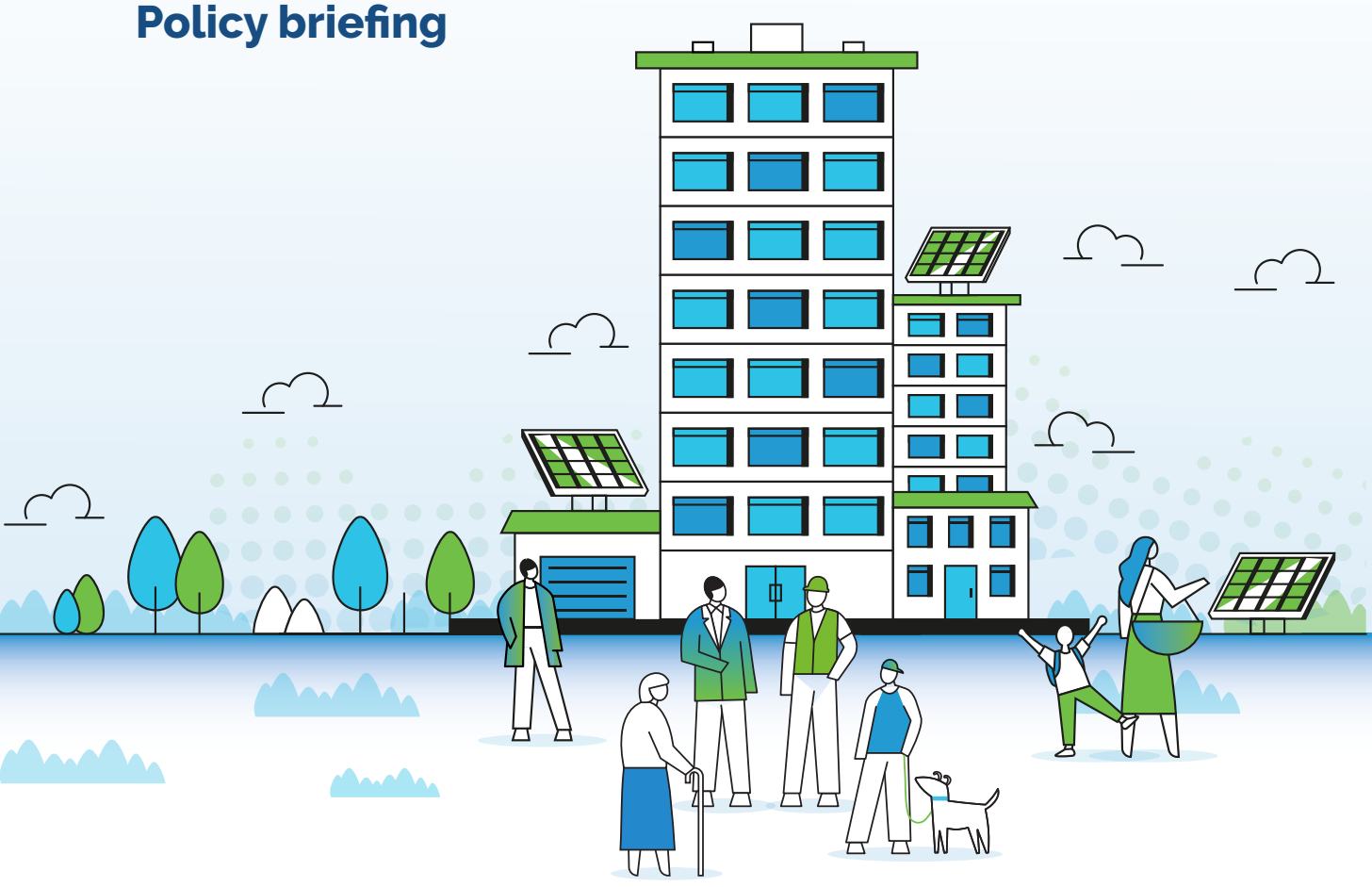
ComActivate

Enabling community action for energy sufficiency

RENOVATION SUPPORT THAT REACHES THOSE MOST IN NEED

Lessons from ComActivate's policy analyses and support for multi-family apartment building renovation

Policy briefing



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Introduction

EU legislation on buildings, energy efficiency and energy poverty now sets clear expectations: Member States must renovate faster, prioritise the worst-performing buildings, and protect vulnerable households. The challenge lies in effective implementation of these policies, and in how renovation is ultimately delivered to those who need it most.

This briefing draws on three ComActivate policy analyses[1] and the practical experience of the project's four local one-stop shops (OSSs) – called resource centres within the project – in Bulgaria, Hungary and Lithuania. OSSs support residents throughout the renovation process, while being particularly valuable for multi-family apartment buildings (MFABs), where collective decision-making and coordination make renovation more complex. The briefing sets out where national implementation falls short and draws on the experiences of these municipalities and their OSSs to identify what works in practice. Its findings are relevant to any Member State with an ageing apartment building stock, a low renovation rate, or high rates of energy poverty.

Key messages



The gap lies in implementation, not ambition. Energy poverty, vulnerable households and worst-performing buildings feature in national strategies, but implementation challenges stem from the fact that national and local authorities often lack data that is sufficiently granular, accessible and interoperable to identify which buildings and households should be prioritised for support. This makes effective targeting difficult, even where the policy categories themselves are already defined. Funding therefore tends to reach buildings with well-organised internal governance rather than those most in need.



Apartment building residents must agree collectively to renovate, which can take time. Decisions rest with homeowner associations (HOAs), whose members differ in income and in willingness to take on risk.



One-stop shops can turn funding into renovation projects, but most rely on temporary funding. Municipalities can run them, but it is the remit of national governments to give them a legal mandate, stable financing and predictable renovation programmes.

1 ComActivate D5.1, EU and national level policy analysis and policy monitoring (April 2025); D5.3, Intermediate policy recommendations and policy improvement report (June 2026); D5.4, Institutionalisation of one-stop shops and neighbourhood energy sufficiency roadmaps (October 2026).

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Neighbourhood Energy Sufficiency Roadmaps (NESRs) are a practical planning tool for municipalities. These local plans sequence renovation, heating, electricity and social measures, so that households have enough energy while unnecessary use is avoided.



The window for action is open. National Building Renovation Plans (NBRPs), together with Social Climate Plans (SCPs), which set out how Member States intend to use the resources from the Social Climate Fund (SCF), can be used to make OSSs permanent.

With EU rules in place, delivery is now what matters

The recast Energy Performance of Buildings Directive (EPBD) requires Member States to address energy poverty in their NBRPs, prioritise the worst-performing buildings (Article 9) and establish OSSs (Article 18). The Energy Efficiency Directive (EED) defines energy poverty in law and gives the Energy Efficiency First principle legal standing, while the SCF will channel revenues from ETS2, which sets the new carbon price on building and road transport fuels, to vulnerable households through national SCPs. Newer EU initiatives on affordable energy, citizens' energy and affordable housing point in the same direction, reinforcing the EU's frameworks for improving the ageing building stock and tackling energy poverty with a comprehensive policy mix.

In Central and Eastern Europe, the need for renovation at scale is particularly high, as MFABs house around 60% of the population and most were built before 1990. In 2023, 20.7% of people in Bulgaria and 20.0% in Lithuania were unable to keep their homes adequately warm, compared with 7.2% in Hungary and an EU average of 10.6%. The EU renovates only around 1% of its building stock each year, and this rate must at least double to achieve the Renovation Wave's target of renovating 35 million buildings by 2030.

With the legal framework largely in place, the test for Member States is no longer what to commit to but whether they can deliver it, particularly for vulnerable households living in apartment buildings.

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The barriers keeping support from those who need it most

Across Bulgaria, Hungary and Lithuania, four recurring barriers stand out:

- **Definitions that do not trigger support.** Bulgaria lacks a fully operational method to rank its worst-performing buildings, and Hungary has not turned its definition of energy poverty into practical criteria. Social and building data are rarely combined, and low recorded energy consumption may signal underheating rather than efficiency.

- **Consultation without deeper inclusivity.** It is often unclear how stakeholder input shapes the final national strategies such as SCPs and NBRPs. Vulnerable households and tenants are treated as target groups for renovation rather than participants in it.

- **Fragmented and uneven coverage of renovation support.** Support comes through isolated funding calls and building-by-building measures, with heating, renewables, avoiding unnecessary energy use and social safeguards planned separately. In Hungary, the supplier-funded energy savings scheme has delivered mainly attic insulation in around 130,000 family homes, and almost nothing for apartment buildings.

- **Funding that is unpredictable and difficult to access.** Stop-start calls, upfront payment requirements and a lack of tools for mixed-income buildings exclude those most in need. In Elektrėnai (Lithuania), some owners earn too little to finance renovation but too much to qualify for targeted assistance. Bulgaria has invested around €5 billion in fully subsidised apartment renovation since 2016, yet attempts to introduce co-financing have seen only limited demand.

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The three countries where ComActivate works sit at very different points on the same journey:

	Bulgaria	Hungary	Lithuania
 **Social Climate Plan**	Third draft under revision; around €568 million of the draft plan is allocated to MFAB renovation	Not prepared	Approved in June 2026; over €422 million, of which nearly €270 million is for apartment buildings (more than 37,000 apartments)
 **National Building Renovation Plan**	Submitted; awaiting Commission assessment	Still being drafted	Draft submitted; adoption due by 31 December 2026
 **Support for MFABs**	Longstanding reliance on 100% grants; selection driven by funding calls and HOA readiness	A new subsidy scheme for MFABs is expected from March 2027, combining grants – 30–50% based on the baseline energy certificate – and zero-interest loans	Dedicated programme since 2005, combining subsidies, technical assistance and preferential loans
 **One-stop shops**	Fragmented; no national network	Role undefined until the NBRP is published	Municipal administrators since 2017; expansion to all 10 counties planned for 2026 with the Environmental Project Management Agency responsible for 10 regional centres operating as OSSs

Table 1: Source: ComActivate project

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Policy recommendations



Lessons from local one-stop shops

All four ComActivate OSSs (Burgas in Bulgaria; Józsefváros in Budapest, Hungary; Elektrėnai and Kaišiadorys in Lithuania) are publicly operated, free of charge, and have business plans to 2030. Their experience shows what separates a lasting service from a temporary one:

- **Embed OSSs in public institutions.** In Burgas, three OSS staff worked alongside 20 municipal colleagues during the 2022 national funding call, generating 220 project submissions, the highest of any Bulgarian municipality. In Józsefváros, the earlier OSS RenoPont closed in 2025 when project and private funding ended; its successor, LakóTér, sits within the mayor's office, and must be consulted before residents apply for municipal renovation grants.

- **Ensure funding beyond projects.** In Kaišiadorys, the single dedicated staff member's post depends on project funding; and Elektrėnai has considered reducing its service to basic information.

- **Reach people proactively.** Face-to-face engagement and building-level meetings have proved more effective than office-based or online services. In Elektrėnai, the share of renovated apartment buildings rose from 13% to 22% between early 2024 and the end of 2025, which is partly attributed to the project's outreach.

- **Do not expect local capacity to substitute for national programmes.** Without a national renovation programme targeting apartment buildings in Hungary, the Józsefváros OSS can provide information and community support but not deliver a full renovation service.

- **Use the neighbourhood scale.** The Elektrėnai NESR covers 143 apartment buildings and estimates that full efficiency measures would more than halve average heating demand, from around 95 to 44 kWh/m² per year. It combines renovation with a fuel switch in district heating, rooftop solar and managed electric vehicle charging. Its 'watch list' of problems municipalities cannot solve, such as eligibility rules, gives ministries structured local evidence.

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What Member States should do

1. **Define priority groups in usable terms, backed by combined social and building data.** Identify energy-poor and vulnerable households and priority MFABs using several indicators together: income, arrears, energy costs relative to income, underheating, energy class, building age and tenure. Utilise secure data-sharing arrangements across ministries, municipalities, social services, building registries and energy suppliers to produce renovation priority maps and national MFAB inventories. Link eligibility for grants, technical assistance and OSS support directly to these criteria, and ensure the data is used to target support.

2. **Establish OSSs in law as a permanent public service.** Define core functions and minimum service standards covering the full renovation journey, including direct support to HOAs. Name one lead ministry, ensure territorial coverage (with regional hubs where needed), and set out OSS staffing, budget and performance indicators in the NBRP.

3. **Fund core costs and peaks in demand.** Provide multi-year core funding for OSSs, for instance through the SCF and Cohesion Policy funds, and budget technical and administrative support within renovation programmes so that capacity can expand when funding calls open. Support should remain free for vulnerable households.

4. **Make financial support for renovation predictable and differentiated.** Publish multi-year calendars of funding calls with stable eligibility rules. Vary grant rates by household vulnerability and renovation depth, spare vulnerable households from paying upfront (through direct payment to contractors, advance grants or guarantees), and support mixed-income buildings with solidarity funds, municipal guarantees or arrears support.

5. **Mobilise private finance.** Use guarantees and concessional loans, with national promotional banks, to offer long-term, low-cost finance to HOAs, and let OSSs aggregate finance-ready projects without compromising independent advice.

6. **Embed participation and social safeguards.** Co-design programmes with vulnerable households, publish consultation feedback, and require renovation programmes to assess and mitigate risks of rent increases, displacement and unaffordable co-financing.

7. **Integrate renovation into neighbourhood development.** Member States should encourage municipalities to bring NESRs, local heating and cooling plans and other municipal plans together as a single process, rather than treating them as separate plans to be linked afterwards. Each neighbourhood should have a roadmap that sequences insulation before heating-system changes, covers renewables and affordability, and involves grid and district heating operators from the start. The local OSS can then play a practical role in connecting these dimensions in practice, helping to avoid parallel planning processes, duplicated work and fragmented implementation.

8. **Monitor results.** Track buildings engaged, HOA decisions to renovate, projects completed, energy savings, and vulnerable households reached.

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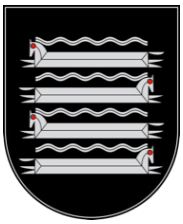


















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