



# Residential Energy Efficiency In Western Balkans—

Presentation for the 22<sup>nd</sup> ENERGY EFFICIENCY  
COORDINATION GROUP MEETING AND  
WORKSHOP

Wednesday, March 11, 2020

# RESIDENTIAL ENERGY EFFICIENCY WORK (2013-present)

**MULTI-APARTMENT BUILDINGS (MFABs)**

**REE (residential energy efficiency) environment in WB and CIS through regional action  
(KNOWLEDGE PLATFORM AND ADVOCACY)**

**MODELS Replicable & combining capital and subsidies for lower income households to decrease energy consumption and cost.  
(DEMONSTRATION PROJECTS IN MACEDONIA, ARMENIA, BOSNIA)**

# CONTEXT: SEE and CIS countries

## Social Context:

- **Energy poverty** for people living in multi-unit residential buildings
- **Many fixed income households** heating cost > 50 % of mo. income
- **Affordability** - Lack of targeted subsidies for low-income households

## Market:

- **Limited access to finance** - low/no level of investment in residential

## Environmental:

- **High emissions** of CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>2</sub> and PM<sub>2,5</sub>, PM<sub>10</sub> particles



# Message and Approach - SEE and CIS region

1. **Housing system failure and market failure – with energy repercussions – focus on housing systems first!**
2. **Without homeowners, energy efficient improvements, building maintenance and management can not happen.**
  - **Currently expert and policy discussions on residential energy efficiency** *limited* to the topic of innovative technological solutions and products.
  - **Homeowners decision making** on building maintenance and the improvement of common spaces need to be strengthened.
3. **Without the right institutional structure, energy efficiency retrofits, housing management and maintenance can not scale.**
  - **Energy efficiency renovations of residential buildings take place in a complex interaction between different stakeholders:** municipalities, financing organizations, utility companies and the homeowners in the form of homeowners' associations

# REELIH Knowledge sharing and advocacy

- [www. Getwarmhomes.org](http://www.Getwarmhomes.org), [www.taqtun.am](http://www.taqtun.am)  
[www.topaodom.ba](http://www.topaodom.ba)  
[www.domuvanje.org.mk](http://www.domuvanje.org.mk)
- Regional Advocacy (2 reserches published and promoted, 2 regional BXI conferences)
- Partnership development and Networking

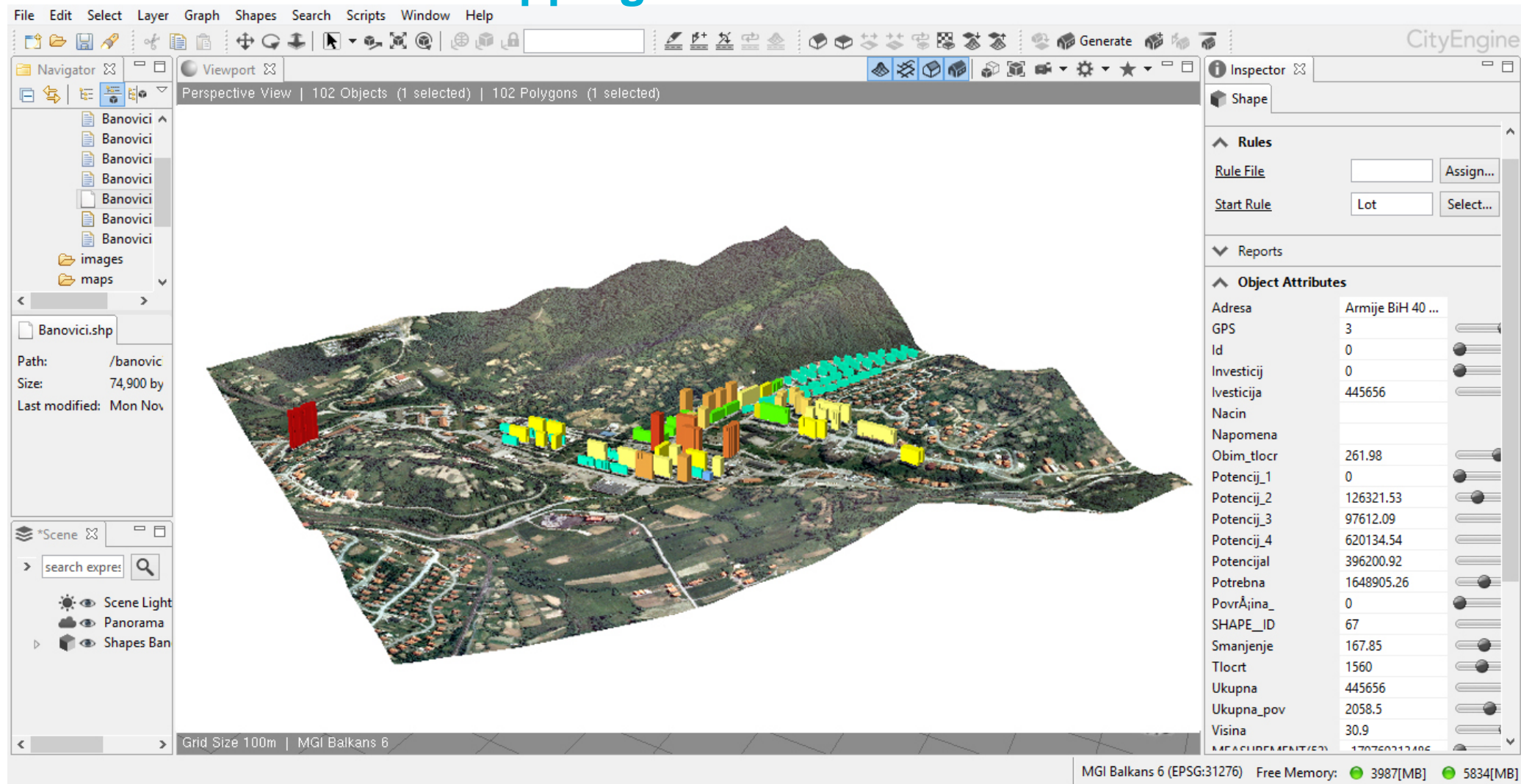
# REELIH Country Initiatives

Armenia, Bosnia and Herzegovina, Macedonia



# Bosnia and Herzegovina

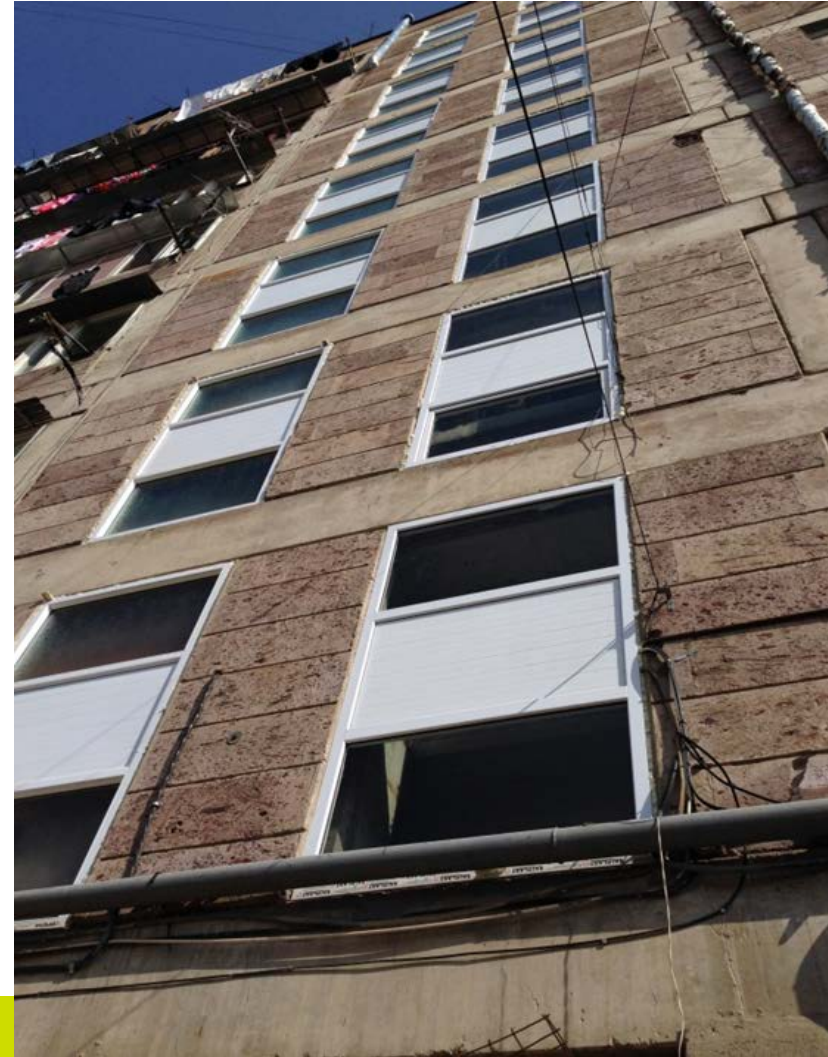
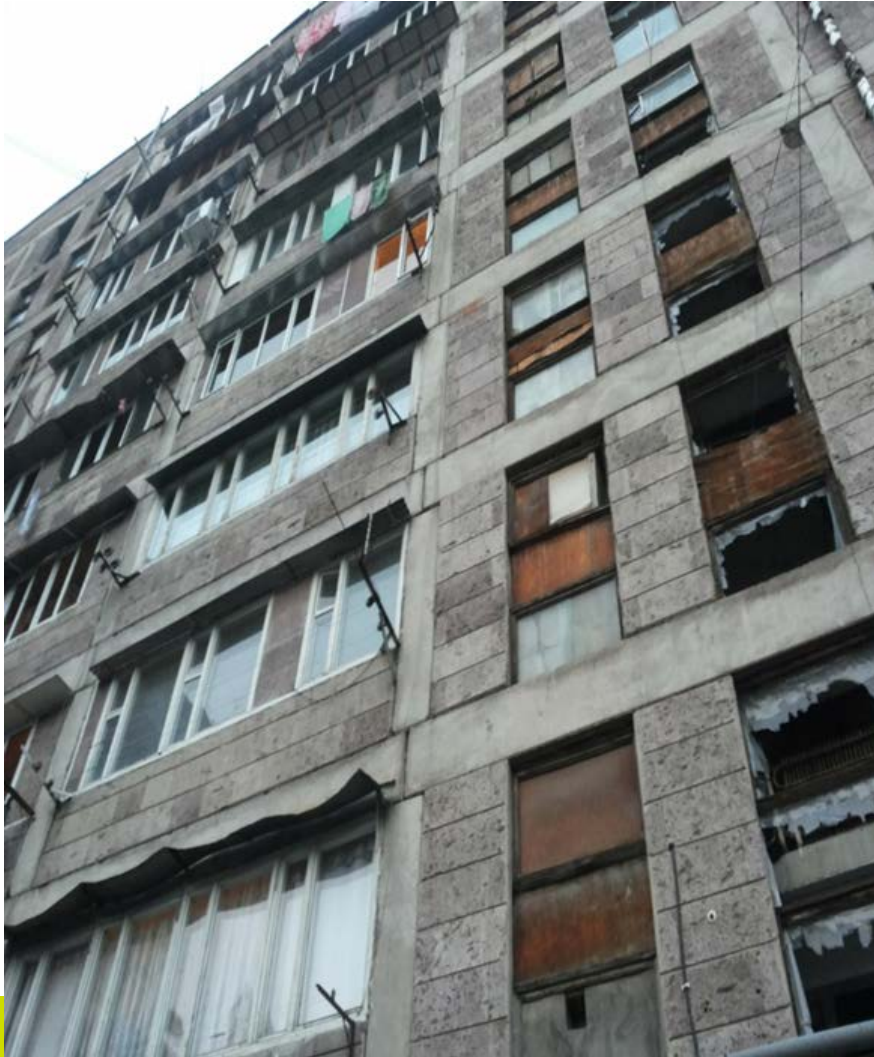
## Mapping of Tuzla canton



Web link: <http://www.enova.ba/webviewer/viewer.html?3dWebScene=webscenes/Banovici2.3ws>

# Armenia

Pilot building: Avan administrative district, 6/1 Tumanyan block





# Macedonia

## Achievements

- **6 financials models tested and tried** – resulting in reconstruction of 60+ buildings
- **REE Revolving Fund established**, with US\$ 1.5 mil
- **64 buildings in 12 municipalities, 1900 homeowners** served financed by the REE Revolving Fund and municipalities.
- **20-39% of energy savings** in the renovated buildings (audited)
- **ROI period 6-8 years** through energy savings.
- **Energy Efficiency in Buildings** as extra curricular subject in Macedonian technical high schools was officially approved by the Ministry of Education and Science

# Macedonia

**Pilot Residential Building in  
Skopje: 14 Stories, 112  
apartments, built in 1960,  
rehabilitated in 2012**



# Macedonia

## Achievements (continued)

- **Register of Collective Apartment Buildings and Apartments in all 80 municipalities** in [www.domuvanje.org.mk](http://www.domuvanje.org.mk)
- HFH Macedonia set up **two entities**: a licensed **maintenance company** HABIDOM (manages around 2000 apartments right now) and FINERTY - a licensed **construction company** to provide for supply-side intervention in the REE Eco-system
- HFH Macedonia joined the WG for preparation of **the Law on Energy Efficiency** focusing on legal framework for inclusion of low income families and improve energy efficiency of their homes. HFH aims to include an article in this Law that will enable regular income in the state budget to be used to support energy poor households.
- HFHM sits also on WG for **Housing Law** and **Social Housing Law**

# UPDATES

- **January 2020 – a followup project, 2M EUR 3 year EU Horizon 2020 in 9 countries**
- **February 2020 – contract with USAID and RTI to conduct gap analysis research on HOA systems in 4 balkans Country**
- **December 2020 – Feasibility study on a scaled REE product in WB with EIB**
- **Featured in the “50 Out-of-the-Box Housing Solutions for the Locked Out” by FEANTSA (European Federation of National Organisations working with the Homeless) and in their Housing Solutions Platform**
- **Featured on UNECE publication “Compendium of best practices on standards and technologies for energy efficiency in buildings” in the UNECE region where REELIH projects in Armenia and Bosnia are featured.**
- **December 2019 – Research on Energy Poverty published by BPIE**
- **April 2020 – Brussels Conference of REELIH at the EU Parliament**

# **GAP ANALYSIS OF HOA SYSTEMS WESTERN BALKANS**

**Analysis of legal position and functioning of HOAs**

**Analysis of supportive regulatory conditions for HOA functioning,**

**Analysis of Governments Housing policies and regulatory framework**

**Review of functioning of facilities (residential) management companies**

**Analysis of major non-legal obstacles to commercial lending to HOAs**

**Analysis of energy related support programs for building rehabilitation in line with the EU EPBD (Energy Performance of Buildings Directive) directive.**

# DE-RISKING INVESTMENT IN MFABS BUILDINGS IN BALKANS

- January 2020 –DECEMBER 2020

USAID, RTI, HABITAT FOR HUMANITY

GAP ANALYSIS OF THE HOUSING CODES REGULATING PRIVATE SECTOR HOUSING ASSOCIATIONS OF APARTMENT OWNERS IN WESTERN BALKAN COUNTRIES: BOSNIA and HERZEGOVINA, KOSOVO, SERBIA, MACEDONIA

COMPARATIVE ANALYSIS: BENCHMARK – SLOVAKIA- HOA SYSTEM, as best practice in CEE – so far <60% of stock renovated

# POLICY AGENDA

**De-risking mechanisms for commercial loans for energy efficiency investments**

Methods of de-risking via:

1. Changes of the HOA primary and secondary legislation,
2. Enforcement mechanisms and institutional infrastructure,
3. Interventions in commercial or civil codes,
4. Intervention in banking legislative, creation of guarantee funds, loan products and other risk-sharing mechanisms

Please visit:

Regional knowledge sharing platform

[getwarmhomes.org](http://getwarmhomes.org)

National knowledge sharing platforms [topaodom.ba](http://topaodom.ba) and [taqtun.am](http://taqtun.am) and [www.domuvanje.org.mk](http://www.domuvanje.org.mk)

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