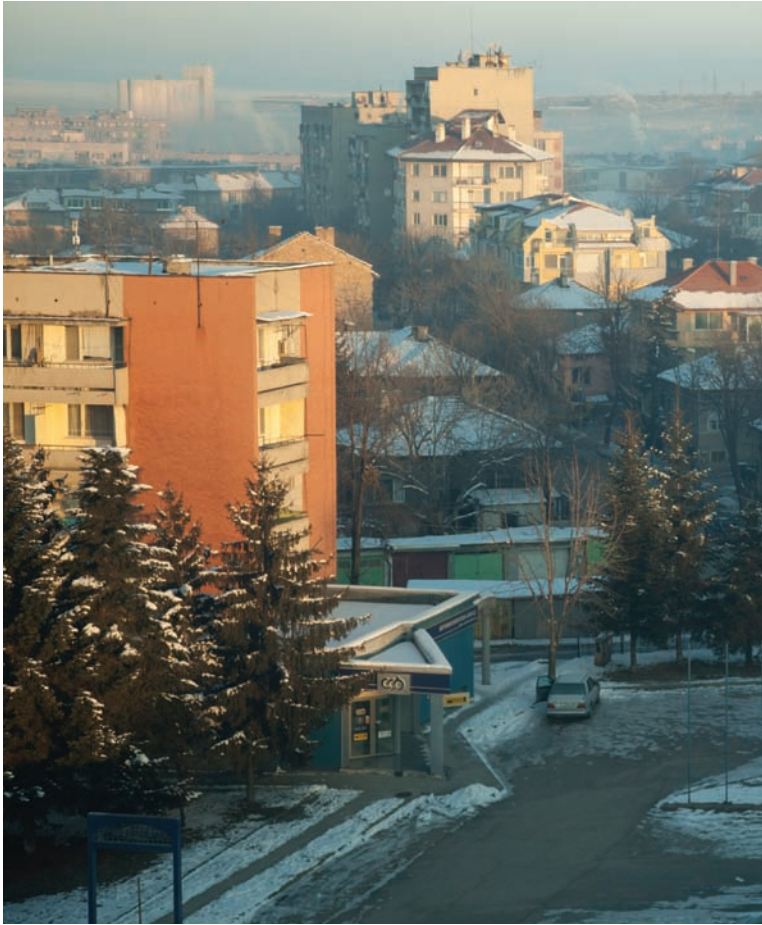




Residential Energy Efficiency for Low-Income Households in Eurasia (REELIH)



Energy needs and challenges

Residential heating accounts for more than 30 percent of energy use in most countries of the region, as previous construction and heating methods did not focus on energy efficiency. As a result, a highly inefficient energy use intensifies the impact of rising energy prices on low income households.

It is important to address the problems of residential energy efficiency because it can help countries move forward on the road to energy reforms and can limit energy waste. Energy efficiency has many benefits, depending upon the type of intervention. It can:

- Reduce the burden on households as energy prices rise.
- Increase energy security.
- Increase the investment needed for energy supply.
- Reduce air pollution and climate change emissions.
- Expand employment in unskilled and skilled labor.
- Reduce demands on national and municipal budgets.
- Improve economic competitiveness.

Project goals

Until June 2015, the REELIH projects aims to improve living standards in multi-unit apartment buildings in the region. It will focus on developing a regional effort, resources and networks to address the impact of rising energy prices on collective housing. It will do so through developing a sustainable model for financing and management of residential energy efficiency improvements in selected multi-unit apartment buildings in Armenia and Bosnia and Herzegovina. The overall objectives of the project are:

Improve the residential energy efficiency investment environment in the region through a regional platform for knowledge sharing, awareness raising and advocacy, address financing approaches, promote entrepreneurial solutions, job development, and make available appropriate technical information.

Develop and test replicable financing models

Combining capital and subsidies for lower income households to decrease energy consumption and cost.

National institutional capacity development

Improve management and maintenance of collective residential units by homeowners associations and/or other stakeholders.



Habitat for Humanity launched the Center for Innovation in Shelter and Finance (CISF) as a global initiative to facilitate collaboration between public, private, and third sector partners that develop regionally appropriate sustainable and innovative housing solutions. Through the Center, Habitat for Humanity aims to serve as a place of knowledge, expertise, advice, and innovation that supports local institutions enabling poor families to acquire adequate shelter. Through the CISF, Habitat for Humanity will also link the REELIH project to a global community of expertise and practitioners.



Expected results

- Conduct detailed research on the dynamics of home owners associations and maintenance of residential multi-unit buildings.
- Develop a building selection methodology for purposes of residential energy efficiency improvements.
- Develop a financial model for energy efficiency renovations in collective housing consisting of a mix of micro-finance, subsidies, grants and other sources.
- Train homeowner associations.
- Support country level multi-stakeholder advisory groups to advocate for residential energy efficiency.
- Provide opportunities for practical experience in residential energy efficiency to educational institutions and residential companies
- Organize a national conference on residential energy efficiency in Armenia and Bosnia and Herzegovina.
- Prepare policy recommendations for national and municipal governments for residential energy efficiency improvements in collective housing.



Previous experience in Macedonia

This initiative builds on Habitat for Humanity Macedonia's 2010 USAID project, Improving Energy Efficiency for the Low-Income Housing Sector in Macedonia. This pilot aimed to renovate and upgrade energy efficiency in three multi-apartment blocks in Macedonia. Its main objective was to confirm that investment in energy-efficient measures was justified.

Lessons from this project led to a follow-up proposal to expand the work to more countries in the region. The pilot phase has demonstrated that organizations with experience in housing and nonbank financing must be involved, in order to integrate

energy efficiency into investments for upgrading existing low-income housing. Habitat for Humanity Macedonia, a national organization of Habitat for Humanity International, was critical for the implementation of this pilot. It had assisted more than 400 low-income households in obtaining microfinancing for home improvements, including energy efficiency measures.

The project in Macedonia has demonstrated a model that can facilitate price changes needed for systemic energy sector reforms. These steps can reduce the impact on vulnerable households and achieve many of the related energy efficiency benefits.

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