Energy efficiency and energy poverty: Learnings from REELIH
HFHI in Central and Eastern Europe

Scope of activities for low income:
• Housing microfinance services
• Building and repairing homes with the help of volunteers
• Disaster risk reduction and response
• Poverty housing related advocacy
• Residential energy efficiency-energy poverty
• Housing of vulnerable groups especially the Roma
Context of CEE countries of EU and SEE and CIS countries

- Nearly half of the existing housing stock in Eastern European countries of the EU and outside EU was constructed between 1960 and 1990—primarily pre-fabricated large-scale multi-family housing blocks.

- Mostly pre-fabricated multi-story apartment buildings—in some countries representing 30% in some more than 70% of total housing stock.
HFHI Residential EE/ Energy poverty projects

- REELIH Projects in Armenia; Bosnia and Herzegovina; North Macedonia – with the support of USAID
Key challenges

• Low level of income in general
• Lack of “ownership” among home-owners
• Week legislation for Home-owner associations (HOA)
• Limited access to finance for HOAs
• Energy poverty in the family and multi-family housing stock
REELIH response: facilitating the Eco-system of REE stakeholders

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REELIH initiatives

• Community training and facilitating decision-making
• Demonstration projects: renovation of multi-apartment buildings
• Testing mixed financial models: loans and subsidies
• Advocacy at national level: improving HOA regulation
• Advocacy at local level: subsidies for REE
• Regional comparative research and knowledge sharing
• EU-level awareness raising
Research on energy poverty

- **Research question:** how REE helps energy poverty alleviation?
- **Research partners:** Metropolitan Research Institute, Budapest and Building Performance Institute Europe, Brussels
- **Defining energy poverty outside the EU in REELI_H countries is very difficult:**
  - Lack of data + underconsumption is common = general energy poverty indicators fail
  - The share of solid fuel (wood, coal) is very high, mainly in the countryside
  - HOAs with mixed social composition: not only buildings in general but individual households must be supported
Policy options

• **Go for the highest environment impact**: concentrate on the framework conditions and provide relatively high general subsidy to trigger interest and investment in large-scale renovations.

• **Go for highest social impact**: concentrate on social work, provide intense subsidies and work with marginalised communities mainly in rural/semi-rural areas.

• **Be socially sensitive still energy efficient**: use moderate general subsidies for market upscale combined with high level of subsidies for not only the most vulnerable, but low income people.

In all cases assisting the communities is at least as much important than money and social targeting.

• HFHI study will be published in November.

Thank you!

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