objective 9 will support social inclusion and combating poverty of vulnerable and marginalized groups, including Roma.
- The significant financial resources under Thematic objective 4 will be used to tackle the poor condition and low energy efficiency of buildings (public infrastructures, including in public buildings, and in the housing sector). Under this objective mitigation relevant adaptation measures will be also used, but only in the transport sector.

Considering the territorial aspect of interventions, activities for energy efficiency in residential buildings can be performed throughout the urban area of the cities. Further, in order to strengthen the functional links between cities and their peripheral areas, particular activities can be financed outside the intervention zones within the city and its periphery. Based on the results of the evaluations for 2018 and 2022 MA could reallocate financial resources from the inactive to more active cities.

Going more in detail, Investment priority 1.3 aims notably to improve the urban environment, to revitalize cities. Among the planned activities we can find the construction and rehabilitation of public recreation spaces, e.g. parks, green areas, the spaces between multifamily housing buildings. Furthermore, the specific objective of Investment priority 1.4 Investing in health and social infrastructure is to improve the housing conditions for marginalized groups of the population including the Roma.

Programme-specific result indicator:

Indicator	Representatives from marginalized groups, including Roma, with improved housing conditions; Target: increase
Measurement unit	Persons

Category of region	Less developed regions
Baseline value	905
Baseline year	2014
Target value (2023)	2833
Frequency of reporting	2018 and 2022

The main principle for funding social housing projects is to reducing the concentration of poverty and spatial segregation. The measures for social housing should contribute to the spatial integration of marginalized groups in society and to prevent segregation, isolation and exclusion, avoiding the creation of separate territories. The housing measures should be combined with necessary measures to provide technical (utilities-water, electricity, gas, etc.), social and educational infrastructure (schools, kindergartens, public services, etc.) and measures for improving urban environment and public transport. In addition, the interventions in the housing should be combined with activities to ensure access to education, employment, health and social services for disadvantaged groups.

The activities will therefore include:

- Support for the provision of modern social housing to vulnerable, minority and marginalized groups of the population and other disadvantaged groups through construction, reconstruction, renovation and expansion of social housing and the rehabilitation of the adjacent yard, in which target group representatives to be accommodated.
- Improving access for people with disabilities to the buildings mentioned above as part of the remaining construction and installation works related to the corresponding objects.

The eligible beneficiaries are municipalities of large and medium sized cities of 1st, 2nd and 3rd hierarchical level of the national polycentric system.

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Projects

Up to now under Operational Programme "Regions in Growth" 2014 - 2020 is approved 1 project for social housing with specific beneficiary Municipality of Blagoevgrad.

Construction of Social Housing in the fourth micro-region:

Beneficiary	City of Blagoevgrad
Total budget	9 506 000 leva grant under Operational Programme "Regions in Growth"
Timeframe	Nov 2016 - Nov 2018
Operations	Construction of 3 apartment buildings (202 apartments) for vulnerable, minority and socially disadvantaged groups, and the provision of complementary social services (education, employment, health, social inclusion). Through the implementation of the project shelter and adequate living conditions will be provided to the aforementioned groups who cannot afford home ownership or rental housing and virtually have no other alternative. Totally 50 people will benefit from the scheme

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The project "Construction of Social Housing in the fourth microregion" provides not only construction of 3 apartment buildings for vulnerable, minority and socially disadvantaged groups, but also the provision of complementary social services (education, employment, health, social inclusion). Through the implementation shelter and normal living conditions will be provided for the aforementioned groups who cannot afford home ownership or rental housing and virtually have no other alternative. Totally 50 people - representatives of marginalized groups, including Roma, will benefit from a modernized social infrastructure. The newly build social housing will be distinguished from the general municipal housing fund – the determination of the rent will be based on the principle of providing access to the buildings for the most in need, which will ensure shelter but also will satisfy all other household needs of its users. The chosen location of housing construction will ensure spatial integration for people at risk of poverty and social exclusion, as well as for parents with children at risk, including underage parents, large families, children with poor health and disabilities.

Social housing & soft measures to improve the living conditions of vulnerable groups:

Beneficiary	City of Dupnitsa
Total budget	€6 311 757,06 from ERDF (grant funding from Operational Programme "Regional Development 2007-2013)
Timeframe	2012 - 2015
Operations	• Construction of 15 buildings (150 social

homes) for vulnerable groups, especially Roma

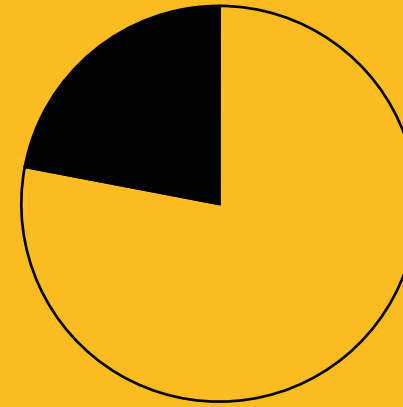
- Establishing a new community centre

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More information:
<http://urbact.eu/home-everyon>

The city of Dupnitsa recently constructed 15 buildings providing 150 modern social houses to at least 460 vulnerable, socially and economically disadvantaged citizens in a district where 90% of the population are Roma. To further improve their living conditions, the city established a new community centre for counselling, retraining, vocational guidance, housing, professional advice on situations leading to poverty and social exclusion. The aim is for the beneficiaries to find permanent jobs after the project so that they are able to maintain the dwellings in which they are housed, pay rent and provide a better quality of life to their families.

CROATIA

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 25,000,000
□ Energy efficiency renovation: 90,000,000

According to the Open Data platform of the European Commission, Croatia will spend in total **€115 million** related to housing. The budget is allocated into two expenditures:

- Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures €90 million.
- Housing infrastructure €25 million.

Regarding energy efficiency for residential buildings in Croatia, measure is executed under specific objective 4c2 "Reduction of energy consumption of the residential buildings (multi apartment buildings and family houses)" of the operational programme Competitiveness and Cohesion (allocation €100 million).

In 2017 a call multi-apartment buildings was launched which will absorb the majority of allocation (around €73 million). Decisions on financing are currently in preparation. Smaller part of the allocation will go to family houses (€30 million), and respective call is expected to be launched by the end of 2018. Activities which can be financed are described in the operational programme:

- Implementation of the energy renovation program for buildings (public and residential) by promoting deep renovation, thermal insulation, reconstruction/installation of the heating/cooling system, the roll out of the heat cost allocators, installation of thermostat vaults, installation of heat pumps etc.
- Installation of smart metering devices, provision of accurate feedback about end-use energy consumption, introduction of home energy management systems, including various wireless communications options (for smart metering).
- Measures promoting construction of the buildings with nearly zero energy consumption which will allow for gradual radical change in the way energy is used in the building sector.
- Promotion of renewable energy use in all building/construction sectors (public buildings and housing sector) such as the installation of solar heating systems, heating plants on biomass etc., high efficient co-generation on RES, thus replacing the conventional fuels and providing stable and secure inde-

pendent energy sources which is of particular importance for more remote areas.

Within the priority axis "social inclusion and health" the amount of €25 million is allocated for housing infrastructure intervention field. This allocation is part of the specific objective 9b1 – "Sustainable physical, social and economic regeneration of 5 deprived pilot areas aiming at reducing social inequalities, exclusion and poverty". For the implementation of this specific objective, local communities have prepared intervention plans, with an aim at socio-economic and physical regeneration of the given area. Those plans include integrated mix of measures contributing to the achievement of the set goals and co-financed by both ERDF and ESF. In these plans social housing projects were not included. There is a possibility that the two upcoming plans might have such an intervention, however at the moment no further information is available on how it will be implemented.

The Ministry of Construction and Physical Planning is an Intermediate body level 1 responsible for yet another specific goal - 4c1 "Reduction of energy consumption of the public sector buildings" - allocation €211 810 805. Within that specific goal 3 calls were already launched:

- Pilot Call 4c1.1 Preparation of project documentation for energy renovation and use of RES in public educational buildings.
- Pilot Call 4c1.2 Energy renovation and use of RES in public educational buildings.
- Call 4c1.3 Energy renovation and use of RES in public educational buildings.

Both specific goals are covered within the investment priority 4c Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector, which is part of priority axis 4 "Supporting the shift towards a low-carbon economy in all sectors".

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CYPRUS

In 2014 - 2020 Cyprus focuses on energy efficient renovation of the existing building stock, demonstration projects and supporting measures with a total allocation of **€14 million**. The 'Competitiveness and sustainable development' Programme prioritises among others investments in energy efficiency. Under this scope Cyprus set two aims:

- "Reducing CO2 emissions and climate change adaptation measures" (Cohesion Fund - 7.5% of the EU allocation): increasing of energy efficiency in public and private buildings as well as investments for preventing and mitigating risks resulting from climate change.
- "Sustainable urban development" (ERDF - 10.7% of the EU allocation): promotion of integrated actions for tackling the economic, environmental and social problems of the urban historical centres.

As for the Mediterranean Operational Programme, in which Cyprus is among the beneficiary countries, aims at fostering innovative concepts and practices and at encouraging sustainable use of resources and support social integration. The Programme plans to invest in low carbon strategies and energy efficiency. It is focusing mainly on the better management of energy in public buildings (by doubling the number of plans with energy management measures for public building stocks).

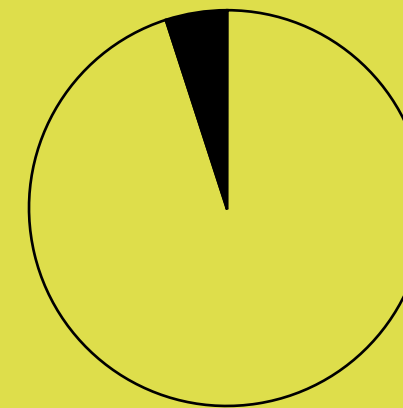
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CZECH REPUBLIC

Share of energy efficiency renovation and housing infrastructure (in eur):



- Housing infrastructure: 33,781,275
- Energy efficiency renovation: 622,796,485

In 2014-2020 the Czech Republic allocated the second biggest amount for energy efficiency renovation measures and demonstration projects-after Poland. Housing infrastructure is a modest **€33,8 million** but both expenditures are reinforcing each other. In terms of Operational Programmes (OPs), out of seven OPs the Integrated Regional Operational Programme (IROP) is the one that has foreseen operations in housing.

The IROP co-financed from the ERDF provides financial support to local governments or non-governmental non-profit organizations (including religious charities) for initial investments into procurement of social housing. It is to be noted however that the grants are not aimed at covering operational costs of the social housing provision. The aim of activities in Social housing is the purchase of apartments, residential buildings, commercial premises and their adaptation to the needs of vulnerable people and acquisition of the necessary basic equipment. Social housing must meet the IROP parameters specified in the specific call rules.

The support is provided in form of ESIF grants distributed through open calls for proposals. By the call's conditions, the social housing procured with the IROP support can be used only for accommodation of eligible target groups - households excluded from the existing housing market (roofless and homeless people as defined by ETHOS typology and without the IROP-supported social housing they would remain roofless or homeless).

So far 115 projects have been supported from the IROP grant for more than 700 million CZK from ERDF. This means there are now more than 600 social apartments under construction. The Operational Programme plans to support more projects in the next year in the amount of 2 500 million CZK from ERDF. Moreover there will be social housing projects covered by the Integrated Instruments (ITI, IADPs, CLLD).

Altogether the aim is to support 5 000 social apartments for more than 3 615 million CZK under IROP. Concerning the Integrated Instruments (ITI, IADPs, CLLD), the difference from other calls is that these projects must be in line with integrated strategies. Projects approved must respect the general conditions set out in the IROP documentation. Integrated instruments' calls will be launched until 2022.

Documentation of the general calls for social infrastructure in Czech language:

- CLLD: <http://bit.ly/2Dcksq6>
- IAPD: <http://bit.ly/2CluRZS>
- ITI: <http://bit.ly/2kr9UMc>
- ITI and IAPD approved strategies: <http://bit.ly/2BnyDM0>

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Projects

Hrušovany u Brna - Transformation of an old wash-house to social housing; Křižánky - Transformation of an old agricultural building:

Beneficiaries	Municipality of Hrušovany u Brna	Municipality of Křižánky
Total Budget	2 259 983,10 CZK IROP financing: 1 920 985,60 CZK from EFRR	4 281 750,00 CZK IROP financing: 3 639 487,50 CZK from ERDF
Timeframe	12.2016 - 09.2018	05.2016 - 05.2018
Operations	Reconstruction work	Reconstruction work
Contact	Miroslav Rožnovský, Mayor starosta@ouhrusovany.cz	Jan Sedláček, Mayor starosta@obeckrizanky.cz

DENMARK

As the previous report (2015) pointed out, the Ministry of Business and Growth focuses on three particular sectors in its Operational Programme: garbage, water treatment and energy consumption. As for energy consumption, the Ministry did not distribute the allocation to those specific areas but it is financing the most ambitious project proposals that are submitted. Therefore, for housing infrastructure or energy efficient renovation no allocation is foreseen by Danish Operational Programme for the ERDF or the ESF OP. A relevant area could be the 5% of the Danish ERDF-programme that is allocated to Integrated Urban Development. This amounts to approximately 72 m Dkk. **(€9,7 million)** with a requirement of national co-financing by at least the same amount.

In Denmark it is only municipalities with more than 30.000 inhabitants that can apply for funding of specific projects that are part of an integrated urban development strategy. And it's also only municipalities can act as lead partner. However the complete integrated measures can be implemented in partnerships between e.g. municipalities, housing associations, education and research institutions, etc.

Until now two calls have been completed and no housing associations have been part of a partnership applying for funding. The projects aiming at reducing the energy consumption

relate to water and waste management, while the projects with the purpose of increasing the number of innovative companies relate to waste management.

According to the data of the Danish Transport, Construction and Housing Authority the social housing sector in Denmark does not receive EU funds, but the social housing associations are provided with government subsidy

More info about the projects: <http://bit.ly/2BMDOo3>

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Danish Transport, construction and Housing Authority:
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In of Hrušovany u Brna, the subject of the project is a construction of two social apartments by the reconstruction of an old wash-house into social housing with the aim to provide an affordable social housing to enable socially excluded people and persons at risk of social exclusion to enter the rental housing. With this project the municipality would like to increase the rental housing capacity for people who do not reach the normal market rent and end up unnecessarily in hostels or homeless. In Křižánky, the municipality bought a farm house/agricultural building half year ago and which is located near to an elementary school, a store and the town hall. There will be three social apartments being built during the implementation of the project in the building.

Methodical and Informational Support for developing the system of Social Housing:

Beneficiary	Ministry of Labour and Social Affairs
Total budget	96 004 556, 45 CZK (€3 759 945, 0310) 77,56 % is covered by ESF (under Operational Programme Employment), 22,44 % by State budget
Timeframe	02.2016 - 12.2020
Operations	Methodical and informational support to help setting up and developing the system of Social Housing (SH) in Czech Republic and to provide adequate methodical support to 14 municipalities and other SH providers. The support include: <ul style="list-style-type: none"> • international cooperation • research and analysis • education and methodologies • collection and distribution of information A Liaison centre is to be established
Contact	Soudková Kateřina Mgr. (MPSV) katerina.soudkova@mpsv.cz Ministry of Labour and Social Affairs Department of Social Services, Social Work and Social Housing, Unit of Social Housing and Social Inclusion

of their SH systems. The LC will provide information not only to the municipalities but also to NGOs and other key players in the field. LC will also share information with the general public and keep them up to date with latest development.

More info about projects in Czech language can be found here: <http://bit.ly/2kmHiUb>

The project - which has been identified as a priority project of the Minister - aims to help setting up and developing the system of Social Housing and to provide adequate methodical support to the municipalities and other Social housing providers. The methodical and informational support will be based on the experience gathered from foreign partners, the transfer of good practice from other EU countries, translated handbooks, research activities and also regular consultations with experts in the field. In order to spread the knowledge acquired through activities of this project, a Liaison Center (LC) will be established. Its employees will gather knowledge, share it and distribute it. They will also actively participate in helping with the pilot testing of Social housing systems in the partner municipalities. 16 municipalities (2 of Prague's city districts) that will carry out the pilot testing of social housing models on a local level. They will get international experience, methodical leadership and in exchange the municipalities will provide the LC with first-hand experience and collected data about the development

ESTONIA

As per the data of the European Commission, Estonia will spend **€108 819 149** on 'energy efficient renovation, demonstration projects and supporting measures' but will not allocate money on building housing infrastructure. €102 million is coming from Cohesion Fund and it is going to be used by Kredex implementing a grant scheme for apartment associations in order to renovate apartment buildings. According to Kredex, the grant is designed for associations and communities wishing to reconstruct their apartment buildings as completely as possible. The domestic regulation, where the grant terms have been stated, was established by Minister of Economic Affairs and Infrastructure and was entered into force on 27th of March 2017. The call for applications opened on 1st of April 2015. By now, all the resources have been covered with applications and the call for application is finished¹⁷. The eligibility of applicants included apartment associations established in a residence that has been built before 1993 and where at least 80% of the apartments are privately owned or local governments who aim to reconstruct apartment buildings that are owned by them. In Estonia, local authorities own two types of apartment buildings:

- Social buildings in order to fulfil its responsibility to provide dwellings for people who belong to certain vulnerable groups in society.
- Municipal buildings which are buildings owned by local authorities and provided to local residents usually with average market price.

The grant was be applied for the reconstruction tasks which, when completed, help to reduce final energy consumption and implement energy efficient measures in apartment buildings. The grant can be applied for in the amount of 15%, 25% and 40% of the total project cost depending on the level of reconstruction of the relevant apartment building. For the 25% and 40% grant the technical consultant is mandatory. The main eligible operations were: insulation of envelope structures, exchange of windows and front doors, replacement or reconstruction of the heating system, reconstruction of the ventilation system or installation of a system with heat recirculation, installation of equipment necessary for using renewable energy, reconstruction of the control system or drive of lifts and design, project management and owner supervision. Finally, a prerequisite for applying for the grant is the existence of an energy audit and building design. According to the European Commission, the social inclusion priority can be also a relevance in the case of people with special needs.

Priority Axis 2 Social Inclusion, includes €61.5million for 'Other social infrastructure contributing to regional and local development' (code 055) within the thematic objective 9a (Investing in health and social infrastructure) under ERDF. Going more in detail, the Specific Objective 5 aims at integrated welfare services and higher-quality support to the home environment of the people with special needs. Under this objective the following measure and activities will be implemented: Measure 2.5: Development of the homelike environment and infrastructure for people with special psychiatric needs and people with disabilities (€57.8million from ERDF). At the moment 14 % have been spent.

- Activity 2.5.1 (MoSA, RM) Reorganisation of the special care institutions with the help of ERDF €47.6million (total cost: €56million). It covers two type of investment:
 - Development of small service units instead of large institution
 - Development of community base services
- Activity 2.5.2 (MoSA, RM) covers the physical housing of disabled persons with the help of ERDF €10.2million (total

cost: €12.0million). The pilot project (2015-2016) to created 45 places in Tallinn.

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Projects database:
<https://www.struktuurifondid.ee/eng/edulood>
Estonia's success stories website:
<https://www.struktuurifondid.ee/eng/edulood>

Projects

Reconstruction of an apartment building at the address Õuna 4, Elva:

Beneficiary	Õuna 4 Apartment Associations
Total budget	€333 869,54 (Cohesion Fund); Implemental body: Sihtasutus KredEx
Timeframe	2014 - 2015
Operations	Complex renovation which included: <ul style="list-style-type: none"> • facade and roof insulation, • new heating system, • new 3 glazed windows, • ventilation system with heat recovery With the reconstruction works the apartments acquired an improved weighted energy consumption which ensures a longer lifetime of the building.
Contact	Merike Härm (Member of the Board of the Apartment Association at Õuna 4, Elva) merike.harm@gmail.com More info: http://bit.ly/2kLLUCF

¹⁷ Page 45 of Sustainability and Growth Pact (COM(2015) 12)
https://ec.europa.eu/info/sites/info/files/file_import/ip021_en_2.pdf

FINLAND

In the two Finnish OP, any intervention is programmed under two categories. The reason is that Finland does not invest Structural funds in physical housing infrastructure in general which was a strategic prioritization made in the planning phase of Programme. The low-carbon economy (TO4) will

be however supported by a small share of ERDF (25%) that were chosen to focus on research & innovation and enterprise development as well as on experimental projects on energy efficiency, demonstrations, etc. In this context, normally it is possible under low carbon innovations to carry out housing experiments. Under the RDI-project there can be an experiment to build a part of house or renovate a house by using this new developed technology. Thus, even an experiment would focus on improving housing's energy efficiency, it would not be allocated under housing investment (code 54 or 014), but under Research & Infrastructure.

Fund	Code	Amount in €
ERDF	065. Research and innovation infrastructure, processes, technology transfer and cooperation in enterprises focusing on the low carbon economy and on resilience to climate change	4,878,370.00
	013. Energy efficiency renovation of public infrastructure, demonstration projects and supporting measures	18,926,687.00
	087. Adaptation to climate change measures and prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures	6,538,260.00

Concerning ESF, it supports the fight against social exclusion and reduction of poverty. Social integration measures are thus supported by ESF when they complement employment goals. The amount that could impact housing should be assessed at a later stage; however concerning the nature of intervention we can already see a tangible example below.

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Projects

Development of Preventive measures across service sectors to prevent homelessness:

Beneficiary	ARA The Housing finance and development Centre of Finland
Total budget	ESF 2,1 M€ (personnel costs 1,7 M€)
Timeframe	2016 - 2019
Operations	Early Invention <ul style="list-style-type: none"> • Housing social work (Professional know-how-Toolbox) • Education and lectures

Social inclusion

- Expertise through experience
- Piloting job descriptions
- Educational institutions
- Commitment of management

Supported Housing

- Supported housing at home
- Meaningful daily life
- Subletting

Contact Sina Rasilainen, Project Manager, Housing Finance and Development Centre Sina.
rasilainen@ara.fi

Headed and coordinated by ARA The Housing finance and development Centre of Finland, the objective of the project is the development of Preventive measures across service sectors and professional boundaries and the dissemination and introduction of these workable and promising solutions to prevent homelessness. Besides that, on international level the project aims to:

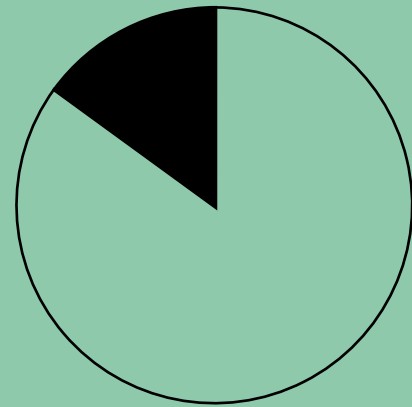
- Identifying administrative and professional practices that promote or interfere with the prevention of homelessness.
- Utilise the results of the national strategies and strategy work.
- Disseminate of Housing first and multisectoral practice.

A halftone dot pattern image of a group of people in a meeting. The image is composed of small dots of varying density, creating a grayscale effect. The people are shown from the chest up, some looking towards the camera and others looking slightly away. The overall tone is professional and collaborative.

***IMPROVE THE QUALITY
of PEOPLE'S LIVES***

FRANCE

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 83,173,894
 □ Energy efficiency renovation: 464,466,140

In 2014-2020 France spends a considerable amount on energy efficiency. In order to see the evolution compared to the previous period, already in 2007-2013, the eligibility of the thermal renovation of social housing under ERDF made it possible to co-finance more than 630 projects of HLM organizations. This measure has been renewed and expanded for the period 2014-2020. Thus, the 2014-2020 French Partnership agreement, through its thematic objective 4, considers that ERDF action should contribute to reducing the energy consumption of buildings by including measures aimed at meeting the regional objectives of combating fuel poverty. The priority is in the residential sector, with a focus on renovating the most energy-consuming buildings. A strategy is in line with the implementation of the national policy as part of the housing energy renovation plan.

All the Operational Programs of the French regions have integrated this energy efficiency dimension of the residential sector, either by targeting social housing specifically, or without distinction between different sectors. According to data of 1st September 2017, we can already note the following:

- **€370 million** ERDF is dedicated to the thermal rehabilitation of housing. These figures concern 16 regions out of 21 (former regional division), so we must consider a much larger available amount.
- 589 applications were hand in of which 289 projects got accepted.
- 22,149 dwellings are affected by ERDF interventions which means more than 20,000 households that have or will be able to benefit from an ERDF intervention to improve their thermal comfort.

In terms of social inclusion, the thematic objective 9 dedicated to social inclusion allows the ERDF and the ESF to be mobilized for integrated approaches (social-health-cultural-educational). With the aim of reducing the number of households living in precarious housing, the measure makes it possible to create and rehabilitate places of accommoda-

tion or reception, the construction of integration villages for the Roma communities, the rehabilitation of unhealthy housing. Only 3 regions have taken into account this possibility offered by the Structural Funds, the Ile-de-France region, Picardie and Provence Alpes Côtes d'Azur.

As far as the territorial approach is concerned, in some cases ERDF cannot be mobilized by HLM organizations, only when it is an integrated sustainable urban project, implemented by Integrated Territorial Investments (ITI) supported by EPCI. This is the case in the regions Ile de France, Nord Pas de Calais and Brittany

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 EU affairs Advisor: Carine Puyol
carine.puyol@union-habitat.org

Projects

Rehabilitation of 100 multi-family housing:

Beneficiary	OPH Oise Habitat
Total budget	1 791 436,08€ (ERDF: €500 000,00)
Timeframe	01.02.2014 - 01.03.2016
Operations	Rehabilitation of 100 multi-family housing - GAMBETTA III rue Albert Thomas et avenue Péroche à Creil et Nogent sur Oise <ul style="list-style-type: none"> • Exterior insulation of facades • Hall doors replaced • Installation of videophone in each dwelling to accompany people with reduced mobility

Contact Eddy Flamant
eflamant@oisehabitat.fr
 More info: <http://bit.ly/2BB6r51>

OPH OISE HABITAT, challenged by its tenants, undertakes rehabilitation work in housing and common areas in Creil and Nogent-sur-Oise, to improve the performance of buildings. The objective is, on the one hand, to ensure the comfort of tenants and reduce their energy costs, and on the other hand to reduce building consumption and the emission of greenhouse gases. No increase in rents will be made following the works, thus allowing the tenants to benefit from a reduction of the heating charges without financial compensation.

Rehabilitation of 16 multi-family housing:

Beneficiary	ESH LOGIVAM
Total budget	223 597,09€ (ERDF : 78 118,00€)
Timeframe	30.09.2015 - 31.12.2017
Operations	Rehabilitation of 16 multi-family housing on 13 et 15 rue Jean Jaurès à Villers-Cotterêts <ul style="list-style-type: none"> • Thermal isolation

- Electricity retrofit
- Reconstruction of bathrooms

Contact Sheila Kadri
skadri@logivam.fr

Being aware of the issues related to sustainable development and the preservation of our natural resources, LOGIVAM decided to engage in an environmental quality approach for the management and rehabilitation of its park, and undertook the rehabilitation of 16 housing units in Villers-Cotterêts. The aim is to reduce energy needs and ensure the well-being of users by reducing their energy bills and meeting their requirements for comfort and use.

A convention between the CDC, the Region Lorraine, the French State and Arelor Hlm in order to ensure "energy efficiency loans" (Ecopret) for social landlords:

Beneficiary	Region Lorraine
Total budget	€50 million ERDF support (covers 15 000 households)
Timeframe	2014 - 2020
Operations	Credits given to energy efficient renovations of 24 000 social housing in the Lorraine region
Contact	Anaïs Garbay, Association Territoriale Hlm de Lorraine a.garbay.arelor@union-habitat.org Clémence Dor, Region Grand Est clemence.dor@lorraine.eu1

The State signed the convention altogether with the Lorraine region and other partners (Arelor and CDC) in 2014 in order to achieve the objectives set in the national Plan 'Batiment et Habitat Durables'. The programme fits also in the regional scheme 'Climat Air Energy' (SRCAE) which was adopted by the regional authority in 2012. The objective of the scheme is to renovate 30 % of social housing until 2020 (104KWh/m²/year). Since 2009, social landlords are mobilized to promote the rehabilitation of their HLM. They have been pursuing a policy of rehabilitation, associating tenants with the improvement of energy performance. The energy efficiency loans and the mobilization of the ERDF over 2014-2020 should make it possible to amplify the thermal renovation of the social housing stock in Lorraine and thus contribute to the objective of controlling energy consumption, improving purchasing power and employment development. Concerning the allocation, the budget itself is dedicated to cover energy loans. Each partner (CDC and Conseil régional) handles applications on its own, but applying the same conditions for loans for energy renovation. The loans vary from 5 to 25 years, €9000 to €16000 per household depending on the aimed energy label. The CDC complements the whole budget with its loan (up to 35 years) in order to allow social landlords to complete the financing plan for these rehabilitation operations. «Ecopret» is a national scheme and all HLM organizations can all benefit from it. Combined with local/regional subsidies, in total 150.000 dwellings will be renovated. Such a dynamic marks a real national progress: +28% for the number of rehabilitated housing and among these +31% for those who change their energy label.

Women in construction:

Beneficiary	Habiter au Quotidien
Total budget	€111 172 (€51 029 from ESF)
Timeframe	01.2016 - 12.2016
Operations	<ul style="list-style-type: none"> • 5 month practical training course for 8 women (rendering, painting, floor laying, tiling, etc.) • 1 month placement in a construction company
Contact	Didier Norgeot femme.batiment@gmail.com More info: http://www.habiter-au-quotidien.fr/

The project is providing a women-only training course to give them the skills they need to success in the construction environment. The project promotes a change in the mentality of the construction industry, where common prejudices mean that women are often less likely than men to be hired for manual and technical labour roles. Participants were taken to a training site, such as a building for renovation. There they could practice a range of skills - rendering, painting - in a safe environment. The concept was that, since the work needs practical skills, theory classes are not needed since the trainees can discover everything they need to know on-site. After five months on the site, the women spent one month on a work placement in a company which sometimes led to employment within the company (62.5 %), but if not, the trainee gained solid work experience and knowledge of what is expected in the workforce. This helped to boost their confidence enabling them to perform better in job interviews.

GERMANY

Due to small Structural Fund's budget and to the national prioritization, the ERDF measures in the low-carbon objective and energy efficiency in buildings in Germany are mainly focused on public buildings and enterprise buildings (as far as this is compatible with the regulation (Verwaltungsvorschrift) for support of enterprises in the field of CO2-Reduction). According to the recently submitted annual implementation reports for 2016, concerning the investment category 13 (Energy efficiency renovation of public infrastructure): In Germany, the total expenditure of **€137 868 564** has been committed to 371 selected operations in this field. However, the energy efficiency renovation of public infrastructure co-financed by ERDF does not cover affordable housing.

Moreover, the total expenditure of €109 937 005 has been committed to 146 selected operations in the field of social infrastructure (investment category 55) in Berlin, Nordrhein-

Westfalen and Mecklenburg-Vorpommern. Concerning the 60 million for housing infrastructure planned by the ERDF Operational Programme Thüringen has been re-allocated to another category of investment.

Finally, based on the information provided by the region Schleswig-Holstein, its ERDF Programme 2014-2020 "Under IP 6e actions aiming at the revitalization of fallow grounds and vacant buildings explicitly stress the potential re-utilization of fallow lands for housing. However, support aims at revitalisation. Investments directly related to the reuse of such areas are not eligible for funding".

Contact

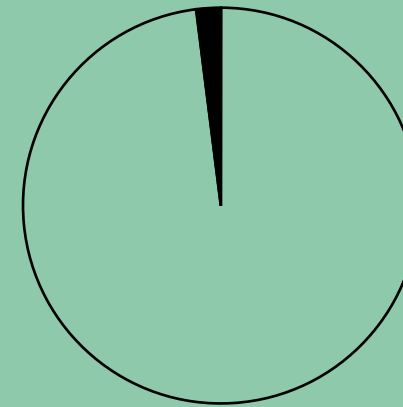
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List of projects: <http://bit.ly/2BeNvfV>

GREECE

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 3,817,818
□ Energy efficiency renovation: 227,437,460

In 2014-2020 Greece allocated **€227,4 million** in Energy efficient renovation and demonstration projects and a modest envelop of **€3,82 million** in housing infrastructure.

The energy efficiency amount corresponds to the programme "Exikonomo kat ikon" ("Saving at home II") that funds individual houses' energy upgrading with direct subventions and subsidised loans according to the beneficiaries' resources. The budget for the 2014-2020 period is 500 million and the new programme was launched at the end of 2017.

With the cooperation of ten banks, of which five will be cooperative, the "Home Economize II" program is implemented by the National Entrepreneurship and Development Fund (ETEAN) and will finance interventions with a maximum budget of €250/m² and up to €25,000. The programme will have only income criteria and will finance over 40,000 households.

The income criteria is scaled as follows:

- Individual income of up to €10,000 or family income of up to €20,000, a basic grant rate of 60% and a grant increase of 5% for each protected member with a maximum grant rate of 70 %.
- Individual income of €10,000 - 15,000 or family income €20,000 - 25,000 basic grant rate 50% and increase of the grant by 5% for each protected member with a maximum grant rate of 70%.
- Individual income of €15,000 - 20,000 or family income €25,000 - 30,000 basic grant rate of 40% and increase of the grant by 5% for each protected member with a maximum grant rate of 70%.
- Individual income of €20,000 - 25,000 or family income €30,000 - 35,000 basic grant rate 35% and increase of the grant 5% for each protected member with a maximum grant rate of 50%.
- Individual income of €25,000 - 30,000 or family income of €35,000 - 40,000 a basic grant rate of 30% and an increase in the grant of 5% for each protected member with a maxi-

mum grant of 50%.

- Individual income of €30,000 - 35,000 or family income of up to €40,000 - 45,000 basic grant rate 20% and increase of the grant by 5% for each protected member with a maximum grant rate of 50%.

The use of a loan is not compulsory. However, if the person concerned wishes to make a loan, this will be proportionate to the budget and will cover the difference between the grant and the budget and up to €25 000. The duration of the loan will be 4-6 years without a grace period and a 100% interest rate subsidy is provided.

The final beneficiary may request an advance of 70% of the initial eligible intervention budget. The instalments of the loan will be monthly amortized and the interest rate fixed throughout the loan. It is worth noting that the loan will not require collateral and that ETEAN will pay the interest to the bank after the corresponding amount of capital has been paid by the beneficiary.

The eligible operations include the replacement of window frames and shading systems, installation of thermal insulation in the building shell including its roof, roof and pilot and upgrading of the heating and hot water supply system.

A crucial element of the Greek situation is the fact that since 2012-when the competent organisation (OEK) was abolished- there has not been any State body to replace it, nor has there been a developed social housing policy.

Policy to support housing costs and conditions in Greece are mainly:

- Income support measures: i.e. minimum income scheme (Social Solidarity Income), rent allowance (implemented in 2015-2016, to be implemented again on 2019) heating allowance, electricity and water supply subventions on a means-tested basis.
- Housing energy efficiency upgrading (as mentioned above).
- Measures for the homeless: day centres and night shelters for the homeless are funded through the structural funds, a pilot "housing-first" type scheme is funded from national budget (to be evaluated and redesigned), homeless are eligible for the minimum income scheme, various targeted Temporary Accommodation schemes funded from structural and national funds i.e. refugees, unaccompanied minors, women victims of violence etc.
- Measures for housing Roma populations: settlement upgrading, new temporary settlements for rehousing Roma living in extremely bad conditions, rent support schemes (to be funded from structural funds, but not yet implemented), social integration support measures (education and training, health, sanitary conditions, employment etc).

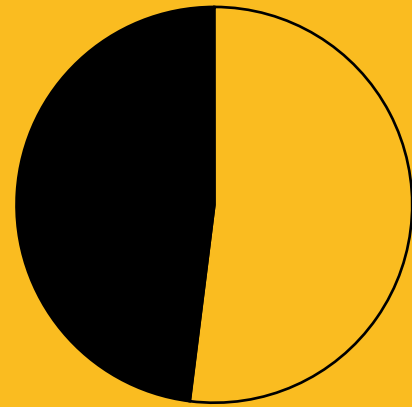
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HUNGARY

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 239,098,700
 □ Energy efficiency renovation: 250,323,411

In 2014-2020 Hungary is one of the countries that allocated the most under energy efficiency renovation (**€250 million**) and under housing infrastructure (**€239 million**). Hungary put a strong emphasis on operations related to social inclusion of Roma segregated population and energy efficiency refurbishment to rehabilitate run-down neighbourhoods. In the 2014-2020 programming period, with the help of EU co-financing Hungary would like to make interventions that help to improve the situation of people living in every 7th segregates. Several Operational Programmes are involved in this process¹⁸.

The Human Resources Operational Programme (EFOP) supports complex territorial rehabilitation programmes in non-urban settlements. In addition, two other OPs are aimed at integrating people living in segregates through social urban rehabilitation programs: the Territorial- and Municipal Development Operational Programme (TOP) in segregates located in cities and county capitals, the Competitive Central Hungary Operational Programme (VEKOP 6.2.1.15, 6.2.2.15) in the segregates of Budapest and towns of Pest county-VEKOP).

In the Human Resources Operational Programme (EFOP) it is expected that complex programmes will start in more than 110 settlements with a total budget of €71,19 million. The programmes aim to improve the housing conditions of people living in socially excluded settlements, to provide infrastructure development, and to support the social inclusion and integration of these disadvantaged people living in extreme poverty. For the improvement of the living conditions of the inhabitants of the settlements, and for infrastructural development €73,94 million is available; and for the technical assistance and methodological support €7,11 million is available. Going into detail of the Territorial and Municipal Development Operational Programme, four calls support the social urban rehabilitation that have an impact on housing:

1. TOP 4.3.1-15 infrastructural development in cities – with the support of ERDF

The total budget of the call is €55 million and the target beneficiaries are municipalities. According to the Partnership agreement every 7th segregates should benefit from the call¹⁹. The two indicators for beneficiary cities are the low rate of education level and unemployment. As for the operations, they can have two dimension: Firstly, 70% of the operations can be covered by ERDF and can include energy efficient refurbishment, construction, capacity building, housing purchase for social rental purposes, refurbishment of common spaces of multi-apartment buildings. Secondly, the call prescribes the obligation to link the operation it with 5.2.1 ESF community development and social work, therefore this dimension should represent minimum 30% of the operations.

2. TOP-4.3.1-16: Rehabilitation of degraded urban areas

The call prescribes the obligation to link the operation it with 5.2.1 ESF community development and social work, therefore this dimension should represent minimum 30% of the operations. Total budget is €9,4 million (call published: march 2017).

3. TOP-6.7.1-15: Rehabilitation of degraded urban areas in county capitals

The total budget of the call is €9,4 million (call published: dec 2015) and it prescribes the obligation to link it with 6.9.1 ESF measures (social inclusion, community development and social work).

4. TOP-6.7.1-16: Rehabilitation of degraded urban areas in county capitals (2nd call)

The total budget is €20,3 million (obligation to link it with ESF measures). It is to be noted that the total budget of the calls are defined by the Annual Development Framework, which means that only part of the indicated budget can specifically used for housing purposes. Normally this means about 30% of the indicated budgets. More information concerning the supported projects and specific programmes: <http://bit.ly/2kjXAgE>

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¹⁸ The Housing Strategy was adopted by the Government in August 2015 and made public by Resolution 1686/2015 (IX.25). It sets the main principles of the actions which can be found here: <http://bit.ly/2D4LP5z>

¹⁹ Paragraph 10, 314/2012 Governmental decree

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Projects

Rehabilitation of degraded urban area of Vasgyár and social reintegration of affected population in the city of Miskolc:

Beneficiary	Municipality of Miskolc
Total budget	€2,26 million (88% from ERDF)
Timeframe	2016 - 2019
Operations	<ul style="list-style-type: none"> • Retrofit of 51 municipal social housing in poor state • Demolition of 30 residential property in bad condition • Construction of a public community space altogether with social inclusion measures

Contact City of Miskolc:
<http://www.miskolc.hu/>
 More info:
<http://bit.ly/2CER1fw>
 Project portal:
<http://bit.ly/2kjXAgE>

The project aims to renew urban areas altogether with the social reintegration of the affected population and their catching-up. Beyond the modernization of municipal social housing in poor state and the demolition of 30 residential property in bad condition, the project will also ensure a cooperation with residents involved in housing-related interventions. In terms of operations public utilities will be developed (construction of water pipes, sewage pipelines, renovation of rainwater drainage). In addition the construction of a playground, sports ground and community garden would ensure a liveable area. Concerning the social inclusion works, family counselling and active social work, mentoring activities strengthening the employment competences, implementation of community organization programs are planned. Integrating the affected people in employment (e.g. locally-based employment programs (e.g. construction, trained work) is also crucial for the long-term impact. Finally, the project will also contribute to the establishment of a public community space which would serve as a place for family assistance, community organization, education and cultural programs.

Social inclusion of segregated communities through an integrated urban rehabilitation program in the city of Kaposvár:

Beneficiary	Municipality of Kaposvár
Total budget	€647 249 (88 % from ERDF)
Timeframe	2016 - 2019
Operations	<ul style="list-style-type: none"> • Retrofit and reconstruction of 12 social rental apartments of the municipality

(energy efficiency measures & installation of solar panels)
 • Creating a community garden and communal composting site
 • Demolition of 2 break-down apartments

Contact Project portal:
<http://bit.ly/2kjXAgE>

The project aims to improve the living conditions the tenants living in the social housing stock of the municipality as well as to create a liveable community in such a way that the social skills and self-preservation of the people living here can be improved through the opportunities offered. The strategic objective is the social inclusion through an integrated program, including segregated segments in the Cseri suburbs: physical renewal of the residential environment (renovation of buildings, institutional renovations, public and community development, activities to enhance the residential function). At the end of the operations, each of the 12 apartments will have a private bathroom, a private toilet and a storage room. The apartments are thus comfortably equipped, with electric current, gas boiler-operated gas heating, hot and cold water supply. There are altogether 24 solar cells on the south-facing roof of the building which are connected to individual electricity meters per apartment. (6 solar cells with 260 watts per dwelling).

Major technical interventions planned during the reconstruction of residential buildings:

- Asbestos removal of the roof of a residential building.
- Façade insulation improves energy efficiency.
- Renovation and insulation of roof structure, roof, facade, slabs.
- Modernization: design of individual gas heating systems, exchange of internal conduit systems (water, drainage, gas).
- Floor plan rescheduling of flats to enhance comfort and comfort (floor space expansion, interior wall dismantling, tiling, etc.).

Other activities include the establishment of a community garden altogether with a communal composting site, the renovation and construction of the fence of the property, establishment of accessible parking space, and accessibility measures in the buildings.

Urban rehabilitation program in the city of Pécs with re-settlements of residents:

Beneficiary	Municipality of Pécs
Total budget	€1,97 million (88% from ERDF)
Timeframe	2016 - 2019
Operations	<ul style="list-style-type: none"> • Renovation of 137 municipal housing • Re-settlements of the residents during the works • Soft measures: social work, community programmes, mentoring

Contact Project portal:
<http://bit.ly/2kjXAgE>

The project focuses on infrastructure interventions and in the long run with the aim of the developing the Eastern part of the city. That is why the project should also cover segre-

gated areas and areas adjacent to vulnerable areas. Obligatory activities include the rehabilitation of temporary housing and the re-settlements of residents (moving + container houses). Other complementary actions include a continuous social work, which according to the specific requirements of the call, takes place in such a way that the persons concerned are prepared during the 6 months prior to the commencement of the construction work.

Community motivation, community building, forums, workshops, thematic presentations will be organized hand in hand with Clubs of activities such as Handicraft Club, Photo

and Film Club. In addition, designing and organizing community programs is helping the target group to learn more about health, culture, public security, sport. The activities will be carried out through a strong mentoring which aims to strengthening the social integration of residents. The implementation of the project does not involve the displacement of the low-status population due to the appreciation of the area but the contrary: the goal is to provide modernized social housing for these vulnerable target groups and to improve the housing conditions that can significantly enhance their social integration and improve their quality of life.

IRELAND

In the 2014-2020 period, Ireland invests ERDF support only in energy efficiency renovation, but not new construction (housing infrastructure expenditure). The total allocation amounts to **€84,5 million**. Concerning the Southern & Eastern region (S&E), the overall objective of Priority Axis 4 is to support the shift towards a low-carbon economy in all sectors. Specific objectives include improving energy efficiency in the housing stock by focusing on supporting energy efficiency, smart energy management and renewable energy use in public infrastructures, including in public buildings, and in the housing sector. Overall, implementation is well advanced with the exception of the apartment scheme which is commencing with a pilot in 2018. Achievements are in line with targets and expenditure has been incurred in accordance with the profile. By the end of 2016, €67 million had been spent on the co-funded initiatives by the participating schemes. This amount represents approximately 50% of the overall allocation to the priority. The three schemes are progressing well with the energy consumption classification having been improved for 16,365 households during 2014 - 2016:

1. Apartment Complexes scheme: targeted at 2,000 older flat complexes located in Dublin, Cork & Limerick which are seriously thermally deficient. The scheme will commence with a pilot in 2018.

2. Social Housing Energy Efficiency Retrofitting Programme: the principle objective of this scheme is to meet Ireland's commitments in relation to carbon emissions reduction and energy reduction targets for 2020. A key objective of the scheme is to provide funding to local authorities that have the greatest social housing targets and whom can return the maximum number of units to a lettable, energy efficient condition at reasonable cost. Minimising voids is a targeted measure that focuses exclusively on vacant properties with the objective of returning these to productive use as quickly as possible. The scheme focuses on retrofitting of the fabric of the dwelling and applies to all local authorities in the region. Up to end of 2016, 5,475 vacant units were retrofitted in the region with total expenditure of €26.85 million reported under the scheme. The average energy efficient work cost per unit in 2014 was €5,543, €5,929 in 2015, and €6,034 in 2016.

3. The Better Energy Warmer Homes Scheme: Managed by Sustainable Energy Authority of Ireland (SEAI) and the Department of Communications, Climate Action and Environment and is the energy poverty counterpart to the Better Energy Homes scheme. It targets privately owned housing units of low-income households at risk of energy poverty. The scheme aims at improving the energy efficiency of the household at risk and in the process, reduce the amount of expenditure that is required to be spent on energy. It is free of charge to low income households vulnerable to energy poverty. In 2016, 11,376 low-income households in the S&E region have had their energy efficiency improved:

Beneficiary Sustainable Energy Authority of Ireland (SEAI)

Total Budget €21million in 2017, €40 million in 2016 (partly from ERDF)

Timeframe Regional Operational Programme 2014 - 2020

Operations Funding energy efficiency improvements in the homes of the elderly and vulnerable, making the homes more comfortable, healthier and more cost effective to run

Contact Department of Communications, Climate Action and Environment Sustainable Energy Authority of Ireland: Patricia Byrne patricia.byrne@dcca.gov.ie
More info: <http://bit.ly/2BeQGUy>

Local Authority Housing Upgrade Scheme

Local Authority Housing Upgrade Scheme operates a number of programmes targeted at those homes owned by the state and provided to people with low incomes. Similarly to the Warmer Homes scheme, local authority housing tenants receive the energy efficiency upgrades free of charge. Around €50m has been allocated for energy efficiency work in 2016 and we expect that this will increase to €70m next year²⁰. Concerning the Border, Midland & Western Region Operational Programme, Priority 4 focuses on the low carbon economy.

This priority focuses on supporting energy efficiency, smart energy management and renewable energy use in public infrastructures, including in public buildings, and in the housing sector and had a budget of €36m in the Border, Midland & Western Region of Ireland. Expected result is to improve the energy consumption classification of 10,194 households and reduce greenhouse gas (GHG) emissions by 4,560 tonnes.

The priority consists of two schemes:

1. Retrofitting of Social Housing and Vacant Social Housing (DECLG)

The retrofitting scheme will focus on 834 older properties with solid masonry wall construction with a view to retrofitting attic/roof and wall insulation. Due to the higher cost of providing either external wall insulation or internal dry-lin/insulation, grants of up to €10,000 per dwelling will generally be payable to local authorities. The funding will include the replacement of poorly performing doors and windows where necessary.

Properties in all local authority areas are eligible for funding. Over 4,000 social housing units nationally are vacant at present. A targeted measure is being introduced which will focus exclusively on vacant and boarded-up properties with the objective of returning at least 360 of these in the BMW region to productive use as quickly as possible. Funding of up to €30,000 per unit will be provided for a suite of retrofitting works.

The programme will focus on retrofitting of the fabric of the dwelling (insulation of walls/roofs, heating system improvement, etc). The measure will apply across all local authorities in the region.

2. Better Energy Warmer Homes Scheme (SEAI)

As detailed above, the scheme is targeted at low-income households at risk of energy poverty and is implemented country wide.

²⁰ More info: <http://bit.ly/2kOCHJM>

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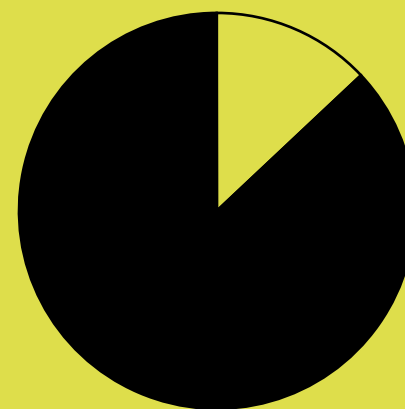
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Operational Programme executive summary:
<http://bit.ly/2B0oe4y>

ITALY

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 284,020,658
□ Energy efficiency renovation: 41,334,286

Based on the Open Data platform, we can see that Italy allocates over **€284 million** for housing infrastructure and **€41,3 million** for energy efficient renovation of existing housing stock, demonstration projects and supporting measures. According to the information provided by the Italian Authority for Territorial Cohesion, the housing infrastructure related actions in the Partnership Agreement 2014-20 are part of the expected result 9.4 "Reduction of the number of families with social fragility and economic conditions in housing discomfort" (see table 1). The uptake of the funds at the moment is about 20% (see table 2) as the selected ERDF projects amount to more than €92 million under housing infrastructure (code 054) and more than €3,6 million under 'Energy efficiency renovation of existing housing stock' (code 014). A very significant program on housing-highlighted by the Italian Authority for Territorial Cohesion is the multi-fund National operational program "Metropolitan cities 2014/2020", dedicated to sustainable urban development²¹. It combines ERDF, ESF with national financing and aims to improve the quality of services and to promote social inclusion in 14 metropolitan areas. Two axis specifically address social inclusion and, in particular, are designed to reduce housing deprivation with a combined mix of housing related funding opportunities: in Axis 4, providing ERDF financial support for housing infrastructures and in Axis 3, providing ESF support for Housing services.

²¹ Info on priorities and total amount: <http://www.ponmetro.it/eng/>

TABLE 1 - Allocated ERDF 2014-2020 resources (no national co-financing included) on 15/09/2017:

Intervention Code	Intervention Description	Total Intervention Amount	Intervention Amount per Region	Category of Region
014	Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures	€41,334,286	€21,368,046	Less developed
			€15,553,340	More developed
			€4,412,900	Transition
054	Housing infrastructure	€284,020,658	€222,173,457	Less developed
			€55,833,129	More developed
			€6,014,072	Transition
In total		€325,354,944		

TABLE 2 - Selected ERDF projects under TO4 -low-carbon economy (no national co-financing included) on 31/08/2017:

For Territorial Dimension, Economic Dimension, see Commission Implementing Regulation (EU) No 215/214, Annex I: <https://publications.europa.eu/en/publication-detail/-/publication/d59acc65-0f97-4b1e-a1fc-ae050a010aad>

Category of Region	Intervention Field	Territorial Dimension	Economic Dimension	Total Eligible Cost of Selected Proj.	Public Eligible Cost of Selected Proj.
More developed	014	07		€3,628,545.32	€972,674.92
More developed	054	01	18	€50,561,500.00	€50,561,500.00
Less developed	054	01		€42,000,000.00	€0.00
In total				€96,190,045.32	€51,534,174.92

Following a formal delegation of tasks, the 14 metropolitan cities (designated as “intermediate bodies”) have submitted to the managing authority their action plans including interventions related to the five Axis, according to the overall strategic framework and criteria defined at national level.

- Within Axis 3 (Services for Social inclusion) two Actions aim at reducing housing deprivation: Action 3.1.1 - Integrated actions to fight housing deprivation and Action 3.2.1 - Housing accompanying measures for marginalized communities; the 14 cities are implementing 39 interventions within the first action and 11 within the second one, for a total amount of financial resources allocated of € 106.7 million.

- As for Axis 4 (infrastructures for social inclusion), metropolitan cities are implementing 45 interventions within Action 4.1.1 - Building restructuring for social housing, for a total amount of resources allocated of €111.6 million.

Furthermore, some managing authorities also provided with dedicated information:

- The Lombardy Region developed soft behavioural policies in building renovation. The Interreg community project THE 4BEES “Transnational Holistic Ecosystem for Better Energy Efficiency through Social Innovation”, co-funded by ERDF through the CTE 2014-2020 Alpine Space Program under the “P2 Alpine Space Low carbon emissions” is focused on changing behaviours to reduce energy consumption. More information can be found below.

- In Bolzano region from the €39.35 million allocated to priority axis 3 (thematic objective 4) the ERDF regional operational programme 2014-2020 plans to invest in refurbishment work to achieve energy efficient public buildings in general and buildings for social housing €22.03 million (16,13% of total resources). To date, all the funds have been put out to tender, some €9.5 million has already been approved (16 projects), and the remainder is still under way.

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Ministry of Labour
 Administrative Officer: [Stefania Pizzolla](mailto:Stefania.Pizzolla@lavoro.gov.it)

Projects

Energetic renovation of a social housing building in Dobbiaco:

Beneficiary	Institute for Social Housing in the Province of Bolzano
Total budget	Authorized total costs: €318.200,00 Authorized public contribution: € 270.470,00 (ERDF = €135.235,00)
Timeframe	2016 - 2018
Operations	Energetic renovation of a social housing building (6 apartments+garages) Objective: building to be brought to a standard-KlimaHaus "C" • Replacement of the external terminations • Thermal insulation of the façades by a thermal insulation composite system • Thermal insulation of the top floor • Thermal insulation of the first floor • Thermal insulation of the stairwell walls to the cold areas in the lower floor or installation of a door as a separating element • Correction of the different heat bridges, for example in the area of the balconies.
Contact	Mr. Domenico Russo, Istituto per l'Edilizia Sociale dell'Alto Adige, domenico.russo@ipes.bz.it

The residential building, completed in 1981, comprises 6 apartments and adjoining rooms, as well as garages, which are entirely owned by the housing construction institute. The project relates to the energetic renovation of the entire building. The Institute for Social Housing in the Province of Bolzano therefore intended to refurbish the existing buildings in an energy-efficient manner so that the entire energy efficiency of the building is brought to a standard-KlimaHaus "C". The existing balconies are heat-insulated according to the recommendations of the KlimaHaus-Agency. In addition, the entire electrical system is controlled and updated, and a satellite TV antenna is installed. The building is already connected to the network of district heating.

Interreg (transnational) project. Transitional holistic ecosystem for better energy efficiency through social innovation:

Beneficiary	Lead partner: CSI Piemonte (IT) Other partners: Lombardy Region (IT), ALER Bg-Lc-So (IT), E-Zavod (SI), KSENA-Energy Agency for Savinjska, Šaleška and Koroška region (SI), Research Studios Austria Forschungsgesellschaft mbH (AT), HES-SO Haute école d'ingénierie et d'architecture de Fribourg (CH), Association HESPUL (Rhône-Alpes) (FR), Rhônalpénergie-Environnement (FR), CSP innovazione nelle ICT (IT), CNR-IEIT Istituto di Elettronica e di Ingegneria dell'Informazione e delle TLC (IT), Baden-Württemberg: Connected
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	e.V. (DE), IREES - Institute for Resource Efficiency and Energy Strategies (DE)
Total Budget	€ 2.694.646,65 (€ 2.290.449,00 ERDF)
Timeframe	2015 - 2019
Operations	<ul style="list-style-type: none"> • Awareness raising • Study of best practices • Development of co-creation and co-design labs • Experimentation by energy users (tenant of Social Housing in Sondrio) • Wrap-up of results and draft of "soft policies" in the field of energy and territorial development
Contact	Lisa Cosmi from CSI - Italy lisa.cosmi@csi.it More info: http://bit.ly/2dCmYg2

The project is based on the hypothesis that “Who consumes energy are people, not just buildings”. Therefore, the project focuses on the behavioural changes of energy consumers needed to reduce energy consumption. Such changes will be induced and supported by the use of ICT applications developed by a transnational IT ecosystem. Applications will then be tested by users themselves in public buildings, later measuring the energy savings they make. Draft policies will also be implemented to guide policy makers in implementing energy performance standards. The objective is to address the problem of energy saving, fuel poverty, with soft measures, alongside the structural measures for the construction/renovation of buildings. Expected results include awareness about energy efficiency and energy saving issues; realization of computer tools to support behavioral change of energy users and development of guidelines for energy efficiency and territorial development.

Combining ESF and FEAD to help social inclusion of homeless:

Beneficiary	Metropolitan cities and municipalities with more than 250.000 inhabitants and 1. 000 homeless/deprived persons; Regions (directly or delegating local authorities)
Total budget	ESF and FEAD: € 100 million (50% + 50%)
Timeframe	2016 - 2019
Operations	Developing new systemic and structured responses and ensure tailor made interventions: integrating services, empowering cooperation, implementing social intervention plans
Actions on inclusion (ESF)	<ul style="list-style-type: none"> • Promoting integration between infrastructural intervention on houses and hosting structures and supporting measures leading homeless people to independence • Preventing homelessness through activities addressed to people in de-institutionalization and/or at risk of social exclusion

- Strengthening and integrating low threshold intervention with early intervention services.

Actions of FEAD	<ul style="list-style-type: none"> • Supporting low threshold services (distribution of basic goods); • Distribution of other goods (equipment for transition houses as part of housing inclusion paths, tools for trainings, etc.) within a supporting measure aiming at enhancing personal independence. • Accompanying measures by partner organisations (social secretariat, support in accessing services, multidimensional measures) should be ensured.
Contact	Stefania Pizzolla, Administrative Officer, spizzolla@lavoro.gov.it

Since the definition of the Partnership Agreement in 2014, the Ministry of labour and social policies has shaped the national policy for homeless and most deprived persons through a complementary use of EU Funds and national funds.

The goals of the complementary ESF and FEAD Operational Programmes (NOP and OP I FEAD) include overcoming emergency approaches, promoting systemic and structured responses and ensure tailor made interventions. In detail:

- FEAD: not only provision of basic relief for emergency situations, but a strategic instrument for social inclusion of the most vulnerable people.
- Operational Programme I FEAD, Measure 4 “Homeless and other vulnerable groups material deprivation”
- ESF: strengthen the public services network to facilitate the social first aid, working in synergy and complementary with FEAD according to the same policy strategy.
- NOP “Inclusion” Axis 1 and 2 Action 9.5.9 - “Funding projects in main urban areas with specific interventions aiming at reinforcing the early social interventions for homeless people and supporting them in independence paths”.

The actions aiming at developing integrating services, empowering cooperation among services while implementing intervention plans at local level. Both social inclusion actions and supplying of goods should be implemented complementarily to other social and inclusion action plans financed by other ESF programmes, such as NOP «Metropolitan cities», Regional Programmes and other actions supported by NOP «Inclusion».

LATVIA

According to the operational programme "Growth and Employment" 2014-2020, **€247,85 million** ERDF funding is planned for the energy efficiency measures (under SO 4.2.1) in the housing sector. From the available amount at the moment (as per end of June 2017) €134 million contracted and €5,6 million paid to the final beneficiaries. The relevant priorities are the following:

4.2. Investment priority: to support energy efficiency, smart energy management and renewable energy use in public infrastructure, including in the public buildings, and in housing sector.

SO No.4.2.1. Promote the increase of energy efficiency in public and residential buildings.

- Energy efficiency in the sector of public and residential buildings will be improved, by decreasing heat consumption and ensuring sustainable use of energy resources.
- Energy efficient renovation of the buildings owned or used by the state and residential buildings planned within the framework is crucial for a wide target group across the whole territory of Latvia.
- Heat consumption for heating will be reduced by decreasing energy costs for households - Latvia currently consumes approximately twice as much energy as EU on average with the same level of wellbeing and Latvian households spend greater part of their budget on energy than EU on average. It will be envisaged that required heat energy consumption after energy efficiency measures according to the building's energy efficiency assessment calculations will be at most 90 kWh/m² year.
- Investment in the promotion of use of renewable energy sources (RES) will be ensured. The housing sector has the potential for the use of RES that is to be supported, if high energy efficiency indicators are achieved in the building and installation of RES equipment along with energy efficiency measures is economically justified.

ERDF specific result indicator:

Indicator	Average heat consumption for heating
Measurement unit	kWh/m ² /a year
Baseline value	150 (2012)
Planned value (in 2023)	120

Indicative activities to be supported: renovation of state and residential buildings for the increase of energy efficiency, energy certification of buildings and construction works for the increase of energy efficiency, as well as use of RES in buildings. Positive financial return of investments and cost of energy for end users are the most important criteria for support.

Indicative target group: owners of residential buildings, state institutions, state capital companies (if property right to the respective building is secured in favour of the state and the building is used for public administration, fulfilment of education, culture, health or social functions), associations and foundations (if the tasks or obligations delegated by the

state in the social area are performed in the building), energy services providers.

Indicative financial instruments: in implementation of the call "Energy efficiency measures in residential buildings" it is considered to combine of different forms of support. Use of reimbursable grants creates a long term mechanism to renovate residential buildings, so there will be an opportunity to repeatedly recycle financing of CF fund. Thus the total number of renovated households in longer perspective will be higher. To promote energy efficiency, administrative load in the implementation of energy efficiency measures will be reduced, access to finance will be increased and sustainability of public funding will be ensured, thus motivating to implement complex renovation projects and achieve high level of energy efficiency. High requirements in relation to both the level of energy efficiency to be achieved and the return of the invested funding will be set as the main criterion for the selection of projects, in order to ensure that the made investments are economically justified and provide high energy savings and energy cost reduction for end user in relation to investments.

ERDF common and specific output indicators:

Indicator	Measurement unit	Target value (in 2023)
Number of households with improved energy consumption classification	Households	14,286
Decrease of annual primary energy consumption of public buildings	kWh/a year	36 347 000
Average heat consumption for heating in residential buildings after energy efficiency measures	kWh/m ² /year	90
Additional RES production capacity	MW	4,8
Estimated annual decrease of GHG	tons of CO ₂ equivalent	22 039

Information on implementation progress is available on the Latvian EU funds website: www.esfondi.lv

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Projects

Renovation of 45 apartments built in 1972:

Beneficiary	Saullēkti, Mundīģciems, Libagu pagasts, Talsu novads, LV 3258 - Residential building (special project, Hruscovka type building) 5 floors, 45 apartments, total area 2485 sq.m., built in 1972
Total budget	Project total eligible costs: € 292 397.22 1.1. Grant amount: € 146 198.61 (50%) 1.1.1. ERDF amount: € 124 268.81 1.2. private co-financing: € 146 198.61
Timeframe	17.05.2017 - 11.09.2017
Operations	Facade renovation, roof replacement, basement insulation, facade insulation, roof insulation, installation and rebuilding of internal engineering networks
Contact	Linda Mastīņeca, linda.ma@inbox.lv

Renovation of a multi-apartment building (70 apartments):

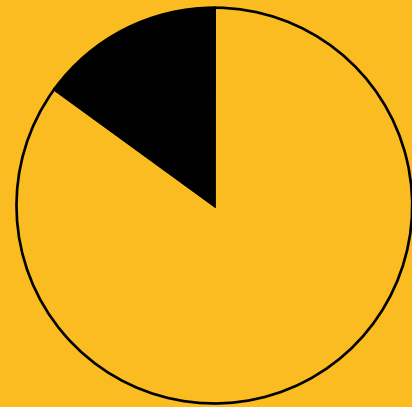
Beneficiary	Vītolu iela 27/33, Liepāja, LV-3401 Residential building - 5 floors, 70 apartments, total area 3582.2 m ² , built in 1960
Total budget	Project amount: € 296 950.69 1. Project total eligible costs: € 296 950.69 1.1. Grant amount: € 148 475.34 (50%) 1.1.1. ERD amount: € 126 204 1.2. Private co-financing: € 148 475.34
Timeframe	2.05.2017 - 28.02.2018
Operations	Facade renovation, basement insulation, facade insulation, window replacement, heating system reconstruction
Contact	Dace Ādolfa, dace.adolfa@apse.lv



**SOCIAL INCLUSION
& REGENERATION
of DEPRIVED URBAN
AREAS**

LITHUANIA

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 49,931,530
□ Energy efficiency renovation: 288,171,919

Under the Lithuanian 'Operation Programme for the European Union Funds' Investments in 2014-2020', there are two Specific Objectives dedicated to housing issues:

A) 4.3.1 'Reduce energy consumption in public infrastructures and multi-apartment houses'

Energy efficiency grew rapidly in the past decade (2000-2010) in Lithuania. However, despite the positive developments, energy consumption is still much higher than the average in the EU or old Member States. Therefore, renovation of multi-apartment buildings and public buildings may achieve from 30 to 50% of the energy efficiency potential. To achieve the targets on energy efficiency, investment will continue into energy efficiency improvements in old multi-apartment, residential and public buildings. Successful renovation of residential buildings requires a wider use of management and social innovation in this area, namely district-wide renovation, renovation under the Energy Service Company (ESCO) model, more inventive promotion and management of complex renovation. The targeted economic energy saving potential is 5.2TWh in residential buildings and their engineering systems and 2.5TWh in public buildings and their engineering systems.

Relevant indicator:

Indicator	Final energy consumption in the service and household sectors
Measurement unit	thou. toe
Category of region	Less developed
Baseline value	2,109.6
Baseline year	2011
Target value (2023)	1,680

Actions to be supported:

- Renovation and modernisation of multi-apartment buildings through energy efficiency enhancement measures (including residential buildings of social groups). Funding will be provided for the enhancement of energy performance of buildings and for other building renovation (modernisation) including major renovation measures (restructuring, replacement or installation of heating and hot water supply; thermal insulation of façade walls; replacement of lobby doors and windows in all apartments with more thermally resistant ones; introduction and installation of RES technologies in the buildings so that they can be classified at least as Class C buildings etc.
- Renovation and modernisation of buildings used by state, municipal authorities and institutions. Support will be provided for the renovation of buildings used by state, municipal authorities and institutions owned and/or managed on other legal grounds by state or municipal authorities and institutions.
- Promotion and supervision of renovation of public buildings and multi-apartment buildings. It is envisaged to finance promotion activities (publicity of renovation of public buildings and multi-apartment buildings, information and consultation of managers of public buildings and owners of multi-apartment buildings), to prepare standard and investment projects, supervise and control project implementation.

B) 8.1.2 Facilitate access to social housing for the most disadvantaged social groups

In Lithuania, only a small share of the demand for social housing is currently met. In 2012, the waiting list for the rent of social housing counted over 31 000 persons (families). In 2012, social housing was rented to 1,086 families. The availability of social housing is the biggest issue in the largest towns (e.g. in 2012, social housing was rented to only 53 families out of 6,289 on the waiting list in Vilnius).

By the data of the Ministry of Social Security and Labour, over 1,520,000 m² of the useful floor-area is needed in total in order to fully satisfy the need for social housing. New draft amendments to the Law of State Support for the Acquisition or Rent of Housing and Renovation of Multi-Apartment Houses provide for a new form of support for the rent of housing, i.e. a partial compensation of rent or lease-purchase payments (families and persons entitled to social housing but renting a housing on market conditions from legal and natural persons have a right to a compensation of a share of their rent or lease-purchase payments).

By the data of survey conducted in 2013, this new form of support would be interesting to about 70% of the persons (families) waiting for a social housing. To provide housing to the remaining 30% of applicants who, due to their social status, cannot afford renting housing on the market, the municipal social housing stock will be expanded, by purchasing, constructing, reconstructing and otherwise adapting existing buildings for social housing purposes. These plans will be implemented by using ERDF and privatisation funds for housing rented on other than social housing conditions. Support for social housing will be coordinated with ESF investments under Investment Priorities 8.3 and 8.4, thereby ensuring an integrated response to problems faced by disadvantaged groups and families and helping them to integrate into the society and the labour market.

Relevant indicator:

Indicator	Share of persons (families) renting municipal social housing, of the total number of persons (families) on the waiting list
Measurement unit	%
Category of region	Less developed
Baseline value	3.6
Baseline year	2012
Target value (2023)	14

Actions to be supported:

Expansion of the stock of social housing: construction, reconstruction and modernisation of buildings to adapt them for social housing purposes; acquisition of residential houses and apartments.

Already spent amounts on housing according to the data of 30 June 2017:

Specific Objective	4.3.1.	8.1.2.
Total EU funding 2014-2020 (ERDF)	339,957,292	49,931,529
Paid to beneficiaries (EUR)	225,585,446	3,773,588
Paid to beneficiaries (%)	66%	8%

The Renovation programme of the multi-apartment buildings reflects the above mentioned objectives. It is one of the country's priority projects aimed at increasing energy efficiency of the most heat-intensive multi-apartment buildings. More information is available below.

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Projects

Jessica II Fund for Multi-apartment Building Modernisation:

Beneficiary	Housing associations handling multi-apartment buildings
Total Budget	€320 million (€150 million ERDF under financial instruments such as loans and guarantees.

Funds managed by the Public Investment Development Agency - VIPA (<http://www.vipa.lt/>):

1. "Multi-Apartment Building Modernisation Fund"
 - Loans for the modernization of multi apartment buildings to increase energy efficiency (EE)
 - €74 million (ERDF) + €50 million (private)
2. "Energy Efficiency Fund"
 - Loans for central government buildings and guarantees for loans granted by commercial banks for street lighting modernization projects
 - €79 million (ERDF) + €19 million (private)

Funds managed by the European Investment Bank (EIB):

1. "Jessica II Fund of Funds"
 - Loans for the modernization of multi apartment buildings to increase EE
 - €150 million (ERDF) + €130 million (private)
2. "Leveraged Fund"
 - Guarantees for the modernization of multi apartment buildings to increase EE
 - €90 million (ERDF) + €10 million (Jessica reflows)

Timeframe	2014 - 2020
Operations	Modernization of over 1500 multi-apartment buildings (37 000 families)
Contact	t.smit@eib.org

The Lithuanian Government has used financial instruments to ensure financing of its "Multi-apartment Modernisation Programme" since 2009 when JESSICA Holding Fund was established. Under the Holding Fund renovation works in 1 072 multi-apartment buildings were financed with €266 million. Under the period 2014-2020 three new funds were established: Jessica II (with €150 million), the Multi-Apartment Building Modernization Fund (MBMF) with €30 million and the Energy Efficiency Fund (ENEF). MBMF and Jessica II aim to attract large private investments in order to increase the leverage of EU funds and to meet the demand for investment. ENEF is a new instrument (€79 million) which gives loans to modernise public buildings.

Jessica II Fund of Funds targets energy efficiency modernisation of residential buildings across Lithuania through preferential loans. By June 2017, €150 million was paid to the fund and another €130 million attracted from private resources, of which €158 million was disbursed through 761 loan contracts. This resulted in improved energy consumption for about 12 000 households and reduced GHG emissions by 25 000 tons. In 2016 the scope of Jessica II was expanded by establishing a Leveraged Fund - a guarantee financial instrument, which is structured to attract additional funds from private sources for preferential modernisation loans to create leverage. It is aimed to attract €500 million of private resources by using €100 million of ERDF funds for the guarantee instrument, which would result in about 1 500 multi-apartment buildings being renovated (30 000 families). The renovated homes will have a significantly reduced energy consumption (up to 60% savings in average) and smaller

energy bills. Until now, 500 multi-apartment buildings have already been renovated, 400 buildings are under renovation and another 500 buildings are in the pipeline. Possibilities of

upscaling the available funding by attracting EFSI are being actively explored.

LUXEMBURG

Due to its most developed nature, Luxembourg region has a very modest allocation in the context of Structural Funds. In 2014-2020, within this tiny budget, Luxembourg has chosen 50 % to support the shift towards low-carbon economy: namely supporting energy efficiency, smart energy management, and renewable energy use in public infrastructure. According to the Open Data platform of the European Commission, **€1 203 638** has been allocated for energy efficiency renovation and demonstration measures however it does not cover affordable or social housing.

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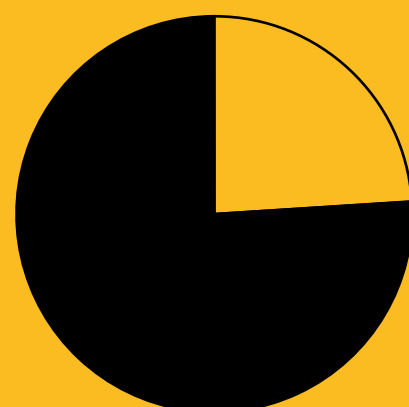
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MALTA

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 15,998,670
□ Energy efficiency renovation: 5,088,170

Malta allocated **€16 million** for housing infrastructure and **€5,09 million** for energy efficient renovation. With the help of ERDF/CF, the Operational Programme 'Fostering a competitive and sustainable economy to meet our challenges' includes a priority for the social housing sector (under Priority Axis,6- Sustainable Urban Development, Investment priority 9 b of the programme). Through the social inclusion

dimension interventions will focus on promoting healthy lifestyles, addressing poverty and social exclusion, including through the shift towards health and social community-based services, and increasing education attainment in further and higher education (including VET).

The energy efficiency in buildings is also part of the programme as well as the Sustainable urban development to be targeted in a holistic manner through measures for social inclusion and an improved urban environment. Until now, no calls for proposals have been launched yet for the priority 6, the reason being that the Sustainable urban Development Strategy is still being finalised.

More information on the OP: <http://bit.ly/2CCLPbZ>
More information on the calls: <http://bit.ly/2AYhHHZ>

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NETHERLANDS

Contact

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Municipality of Pijnacker-Nootdorp
www.pijnacker-nootdorp.nl

In 2014-2020 Netherlands prioritizes to invest in sustainable development, especially in energy efficient solutions. However, the ERDF support for energy efficiency is only available for public infrastructure including public buildings (non-residential buildings owned by public authorities and non-residential buildings owned by non-profit organizations pursuing general public interest). The total allocation is **€9 652 206**. The priorities of the Operational Programmes are as follows:

Programme West (Kansen voor West www.kansenvoorwest.nl)

- Sustainable development (energy efficient solutions, smart energy management, renewable energy use in public infrastructure, including public housing).
- No explicit link to social housing.

Programme South (Stimulus www.op-zuid.nl) and Programme East (Province Gelderland www.op-oost.eu)

- Innovative low-carbon technologies and energy efficiency of dwellings.
- Social housing organisations is one of the target groups.

Looking at the allocation, in the frame of the TO low carbon economy, the Netherlands prioritise the energy efficient renovation of public infrastructure. The overall allocation is a modest €9,6 million. According to the recently submitted annual implementation reports for 2016, no projects have been selected in the Netherlands in the corresponding investment category (13-Energy efficiency renovation of public infrastructure). Concerning the aforementioned Sustainable urban development, 10% of ERDF and 5% of ESF to be invested in actions through integrated territorial investments Amsterdam, Rotterdam, Utrecht and the Hague.

Contact

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EU projects' website in the Netherlands:
<http://bit.ly/2BMfSBe>

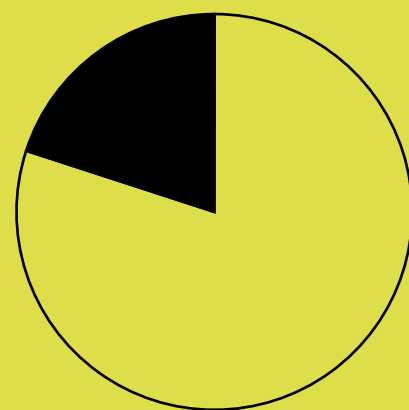
Projects

Beneficiary	Pijnacker-Nootdorp and Ammerlaan
Total budget	€1.516.163 (EU grant: €550.000 from West Programme). Other public funding: €966.163
Timeframe	2016 - 2018
Operations	Construction of an external heat network to transport the (warm) water to and from the homes with the help of the produced geothermal heat

In Pijnacker, glass gardener Ammerlaan (www.ammerlaan-tgi.nl) supplies geothermal heat to 470 apartments, of which 25% are privately owned and 75% of a housing cooperative Rondon Wonen. This is a unique initiative in the Netherlands with the combination of the supply of geothermal heat to the homes using a heat pump. This shows that the transfer of fossil fuels to renewable energy sources in existing housing is possible at low cost. The funding from the West Programme was needed for the construction of an external heat network of 2.8 kilometres to transport the (warm) water to and from the homes. Ammerlaan - bred in 2010 "the first ornamental plant in the Netherlands" successfully to geothermal heat on a 2,200 meter depth bed - found a partner in the municipality of Pijnacker-Nootdorp, who wants to be energy neutral until 2050. The heat distribution network worked from the Ammerlaan energy center to the apartment buildings. As a result, the energy bill of the apartments therefore went towards energy neutrality, and the project achieved a significant improvement in local air quality by reducing greenhouse gases. With the delivery, 10% of the source capacity is involved. In total, Ammerlaan can pump up to 200 m³/hour of geothermal heat. In a short time they will be able to deliver geothermal heat to two new residential areas as well - Tuindershof en Keijzershof which will help the municipality to reach to be energy neutral in 2050.

POLAND

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 202,675,050
 □ Energy efficiency renovation: 799,091,748

Housing (thermal renovation of multifamily buildings) is supported in 16 Polish regional and in the national Operational Programme Infrastructure & Environment (OPIE) mainly within investment priority 4c (ERDF) /4iii (CF) - supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector - in aspect of promoting energy efficiency and renewables. The global allocations show this strong prioritization as Poland allocates the most in the EU (almost €800 million) towards energy efficient renovation, demonstration projects and supporting measures. Housing infrastructure also represents a considerable amount, over €202 million.

As for the Programme on Infrastructure & Environment, over €280 million is allocated from Cohesion Fund to support energy efficiency in the residential multifamily sector under OPIE (Investment priority 4iii). The support for housing sector is available in two measures of the priority axis I Low Carbon Economy:

- 1.3.2 Promoting energy efficiency in the housing sector:
 - allocation - **€225 578 811**
 - type of support - repayable assistance in accordance with state aid rules
 - the EU support rate per project is not more than 85% of eligible costs
 - two calls for proposals were run with the budget currently involved at approximately €53 million. The assessment of applications for co-financing is currently under way. Third call for proposals is planned in Q4 of 2017 with the budget of €70 million.
- 1.7.1 Promoting energy efficiency in the housing sector in Silesian Voivodship:
 - allocation - **€55 442 232**
 - type of support - repayable assistance in accordance with state aid rules
 - the EU support rate per project is not more than 85% of eligible costs

- two calls for proposals were run with the budget currently involved at approximately €54 million. In the first call three projects received funding amounting to €1,4 million. The assessment of applications submitted in the second call is currently under way. The budget of the third call of proposals planned in Q4 of 2017 is about €23 million.

Concerning the regional OPs (ROP), supporting energy efficiency in housing is also available mainly by the category of intervention dedicated to Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures in Priority Investment 4c. Each of 16 ROP's has its own measures of the priority axis dedicated to these actions. Total allocation in 16 ROP's is about €494 million, total agreements EU contribution is €181 million so far. The support offered under the ROP's is non-refundable (subsidies/grants) and refundable (financial instruments).

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Online map of EU investments in Poland covering different programming periods: <http://www.mapadotacji.gov.pl/>
 List of Cohesion Policy beneficiaries broken down by funds: <http://bit.ly/2Bfv76f>

Projects

Dismantling of asbestos-concrete slabs from 9 multi-family buildings of the Housing Cooperative in Piekary Slaskie and their thermo-modernization:

Beneficiary	Housing Cooperative in Piekary Slaskie
Total budget	€1,8 million (Cohesion Fund: €0,93 million through OP Infrastructure & Environment)
Timeframe	01.02.2015 – 31.12.2019
Operations	Thermal insulation and modernization works

Contact Managing Authority:
 Ministry of Economic Development
 Department of Infrastructural Programmes
pois@mr.gov.pl

Implementation Body:
 Voivodship Fund for Environmental Protection and Water Management in Katowice
biuro@wfosigw.katowice.pl

Construction of a 100 Mbps NGA access network in selected areas of the Leżajsk county:

Beneficiary	Enformatic Spółka Z Ograniczona Odpowiedzialnością
Total budget	Total project value: €3,95 million Total eligible expenditure: €3,21 million EU co-financing: €1 959 547 grant (61%)
Timeframe	Sept 2016 - Sept 2018
Operations	Construction of a 100 Mbps NGA access network in 2514 households Under: Program Operacyjny Polska Cyfrowa Priortiy axis: 1. Powszechny dostęp do szybkiego internetu Measure: 1.1. Weliminowanie terytorialnych różnic w możliwości dostępu do szerokopasmowego internetu o wysokich przepustowościach Sub-measure: Brak poddziałania Location: WOJ.: PODKARPACKIE, POW.: leżajski, GM.: Nowa Sarzyna
Contact	ENFORMATIC Sp. z o.o. <i>biuro@enformatic.pl</i>

The project involves the construction of a 100 Mbps NGA access network for the POPC_180801 consumer endpoint (PON FTTH) fiber optic network to eliminate territorial disparities in access to high bandwidth Internet services. The company has the support of the local community for its implementation because it consulted its implementation with housing cooperatives and local authorities. The coverage will cover 2514 households and 3 public facilities. On the basis of the prepared tele-informatic network, they plan to provide broadband internet access to NGA, VOIP and IPTV. The services will be addressed to all stakeholders such as households, local businesses, public institutions and other stakeholders. The service covers all those who primarily have no other option, or do not want to use the services of other operators. Moreover, an additional services will be launched that requires high bandwidth connections such as IPTV.

Revitalisation of Lower Town, New Port and Orunia and Bishop Hill Districts in Gdańsk:

Beneficiary	City of Gdańsk 2 non-government organizations 38 housing cooperatives
Total budget	• Lower Town District: 23 774 840 PLN (510 000 PLN from ESF, 18 452 395 PLN from ERDF) • New Port District: 23 329 850,00 PLN (527 000 PLN from ESF, 18 855 028 PLN from ERDF) • Orunia District: 22 747 402 PLN (515 324 PLN from ESF, 18 471 830 PLN from ERDF) • Bishop Hill District: 28 664 810 PLN (510 000 PLN from ESF,

18 449 046 PLN from ERDF)

Timeframe	2018 - 2023
Operations	In Lower Town District: <ul style="list-style-type: none"> • Renovation of 12 municipal buildings, including area development • Renovation of 36 residential buildings and 15 communal buildings • Social inclusion activities for families at risk of poverty in a residential building and 1 hall adapted • Reconstruction of roads and underground In New Port District: <ul style="list-style-type: none"> • Renovation of 36 residential buildings and 15 communal buildings. Social activities in a residential building and adapted hall • Reconstruction of roads and green areas • Flexibility instrument and social activities will be carried in similar way as in project Revitalisation of Lower Town District in Gdańsk In Orunia District: <ul style="list-style-type: none"> • Renovation of 20 residential housing • Developing surroundings in the case of 5 buildings 12 communal houses. Housing cooperative will carry out land development for around 5 of those buildings. • Renovation of 2 buildings to be adapted for social activities • Reconstruction of roads and underground • Flexibility instrument and social inclusion activities in similar way as in project Revitalisation of Lower Town District Bishops Hill District: <ul style="list-style-type: none"> • Renovation of 38 residential community buildings and 13 communal buildings. 2 locations will be adapted for social purposes • Flexibility instrument and social inclusion activities

Contact • Lower Town District:
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 Aleksandra Przyk
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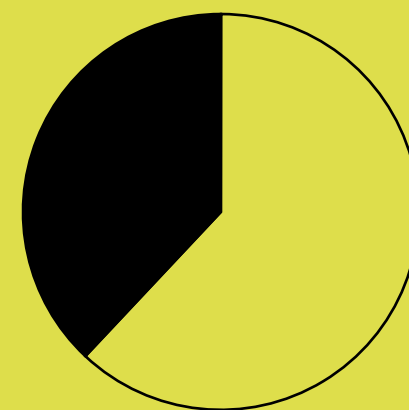
In the different districts overall 131 buildings will be renovated or adapted to social inclusion activities. In the frame of the programme other activities are also planned such as the reconstruction of the roads of about 2.17 km along with the reconstruction of underground infrastructure and ar-

rangement of public spaces and the development of green areas. In addition, the Flexibility Instrument will carry out activities that integrate the local community. The aim of the social project is to reduce the number of people and families at risk of social exclusion by implementing additional social services in the degraded areas (Dolne Miasto / Plac Wałowy / Stare Przedmieście) characterized by a high level of social problems. The target groups are dysfunctional families with no knowledge at to operate the family, especially children and young people growing up in these families. The support for the participants of the project will have the character of individual and comprehensive services in the local environment. The local support system will be based on a day support centre and family support and therapy

centre. Individual reintegration paths will be developed for each participant. Services available within the project will include: new day care centres, educational activities, preventive activities, psychological and pedagogical support, psychotherapy, social skills training, crisis intervention, local community animation, volunteering. The result of the project will be 11 permanent places of social services and support for 75 people at risk of poverty and/or social exclusion, including 15 job seekers. The residents have been involved in the plans and their responses were taken into consideration during final drafting of the proposals. This approach of listening and adapting to the needs of local residents can be transferred to other cities and regions.

PORTUGAL

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 196,760,843
 □ Energy efficiency renovation: 315,886,937

As our previous report of 2015 mentions, residential buildings are explicitly targeted in four OPs: OP Algarve set the priority as improving sustainable integrated urban environment by revitalising cities, regenerating brownfield sites, reducing air pollution, through creating or rehabilitating open space in urban areas, and public or commercial buildings. Operational Programme Norte is targeting the rehabilitation of some 500 households in urban areas. Last but not least, OP Centro aims to provide 940 households with improved energy classification. Finally, Operational Programme Lisboa also sets the target of 613 households in urban areas to be rehabilitated and would like to increase the pour cent

of households with improved energy classification by 96%. In terms of planned expenditure on housing, Portugal allocated a very ambitious envelop for energy efficient renovation works (**over €315 million**) and under the category of expenditure "housing infrastructure" (which is explicitly mentioned in each operational programme) the total allocation is around **€197 million** in Portugal.

Regional Operational Programs of the North, Center, Alentejo, Lisbon and Azores set the promotion of sustainable urban development as their first priority and considering the programming, around one third of this amount is allocated to energy efficiency renovation in social housing. The dedicated Ministry informs that these Regional Operational Programs have opened calls for applications with a total allocation of around €82 million. The aim of these calls is to support the increase of energy efficiency and the use of self-consumption in social housing, to contribute to the increasing of the quality of the buildings, in particular in the improvement of their living condition and comfort, as well as for improving the well-being of generally underserved population segments, reducing the energy poverty of low income families.

In terms of already spent amounts on housing, priority 8 ("Support for the physical, economic and social regeneration of disadvantaged communities in urban and rural areas") under the thematic objective 9 (Promoting social integration and combating poverty and any discrimination) gives the clear picture: **€26 481 000**. The approved projects in the area of social inclusion include not only urban rehabilitation of different urban districts but also of socially excluded and dysfunctional neighbourhoods (Calvário, Valverde, Fernão de Magalhães e Coosofi, Infante D. Henrique neighbourhood). In addition, the expenditure code also includes rehabilitation of historical sites and public buildings. Furthermore, according to the data of September 2017, 5 projects have been approved to invest in social housing. The different municipalities will invest in total €1 007 733 to renovate social housing stock with the support ERDF funding (€814 573).

Operational Programme	% EU funding	Beneficiary	Operation	Total Eligible Expenditure Allocated (€)	Total Approved Fund (€)
Operational Programme of North	85%	Município de Paredes	Social housing of Lordelo	90,065	76,555
Operational Programme of Centro	85%	Município de Leiria	9/9.8 Social District of DAS ALMOÍNHAS - Social housing	235,727	200,368
Operational Programme of Centro	85%	Município de Leiria	9/9.8 Social District of DAS ALMOÍNHAS - Social housing	235,727	200,368
Operational Programme of Lisbon	50%	Município de Sesimbra	Rehabilitation of dysfunctional areas for social housing in the district Infante D. Henrique	120,000	60,000
Operational Programme of North	85%	Município de Valongo	Rehabilitation of social PER do Barreiro	326,214	277,282
In total				1,007,733	814,573

As for the nature of financing, the financial support mechanism makes the distinction between support to private housing (only through financial instruments) and social housing where grants can be used to address energy poverty.

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Operational Programme SEUR (Operational Programme for Sustainability and Efficient Use of Resources):
<http://bit.ly/2kM79Eq>

Open data portal of Portugal: <http://bit.ly/2c8gwtW>

Projects

Improving the living conditions in social housing in the city of Leiria:

Beneficiary Municipality of Leiria

Total budget €235.727,17 (€200.368,10 from ERDF, €37.734,96 national funding)

Timeframe 2016 - 2018

Operations Renovation measures in 13 social dwellings in Leiria

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The Social District of Almoínhas is a Social District located in the Union of Parishes of Marrazes and Barosa, the most populous of the entire county of Leiria, and was built following the identification of the existence of a group of poor families in Leiria in the 1940s and the necessity of their rehousing. In the majority of the houses that are part of the neighbourhood, the surface was sold to the tenants that inhabited them, and the other 13 dwellings remained the property of the Municipality.

The dwellings and their surrounding spaces are continuously degrading. Some maintenance works have been carried out, in particular at the level of coverages, and some interventions have been carried out in order to improve the living conditions demanded by the tenants. The project aims to create decent living conditions in the social housing buildings owned by the Municipality of Leiria and to guarantee the reception of two families in the vacant dwellings, through rent on a supported income basis. The project under the objective of 'Promoting social inclusion and combating poverty' is part of the vision that the current problems of degradation need to be resolved, and the neighbourhood's housing stock need to be significantly improved.

ROMANIA

In Romania, the share of energy in total household expenditure of the lowest quintile of population is among the highest in the EU, i.e. at around 15% as comparing to 8.6% at the EU average. The part of population unable to keep home adequately warm decreased significantly (-18.7%) during the period 2005-2015 reaching 27.3% (above the EU average of 22.7%). This can be explained by low purchasing power but also by low energy efficiency standards of residential buildings. EU cohesion policy makes a key contribution to delivering the Energy Union objectives on the ground, including important investment possibilities to implement energy policy objectives in Romania, which are complemented by national public and private co-financing, aiming at optimal leverage. It also ensures integrated territorial solutions to energy and climate challenges, supports capacity building and provides technical assistance.

In the 2014-2020 programming period, Romania allocated **€562 799 507** under the expenditure of energy efficient renovation, demonstration projects and supporting measures thus it is one of the four Member States that spend the biggest envelop under this expenditure. Based on the information of DG REGIO, biggest part of this budget, at least

€530 million is going to be spent on residential building refurbishment and deeper renovation, in particular for blocks of flats. Budget under the expenditure 'Housing infrastructure' is not explicitly allocated. The 2014-2020 Operational Programme sets the following relevant priorities:

- Promoting the low-carbon economy through investments in energy efficiency in buildings.
- Supporting sustainable integrated urban development and regeneration of deprived urban areas.

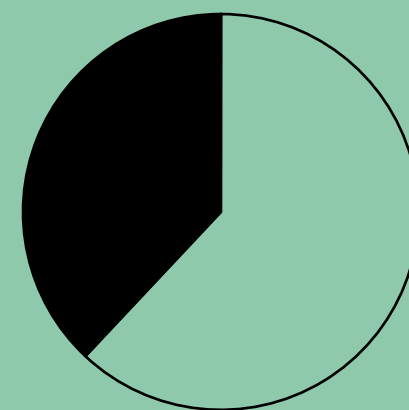
By the end of 2020, through the appropriate measures Romania expects to reduce the energy consumption by 37% in public buildings, and by 51% in residential buildings. At the same time the country also plans to improve living conditions of communities of low income. Combination of ESF and ERDF is planned in integrated local development projects of marginalized communities, especially targeting Roma population. 3 calls were already launched, out which 2 are open respectively until February and July 2018. These investments are expected to contribute to improve energy consumption for around 129 000 households over the period.

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SLOVAKIA

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 71,054,814
□ Energy efficiency renovation: 111,388,554

As per the Open Data Platform, Slovakia will use an extensive amount of money for energy efficient renovation (€111,39 million). The budget is allocated in the "Integrated regional operational programme 2014 - 2020" and the Managing Authority is the Ministry of Agriculture and Rural Development of the Slovak Republic.

In October 2017 the Managing Authority has concluded a financing agreement with the State Housing Development Fund to implement the financial instrument improving energy efficiency of the existing housing stock. It is based on the good practice of the State Housing Development Fund which was implemented in the JESSICA scheme in the previous programming period. The implementation of the "new" financial instrument should start in 2018 (budget €35 million) and the implementation lasts ideally until 2021.

Information about the financial instrument:

Budget: €111 million (ESIF) + €27 million (State budget)
Type of support: low - interest loan (0 - 2% interest rate), maturity up to 20 years

Activities:

- Deep renovation of residential buildings.
- Insulation of residential buildings.
- Removal of systemic faults of residential buildings by thermal insulation.

The final beneficiaries will be individual owners in multifamily housing. Eligible territory of projects are all the region of Slovakia except from the Bratislava region. Concerning the housing infrastructure part of the allocation, the planned expenditure appears in the operational programme Human resources (OP HR) are in amount €71 million EU source.

Under Priority Axis 5, a demand-oriented call to Local Public Order Services (MOPS) in municipalities with MRK is currently open. At the same time, two calls for national projects are announced: monitoring and evaluation of inclusive policies and their impact on marginalized Roma communities

and Support for municipalities to settle the legal relationship to land under Roma housing in Roma settlements. This year, the Ministry of the Interior plans to announce within this priority axis a call for mentoring, tutoring and scholarship support.

In 2017 the Ministry of the Interior announced another call for the growth of the number of Roma households with access to improved housing conditions. In order to meet the objectives of the HR Operational Program, the Ministry of the Interior has available €330 million in funding from the European Union. As for the details, the Ministry is planning a demand oriented call for proposals for "leap" housing (€30 million from ERDF). 'Leap' housing means a step by step approach towards independent housing (Indicators detailed below). Concerning the expected outcomes, the Ministry of Interior of the Slovak Republic is in a process of preparing the mentioned call. The eligible beneficiaries of the upcoming call will be towns and municipalities.

The Ministry of Interior, as the intermediary body for the OP HR, has signed a contract with Slovak Investment Holding, which should support self-built housing initiatives through financial instruments (€10 million from EU source). Through this support (financial instruments), the Ministry monitors

- The number of Roma dwellings with good housing conditions.
- The number of persons using improved housing forms.
- Number of renovated households with improved energy consumption classification.
- The estimated annual reduction in emissions of greenhouse gases due to renovated buildings.

Indicators for housing detailed:

The target values for the programme are given in the OP²² which - among others - include:

- Number of Roma dwellings which achieves adequate living conditions.
- Number of people benefiting from improved housing.
- Number of renovated households with improved energy consumption classification.
- Number of people with improved housing conditions through self-help housing.
- Number of people with improved housing conditions through building/completion of communications networks.
- Number of people improving housing conditions by building a waste collection yard.
- Number of people improving housing conditions by remediation of illegal landfills.
- Number of newly built dwelling units to secure rental housing.

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²² <http://bit.ly/2yY951J>

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SLOVENIA

The Slovenian Operational Programme aims to strengthen efforts particularly in the area of research and development, promote resource efficiency and reduce environmental pressures, boost the growth of employment rates and reduce the number of people at risk of poverty and social exclusion. The Programme does not mention affordable housing, however **€21,5 million** is allocated in energy efficient renovation and demonstration projects. Out of this envelop €5 million is projected to finance energy poverty. Since there is no definition yet on energy poverty, the respective MA is currently determining the appropriate definition.

The current legislation described energy poor the most unprivileged households that use almost 18% of their income for energy consumption. A beneficiary is a receiver of social financial aid and that was not an "extraordinary" social financial aid. Due to past economic crisis the situation regarding energy poverty deteriorated, most common reasons being inefficient and badly isolated housings. In August 2016, 52.087 people received social financial aid. In some cases energy poverty encompasses also retired people with lowest pension (in SI in 2015 48.047 persons). The Government Office for Development and European Cohesion Policy worked together with different stakeholders to determine the exact definition of "energy poverty" and as a result of the consultation process it was found that finding a definition is an extremely complex task, which, however, is not strictly necessary for the implementation of the program, as stated in the Operational Program. The State will therefore give priority to measures of efficient energy use in households that provide long-term results, improve quality and reduce living expenses. In the future, activities are also planned in the area of promotion, education and awareness-raising to maximize the use of subsidies to the most socially weak ones.

Preference will be given to households facing inability to pay energy bills, have cold and humid living conditions, the emergence of health problems due to poor conditions, illnesses, households with low energy efficiency. The eligibility conditions for co-financing and technical and social criteria are also defined, which will be defined more precisely prior to the publication of the public call.

In the first phase different models of solutions to reduce energy poverty will be defined and potentially interesting solutions will be identified. It is necessary to include the Ministry of Labour, Family, Social Affairs and Equal Opportunities in the process of preparation of this analysis as the Ministry has some measures already planned. The Ministry of Labour will choose the most suitable solutions from the set of solutions or suggest others. It is necessary to search for criteria to identify the suitable households. In the first year, the minimum use of funds is foreseen due to the establishment of the system itself.

Due to this, a slightly lower response in 2018 is expected. In 2018, the implementation of measures for the elimination of energy poverty in approximately 50 households, and thus achieving 10% of objectives in the financial and content area. According to the proposal, the funds will be used as follows: year 2018: €500,000, year 2019: €1 million, year 2020: €1 million, year 2021: €1million, year 2022: €1.5 million. The operations will have to be completed physically and financially no later than 31st October 2022.

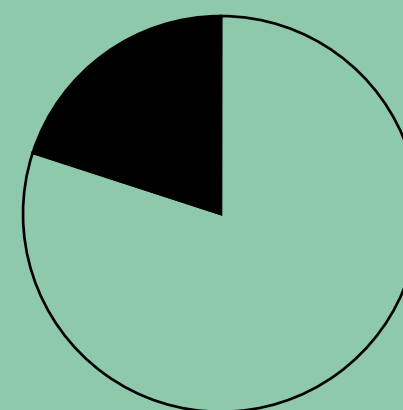
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SPAIN

Share of energy efficiency renovation and housing infrastructure (in eur):



■ Housing infrastructure: 147,985,979
□ Energy efficiency renovation: 589,653,528

As our report of 2015 mentioned (Structural Funds and housing in 2014-2020), Spain has set up an ambitious Strategy for the rehabilitation of the energy in homes. The new Plan for infrastructure, transport and housing 2012-2024 (PITVI) was put forward by the Ministry of Development focusing on the main societal challenges. Therefore, the metropolitan regions are planning to launch development programmes related to access to housing and integrated actions towards marginalized urban areas.

Going more in detail, the allocation for energy efficient renovation is based on commitments of the National Action Plan for energy saving and efficiency 2014-2020 (to achieve savings of 383 ktoe/year by 2020). The significant allocation of **€589 million** will mostly be used in the metropolitan regions in the frame of aforementioned integrated actions in the marginalized urban zones.

Concerning housing infrastructure, Ceuta, Madrid, Melilla, Murcia and Canary Islands plan actions to build social housing. The target of Madrid is 439 social dwellings and Ceuta aims to decrease up to 36 % the number of people in risk of poverty by building/using social housing.

Regarding the target of Madrid, the Specific objective 9.b.1 of the Programme contains details on the actions: 'To achieve the objective of supporting the physical, economic and social regeneration of communities in disadvantaged urban and rural areas', the Operational Programme will support the plans for the relocation of the marginalized population allowing to abolish ghettos in the Region, among others in the municipalities of Coslada, Rivas Vaciamadrid, Madrid and Vicálvaro and the settlement of Río Guadarrama in the municipalities of Móstoles and Arroyomolinos, as well as other small Shanty towns scattered throughout the region. In particular, the ERDF Operational Program will contribute to the financing of the costs of acquisition and rehabilitation of the necessary housing for the relocated families. The re-

habilitation works will be necessary to provide the rehoused families with suitable conditions. These actions- apart from their direct effects of reduction of poverty- will be accompanied by additional measures in relation to the social and labour integration of rehoused families, which will be financed with national funding or EU funds.

The rehousing process carried out seeks an equitable territorial distribution of rehoused families throughout the territory. With regard to the allocation of housing to families, criteria is based on the socioeconomic characteristics of the families, as well as the availability of housing in the target locations. The homes acquired shall be used for a period of minimum 20 years. This period may be reduced to 5 years, knowing that ERDF aid is originally allocated for the purchase and could be reallocated to acquire new homes for the same purpose. In terms of the nature of financing, both grants and financial instruments will be used. As for implementation of the relevant measures, the annual implementation reports so far are those related to 2015, where execution was really at the outset. More project examples will be visible in the first semester of 2018.

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Annual implementation reports: <http://bit.ly/2B1oqAn>
All OP: <http://bit.ly/2BdbDz0>
Operational Programme Madrid: <http://bit.ly/2BfHAac>

SWEDEN

In 2014-2020 the main focus of the Swedish ERDF-programmes is on Research & Development, support to SMEs and infrastructure (broadband and accessibility). Investment in housing is not a main priority (Sustainable housing is not part of Thematic objective 4-low carbon economy). However, investments in low-carbon economy projects can also cover housing, especially in the case of the Sustainable Urban Strategies using 5 % of ERDF. The dedicated allocation that can potentially cover it is the expenditure 'energy efficient renovation, demonstration projects and supporting measures' with a total allocation of **€13 637 164**. Stockholm, Gothenburg and Southern Sweden have already developed such Strategies. Stockholm for example adopted a sustainable construction Plan and implements actions to support skills in the sector. As per the Swedish Agency for Economic Development, there are examples of ERDF-investments in Malmö and Stockholm aiming to increase innovative building and housing, both in order to meet an increased demand but also to focus on sustainability.

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General information on projects under TO4-low carbon economy: <http://klimatsynk.se/about-climatesync.html>

Projects:

Malmö - finding new ways to build sustainable housing through innovation:

Beneficiary	Municipality of Malmö
Total budget	SEK 36 511 445 (ERDF)
Timeframe	2016 - 2019
Operations	Strengthening research, technological development and innovation
Contact	Trevor Graham, project manager almostad@malmo.se More info: http://bit.ly/2kKl2Sw

In connection with the refugee stream in the fall of 2015, the need for more housing was revised after which Malmö took the innovation arena form. The project is part of the Sustainable Urban and Urban Development Strategy with the goal of quickly finding new ways to build sustainable through innovation. By systematizing the innovation work and promoting cooperation between the public sector, industry, non-profit sector and academics, the supporting ideas will be developed. This may, for example, be about land prices adapted to social benefits. Bicycle and car pools can also be a form of technical innovation in housing construction. Car pools can actually replace the construction of, for example, a parking house, thereby freeing both surface area and lowering the total construction cost. Another example of an innovation of more process-related character is to involve citizens in the construction process through digital platforms.

Stockholm - Greener housing and increased growth:

Beneficiary	Municipality of Stockholm
Total budget	SEK 30 387 183 (ERDF)
Timeframe	2016 - 2019
Operations	New production and conversion / renovation of housing, and creation of temporary housing
Contact	Erik Stenberg Architect SAR / MSA erik.stenberg@arch.kth.se More info: http://bit.ly/2BnyDM0

The research project Green BoStad Stockholm focuses on contributing to a more economically-economical economy, less segregation and increased growth among small and medium-sized companies. The project is mainly about cooperation and making knowledge efforts. Green BoStad's task is to contribute knowledge about urban construction that can speed up processes and create long-term solutions. One of the problems is that environmental engineering in housing construction and social issues for a long time has been seen as two separate problems.

Promoting wider recruitment and strengthen the provision and matching of skills in the construction sector of Stockholm city:

Beneficiary	Swedish Public Employment Service
Total budget	SEK 60 million (50 % ESF)
Timeframe	2016 - 2020
Operations	Promoting wider recruitment and strengthen the provision and matching of skills in the construction sector by making use of the competences of recently arrived immigrants and novative citizens
Contact	Jonas Örtquist Head of Secretariat, Partnership for the Structural Funds, County of Stockholm jonas.ortquist@lansstyrelsen.se

In the frame of innovation and sustainable growth, Stockholm region implements the Sverige bygger nytt project, the Swedish Public Employment Service, together with several municipalities, district administrations, industry associations and trade unions, to promote wider recruitment and strengthen the provision and matching of skills in the construction sector. This is carried out through making use of the competences of recently arrived immigrants and novative citizens. Work on core values, skills, language support and workplace-based learning will be strengthened and better matched with jobs in occupations facing shortages in the sector.

Development projects underline the desire in the Stockholm Region that ERDF should contribute to coherent strategic initiatives. This is achieved by concentrating resources, creating synergy through the funds and by using 'the Stockholm model' – a new model for the implementation of funding. This means that Cohesion Policy is more closely linked to overall regional growth policy and its resources in the county, and contributes to greater interaction among regional players to create coherent strategic initiatives. In this way, although the Structural Funds' budget in the Stockholm Region is among the lowest in Europe, the region will still be able to launch and implement large and important projects²³.

Social Green - Regional policies towards Greening the Social Housing Sector:

Beneficiary	Portugal, Spain, Croatia, Estonia, Sweden, Romania Advisory partner: Nordregio -Nordic Centre for Spatial Development (Sweden) Other partners: Municipalities, Energy Agencies and Managing Authorities
Total budget	€1188758 from programme Interreg (under ERDF)
Timeframe	2016 - 2020
Operations	<ul style="list-style-type: none"> • Sharing and transferring innovative methodologies between regions on green policies during study visits, workshops, bi-lateral meetings • Preparation of reports, good practices guides and regional action plans

Contact

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More info:
<https://www.interregeurope.eu/socialgreen/>

The Socialgreen project²⁴ is oriented to jointly tackling the topic of housing deprivation and energy efficiency in the scope of social housing sector towards a lower carbon economy. The overall objective is to improve regional policy instruments targeting the link between social housing sector and fuel poverty with green building interventions considering policy, institutional, financial and technical levels. Through this cooperation, regions will share and transfer innovative methodologies and processes in developing and implementing greener social housing sector policies, targeting new constructions or retrofitting existing buildings. For doing so, study visits, good practices workshop, etc. will be organised. Within this interregional learning process the regions involved will develop self-assessment reports, good practices guides and regional action plans. The partnership includes 8 partners from 6 countries, with capacity to influence the policy instruments related to greening the social housing sector.

²³ More info: <http://bit.ly/2cxOHP4>, page 23-25

²⁴ <http://www.interregeurope.eu/socialgreen/>

UNITED KINGDOM

In the 2014-2020 period, the UK will focus on 'energy efficient renovation, demonstration projects and supporting measures' and is going to spend over **€156 million** from Structural Funds. Concerning the regional plans, Wales and Northern-Ireland is going to address the poor thermal performance of much of the social housing stock; England focuses mainly on research and innovation. In Wales the Arbed 3 scheme has been approved under the 2014-2020 ERDF programmes to carry out energy efficiency improvements in low income households. Established in 2009, Arbed was aimed at leveraging investment into the Energy performance and bringing householders out of fuel poverty. Arbed Phase 3 will form one of a number of projects that are being delivered under the Welsh Governments Warm Homes initiative. This suite of programmes will fund energy efficiency measures including renewable energy technologies in existing homes generally located in the most deprived areas of Wales. This strategic approach, offered by the targeting of specific households within identified areas, will create maximum impact for householders in Wales who are living in the most severe fuel poverty. The Arbed scheme will comprise a portfolio of area based schemes identified through Welsh Government working in partnership with Wales' Local Authorities. Schemes will be chosen from areas characterised by a concentration of low income households, identified as living in severe fuel poverty in hard to heat homes. As a result, the carbon footprint of Wales' existing housing stock will be reduced the resilience of households to rising energy prices, future proofing them against further financial and welfare issues. The scheme was approved on the 29th November 2016 in both programme areas, West Wales & the Valleys and East Wales.

Beneficiary	Low income households
Total budget	£35,400,000. The budget is divided in 2 programme areas: • West Wales & the Valleys Total Project Cost: £28,400,000 (£19,718,120 from ERDF); Intervention Rate: 69.43% • East Wales Total Project Cost: £7,100,000 (£3,550,000 from ERDF); Intervention Rate: 50%
Timeframe	2014 - 2020
Operations	• Energy efficiency measures • Renewable energy technologies in existing homes located in the most deprived areas
Contact	Structural Funds Policy Branch, Welsh European Funding Office, Office of the First Minister and Cabinet: Jonathan Jones jonathan.jones1@gov.wales

As for Northern-Ireland, the ERDF Managing Authority is currently working with DG REGIO to change the Operational Programme and introduce a replacement activity which will include measures to improve energy efficiency in social housing (NI ERDF Operational Programme). The specific objective of this intervention is to reduce the number of socially housed families in fuel poverty. Details of the planned activities are the following:

There is a pressing need to address the poor thermal performance of much of the social housing stock in Northern Ireland (11.6% of the housing stock is rented from the NI Housing Executive) in order to contribute to energy efficiency and fuel poverty targets. A significant number of households suffer from severe fuel poverty and whilst a range of initiatives are available these are not always accessible by people living in areas of deprivation. Resources will be targeted to assist those households with lower incomes or those facing issues of deprivation, in particular where the incentive to invest in energy efficiency measures is less clear:

- The NI Housing Executive's Tower Block housing stock comprises of 32 blocks with 1,912 individual properties. Ten blocks house over 500 individual dwellings have been deemed suitable for over-cladding which would deliver estimated CO2. Savings in excess of 1000 tonnes per annum in addition to the resulting reduction in energy bills for the tenants.
- Other properties to be targeted include 2-storey social housing buildings. Over-cladding of half of the dwellings would significantly improve energy efficiency with each lot of 500 houses estimated to deliver CO2 savings of 500 tonnes per annum. The activity will be accompanied by installation of high performance windows, doors, and insulated roofs to provide a 'Deep' retrofit. In the two storey homes, boilers of over 90% efficiency will be installed with advanced controls to meet the smaller reduced heating demands. In addition, the new heating installations will provide further energy and CO2 savings of ca 18%, and up to 40% CO2 savings when changing from heating oil to gas.

As well as making this social housing more energy efficient there will be important co-benefits in terms of job creation, health and comfort of tenants, competitiveness, energy security and reducing fuel poverty from its current level of 42%. Regarding the England ERDF OP, it is mainly targeted at research, development and innovation, support for small and medium enterprises and a low carbon economy. It does not therefore support the construction or refurbishment of housing. Under the low carbon Priority Axis, there is an Investment Priority aimed at increasing energy efficiency in homes (in particular social housing) and public buildings, including the use of low carbon technologies. However, the Managing Authority has not allocated a specific amount of funding towards these measures. As for Gibraltar, there is no expenditure allocated for housing in the OP. The information contained within your publication remains as is. From a Scottish perspective there is no change to the information contained within your publication. Scotland is focussing on four areas – sustainable transport, green infrastructure, a circular economy and low carbon infrastructure.

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Projects:

Progression towards deployment service:	
Beneficiary	Northern Ireland Housing Associations Charitable Trust
Total budget	ESF Programme 2014 - 2020
Timeframe	2014 - 2020
Operations	Triangle facilitates for autistic tenants with a service combining facility based enterprise and open supported employment models
Contact	More info: http://bit.ly/2CEGwZp

Northern Ireland Housing Associations Charitable Trust launched in 1998 the 'Progression towards Employment service' which prepares people with learning disabilities and autism for the world of work using a supported employment approach. Triangle facilitates a supported and staged approach to working, with participants with a service combining facility based enterprise and open supported employment models within the Progression to employment service continuum. These facilities are a preparation stage before participants move on towards employment opportunities. The scheme helped at about 350 participants each year. 10% of them are Triangle tenants while 90 % are members of a wider community. Around 28 % of participants secure temporary or permanent work. The service is funded primarily under the Northern Ireland ESF Programme 2014-2020. The department of education and learning and National health and social care trust (NHSCT) also provide funding support. Three NHSCT day opportunities co-ordinators contribute to total of 10 hours per week to the service. Health professionals also assist in the process and the co-ordinators facilitate and additional support required by the individuals like speech and language therapy, social work support, etc.

WOMEN'S TEC:

Beneficiary	Tenants of Clanmil Housing Association
Total budget	£850,000 (ESF + Belfast city council grant + private capital)
Timeframe	2014 - 2020
Operations	The programme is designed to give people - mainly women - who are struggling to find employment the opportunity to build skills through accredited training which will help equip them for the workplace.
Contact	Tim O'Malley, Community Development Manager, Clanmil Housing Association tim.omalley@clanmil.org.uk More info: http://www.clanmil.org/employability

A series of workshops was run by Clanmil Housing Association in partnership with WOMEN'STEC, an organization that trains women in non-traditional industries such as trades and ICT. The programme provided a series of taster sessions designed to teach a group of Clanmil tenants' essential DIY skills, enabling them to do simple jobs around the home as well as offering a platform for those who might be interested to progress into accredited training and employment. A supporting environment, complementary training for employment and progression opportunities equip participants for the world of work. From that initiative, Clanmil managed to get funding with WOMEN'STEC through ESF 2014-2020, Belfast city council and private sector organizations (Gilbert Ash Construction Group and JMC Mechanical and Construction Ltd). The programme is based on the model 'supporting people, empowering communities' which helps 500 tenants accessing training programmes (construction, plumbing, electrics, horticulture, painting, first aid, health, IT, etc.)

A group of diverse people, including men and women of various ethnicities, are shown in a meeting or discussion. The image is rendered in a halftone dot pattern, giving it a textured, graphic appearance. The text is overlaid on the center of the image.

**A POTENTIALLY
LARGER BUDGET
for HOUSING**

**WAY
FORWARD**

1. ISSUES THAT HOUSING PROVIDERS FACE DURING IMPLEMENTATION

The implementation of ESIF started very slowly in 2016, however we can expect an acceleration in investments in 2018. The slow uptake is due to the late agreement on the Operational Programmes and also due to other barriers.

In terms of energy efficiency measures, the European Commission identified - in a report of 2014²⁵ - the main barriers of financing buildings which include:

- Administrative obstacles (regulatory issues).
- Financial barriers (limited access to finance, high upfront costs, high credit risk, long payback period).
- Information & skills barriers (lack of understanding and expertise of the rules).
- 'Split incentive' (disconnection between those making the investment and those benefitting from energy savings).

These barriers are differently present in Member States, depending on their national governance and type of their housing stock, and of course regulatory framework. Going more into detail, Housing Europe Members report the following difficulties:

HEAVY PROCEDURES

Overall, the application and payment procedures, and the reporting cause problems. There is a need for improved competence within housing companies to apply for financing and subsequently deal with the reporting. The application procedure is currently considered to be difficult and it is uncertain what it yields in terms of success. Indeed, if financing is actually granted, the reporting is often an onerous burden that means that they are unwilling to apply again.

FINANCIAL BARRIERS

Pre-financing options are often not available, and smaller housing organizations have difficulty to secure enough co-financing for the start of the project. Last payments are often delayed. Secondly, further costs due to modifications of the initial project - required during the operations - are not eligible for reimbursement. Internal costs and social costs necessary to implement the project are often not eligible to reimbursement. As an example, cost related to design or internal cost assisting old or disadvantaged tenants during a refurbishment project cannot be included.

INFORMATION AND SKILLS BARRIER

Housing Europe Members report about the lack of sector specific information about the opportunities brought by the Structural Funds, thus affordable housing providers are very often unprepared to present a competitive proposal. The

lack of sufficient trainings and information days on the use of Structural Funds represent a real gap. Furthermore, Managing Authorities (MA) often do not have a proper knowledge on State Aid rules. Therefore, they are not able to advise affordable housing providers on the different opportunities of applicable procedures²⁶. Capacity building of MAs would be crucial to tackle that gap.

Finally, the business models of affordable housing providers are often not compatible to achieve energy efficiency long term goals. Realizing major energy efficiency improvements requires support to cover the gap between socio-economic profitability and business profitability. These aids then need to be directed at existing, known methods that increase energy efficiency in buildings.

PRIORITY OF INTEGRATED URBAN DEVELOPMENT IS NOT AVAILABLE FOR AFFORDABLE HOUSING PROVIDERS

Due to the complex local needs, affordable housing providers deliver more and more integrated projects. They do not only build homes but also provide with additional services such as community services, employment and training services, financial advice, caring for the elderly. Also, when constructing a new home, demolition works are often not supported by Structural Funds due to the narrow concentration of eligible activities. An integrated urban development priority available for housing providers would allow delivering projects that tackle the local needs.

PARTNERSHIP AGREEMENT AND OPERATION PROGRAMMES

Finally, the lack of full involvement of affordable housing providers in the development of Partnership Agreement, OPs and in monitoring committees also cause a problem. Their expertise would be extremely useful especially in relation with the planning and monitoring of the energy efficiency related measures.

The European Commission considers simplification as one of its highest priorities. The High Level Group set up in 2015 continuously identifying potential solutions to administrative and other bottlenecks. Housing Europe welcomes its recommendations including:

- Reducing additional reporting requirements on beneficiaries;
- Increasing the use of online reporting procedures ("e-cohesion") and simplified cost options.
- Tackling the "goldplating" practice, where extra requirements or administrative hurdles are added at national or regional level;
- More capacity building for managing authorities.
- Reporting mechanisms between ERDF and ESF to be aligned.
- The number of indicators should be reduced and the existing ones should be harmonized.
- More harmonisation of the rules between Structural Funds and other funds for the post-2020 period.
- Stricter deadline for the completion of OPs in order to start implementation in time.
- Clear guidance for beneficiaries.

²⁵ *Technical guidance, Financing the energy renovation of buildings with Cohesion Policy funding, Final report (DG ENER), 2014, page 32*

²⁶ *Better EU rules for better services of general interest in housing, Housing Europe <http://bit.ly/1QAI9tv>*

2. POLICY RECOMMENDATIONS FOR THE FUTURE PROGRAMMING PERIOD

How should the post 2020 Cohesion policy look like?

2.1 GENERAL CONSIDERATIONS

As the project examples show, the positive socio-economic and environmental impact can be already seen on the ground. The Structural Funds are helping territories not only to improve quality of life of households, but also to construct community centres, to revitalise deprived neighbourhoods or to organize trainings for social housing tenants. Very importantly, all of these actions are creating jobs through direct or indirect employment.

However, some common concerns of Housing Europe Members would need to be addressed to make maximum use of the funds in terms of impact and efficiency. Therefore, Housing Europe believes that the post-2020 period should the following elements into consideration:

Sector specific information

- Inform the sector-specific stakeholders about the bureaucratic framework of the ESI Funds about the forthcoming calls for proposals, rules (especially State Aid), reporting requirements, expectations and ensure enough time for the preparation.
- Creating a one-stop-shop of competent point of contact per thematic objective in each country would give orientation to interested organizations.
- The annual Implementation reports of the Member States should be made available and published online to ensure transparency.
- Making the language understandable, and not too technical, is also an important aspect.

Simplification

- In order to avoid the duplication of work, a strict single audit approach would be needed. In practice every controlling level could build on the previous, thus the controlling effort would be reduced on Member State and EU level.
- Stronger consideration of proportionality - Requirements of controlling and administration should reflect the size of the programme, share of national co-financing and national error rate and therefore should vary between member states and programmes.
- Pre-financing in the sector should be made possible, the last payment should be sped up, especially linked to smaller projects.
- Integrated approach to costs should be prioritized: internal costs and social costs necessary to implement the project, as well as further costs due to modifications of the initial project - required during the operations - should become eligible.

Partnership principle to be kept and improved

- Full involvement of affordable housing providers is needed in the preparation process of the Partnership Agreement and of the Operational Programmes.
- The code of conduct of the Partnership principle should be applied such as subsidiarity principle, therefore the code of conduct should be made legally binding.

Capacity building

- Housing organizations should be provided with technical assistance to help to deal with reporting and combination of funds (trainings, info days, online toolkit for beneficiaries (where Fi-compass could play the central role).
- Through capacity building exercise, Managing Authorities should acquire a good understanding of the State Aid rules and its application opportunities on affordable housing providers.

Macro-economic conditionalities and budget deficit rules

- As they reduce the chance of public investment in social infrastructure, an adequate compensation mechanism should be developed (for ex. exempt national co-financing from the deficit rules).
- Encouraging the more systematic use of the investment clause 2.2 of the Sustainability and Growth pact could facilitate more national co-financing of projects on social infrastructure.

Financial instruments and grants to be balanced

- Financial instruments are not suitable for all types of intervention such as social inclusion measures for social housing tenants. Therefore they should be complementary to grants.
- For the more efficient use of the existing financial instruments, increased technical assistance is needed.

Effective combination with EFSI (Juncker Plan)

- Earmarking mechanisms in EFSI would be essential to ensure and upscale investment in social housing.
- The European Commission should encourage an integrated approach in implementing projects with other social infrastructure investments (e.g. housing, healthcare, training).
- Better communication is needed on the technicalities of the combination.

Priority of integrated urban development to be made available for affordable housing providers

- Such a priority would allow delivering projects that tackle the complex local needs.

Monitoring to be focused on quality and impact delivery

- Monitoring should be based on indicators (e.g.: access to adequate and quality housing, independency-autonomy, minimum quota to fight poverty).
- Sharing more innovative approaches, best practices on the use of funds between the Member States would be crucial (peer meetings) involving current beneficiaries who have direct experience in implementation.

2.2 FUND-SPECIFIC RECOMMENDATIONS

RECOMMENDATIONS ON THE USE OF ERDF

Energy efficiency

- Identification of the needs to build energy strategy at regional level.
- Flexibility in the type of ERDF forms of interventions.
- Continue to increase the amount of ERDF invested in energy efficiency in housing as part of resource efficient urban development strategies.
- Set up urban revitalisation programme (integrated approach).
- Make sure that the affordable housing providers are included into the national eligibility criteria concerning the climate adaptation mitigations measures.
- Pointing out the importance of social services.

Housing for marginalised communities (Roma, refugees, travellers, homeless people)

- Increase available information on combination opportunities between ERDF and ESF.
- Simplify application process.

Housing and digital inclusion

- Promote the use of funds to make services accessible for people with special needs such as elderly and disabled (personalized and smart technologies, e-health apps).
- Develop adequate infrastructure which contributes to EU objectives such as healthy ageing, independent living and resource efficiency.

The demographic challenge (living space, demographic evolution, healthy ageing, youth)

- Keep investing in structural adaptation of living environments to the demographic evolution and changing the ways of living (number of people needing care at home, having disability is increasing) for ex: reduction of barriers at home, make services accessible.
- Adaptation measures to ageing is more effective with an integrated approach.

RECOMMENDATIONS ON THE USE OF ESF

- As the examples show, ESF has a great potential to fight poverty and social exclusion, therefore its share should be kept in the next programming period.
- To fully use the opportunities offered by ESF, technical assistance to MAs to implement integrated projects (social services, training together with provision of housing) should be strengthened.
- Social inclusion is not only the role of ESF support. Other funds (such as FEAD or ERDF) can be combined with ESF to further support the investment in human and social capital.
- As for the Partnership principle in ESF projects, cities could be more often encouraged to work together with actors of social inclusion (such as social housing providers, job centres, etc.). The aim of these partnerships should be to have a longer-term cooperation between actors that can sustain the relation longer than for the time of a specific project.
- Employees of social housing providers should improve their skills-with the help of ESF- especially in the context of the migration situation.

CONCLUSION

This mid-term analysis on the implementation demonstrates that the sector of affordable housing is indeed gaining importance. For the period 2014-2020 the Member States allocated a potentially larger budget, with a more strategic focus to the sector, with the possibility of combining the funds with other programmes. It is positive to see-through the individual country profiles- the great efforts to invest more not only in energy efficiency but in peoples' social inclusion. Moreover, the project examples shown in this paper are doubtlessly proving the effectiveness of the Structural Funds on the ground which can be translated into positive socio-economic and environmental impact. Above all, these projects are investments in the future of citizens, providing with a long lasting effect in their quality of life. In this view, any decrease of the budget of the future Cohesion Policy might have negative consequences on the ground in terms of outcomes or scale.

Of course, providing adequate resources from Structural Funds is just one side of the coin. Beyond that, we need to make sure that the future Cohesion Policy is built on partnership, simplification, flexibility and capacity building to better invest. Focusing on long term outcomes should become the core of the policy which takes a balanced link with economic governance processes into account. The discussion on the future programming period between the EU institutions already started. Housing Europe welcomes the acknowledgment of the institutions that alternative indicators should be studied beyond GDP; and that the existence of grants are crucial for projects with social impact. These are indeed all important elements for an innovative approach of the EU to build a smart, sustainable and inclusive Europe.

At a time when we need to re-gain the confidence of citizens that the EU can provide and empower them, long-term investment in affordable housing clearly represents one of the core sectors. Although housing is an exclusive competence of Member State, the 2014-2020 programming period makes it clear that investing in affordable housing is the best way to use EU money in particular in terms of supporting growth.

Therefore, we need the EU to create a supportive framework for better living conditions in particular through Cohesion Policy. That is why the future regulations on the Structural Funds should maintain and expand the opportunities open to EU support for affordable housing.

NOTES

NOTES

Housing Europe is the European Federation of Public, Cooperative and Social Housing

Established in 1988, it is a network of 45 national and regional federations which together gather about 43.000 public, social and cooperative housing providers in 23 countries. Altogether they manage over 26 million homes, about 11% of existing dwellings in the EU.

Social, public and co-operative housing providers have a vision of a Europe which provides access to decent and affordable housing for all in communities which are socially, economically and environmentally sustainable and where everyone is enabled to reach their full potential.

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