

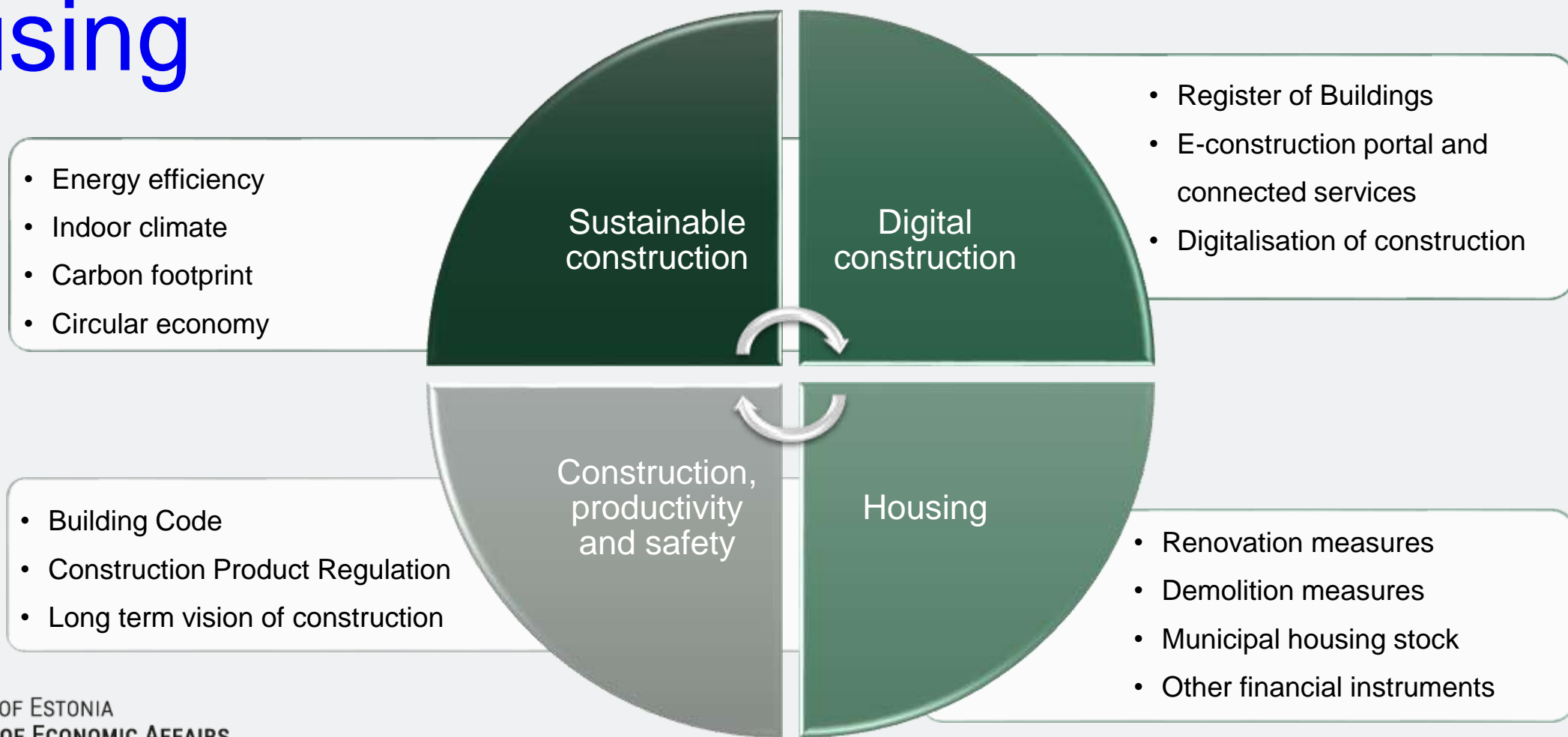
# Housing renovation measures in Estonia

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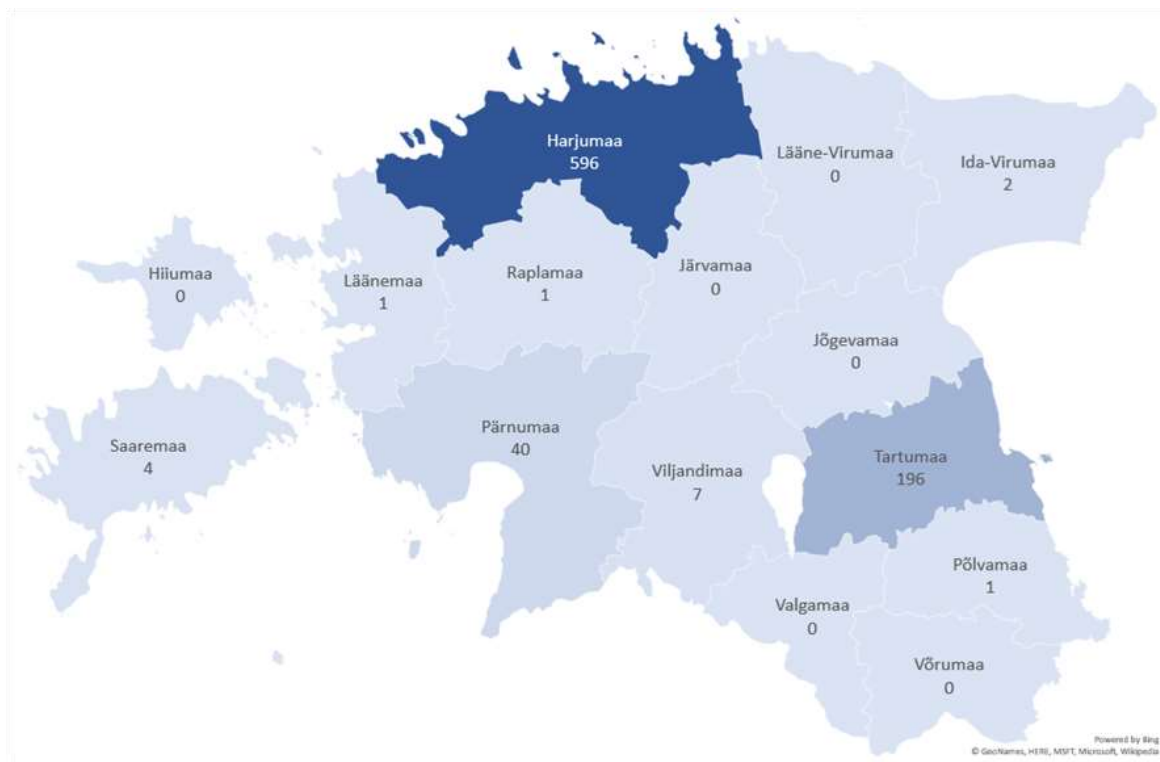


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AND COMMUNICATIONS

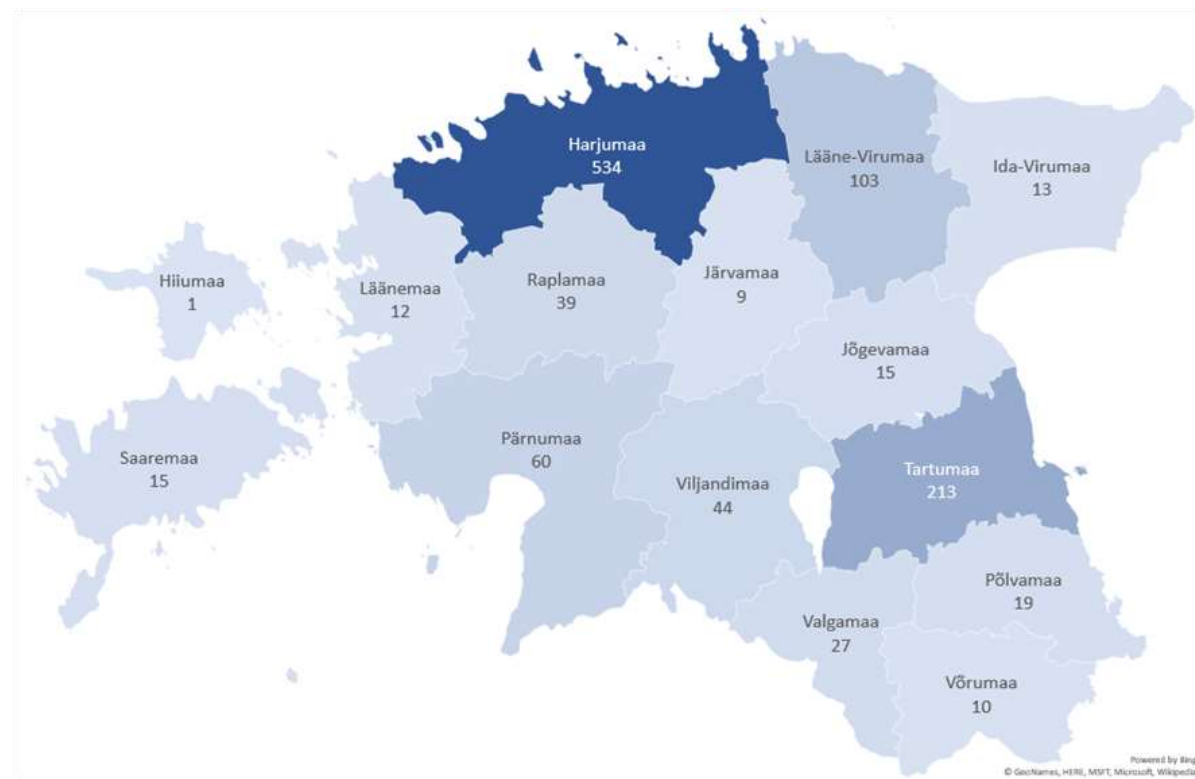
# MEAC: Dept of construction and housing



# Housing situation - regional

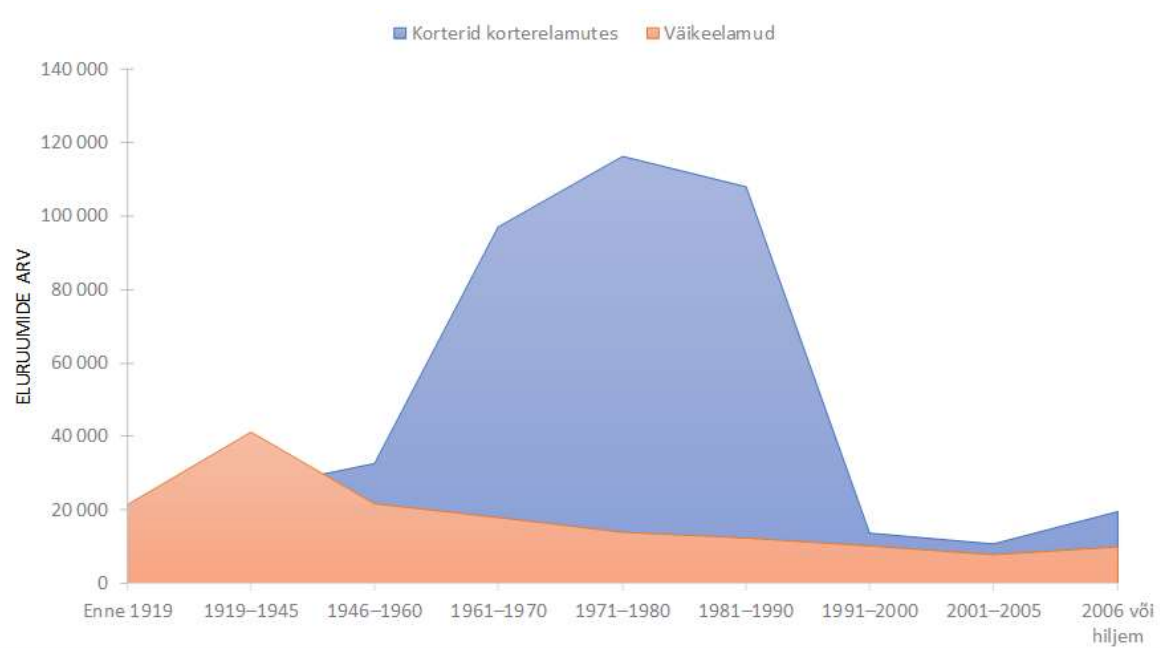


New dwellings in apartment buildings from 2011

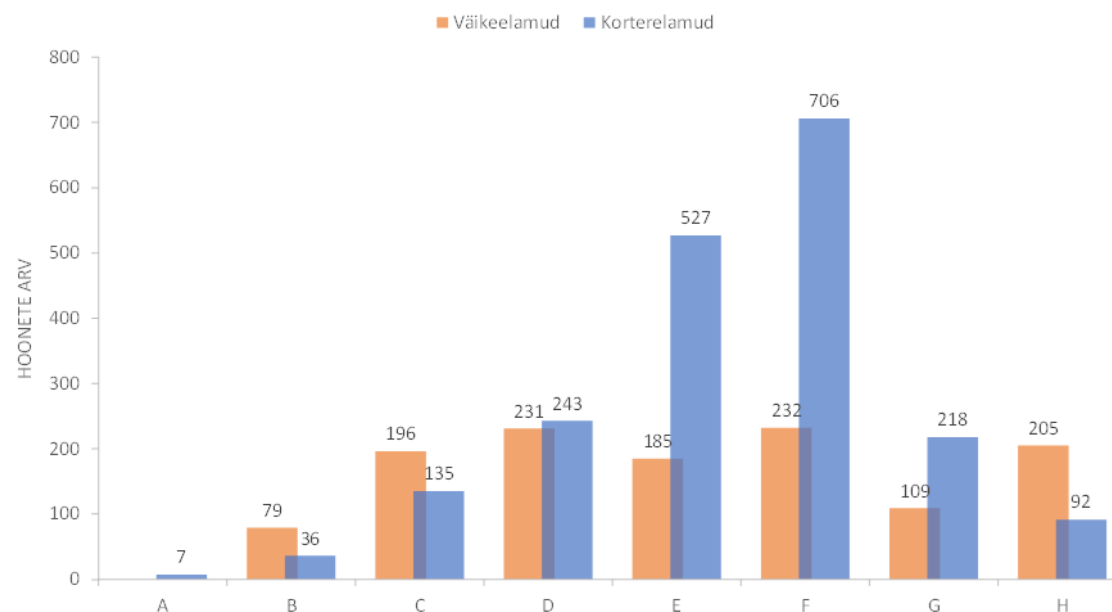


Renovated apartment buildings with grants from 2011

# Housing situation – life span



Yearly housing production.



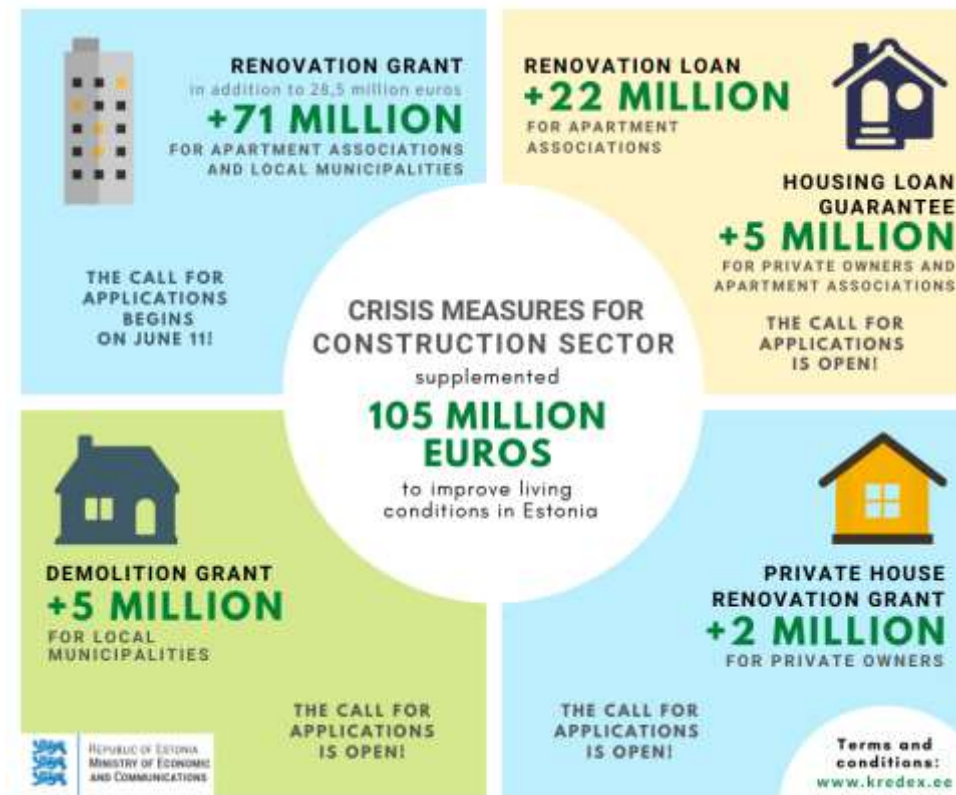
EPC-s of housing from pre-2000

# Current measures

Measure	Target group	Budget (m€ per year)
Renovation <b>grant</b> for ap. buildings	Apartment associations, municipalities	~10-30
Investment <b>grant</b> for rental dwellings*	Municipalities	~15
<b>Grant</b> for home improvement	Large families (3+ children)	~4
Renovation <b>grant</b> for detached houses	Natural persons	~1,5
<b>Grant</b> for dismantling and demolition	Municipalities	~0,3
<b>Loan guarantee</b> for home purchase or renovation	Natural persons	(~27)
<b>Loan guarantee</b> for ap. building renovation	Apartment associations	(~7)

\*To be discontinued.

## COVID-19



# Housing situation – apartment renovation grants

- 119,5 mln € grant support (2014-2020) + 28,5 mln € from performance reserve
- ~450 apartment buildings renovated
- ~1,178 mln m<sup>2</sup>
- ~17 700 apartments
- ~45% reduction of heating consumption
- ~9800 t of reduced CO<sub>2</sub> emissions
- Well developed technical solutions, expertise and financing



### 2003-2007

Loan (banks): 8+%, short periods, insufficient funding  
Grant: 10% (11 mln)



### 2009-2014

Loan (KredEx fund): fixed ~4% 10y, 20y period, sufficient funding  
Grant: 15, 25 and 35% (38 mln)



### 2015-2017

Loan (banks): fixed ~2,5% 5y, 15-20y period, sufficient funding  
Grant: 15, 25 and 40% (102 mln)



### 2018-2020

Loan (banks): fixed ~2,5% 5y, 15-20y period, sufficient funding  
Grant (regional): 30, 40 and 50% (46 mln)

Increased depth, quality and energy savings

# SA KredEx



KREDEX

# Volumes (LTRS)

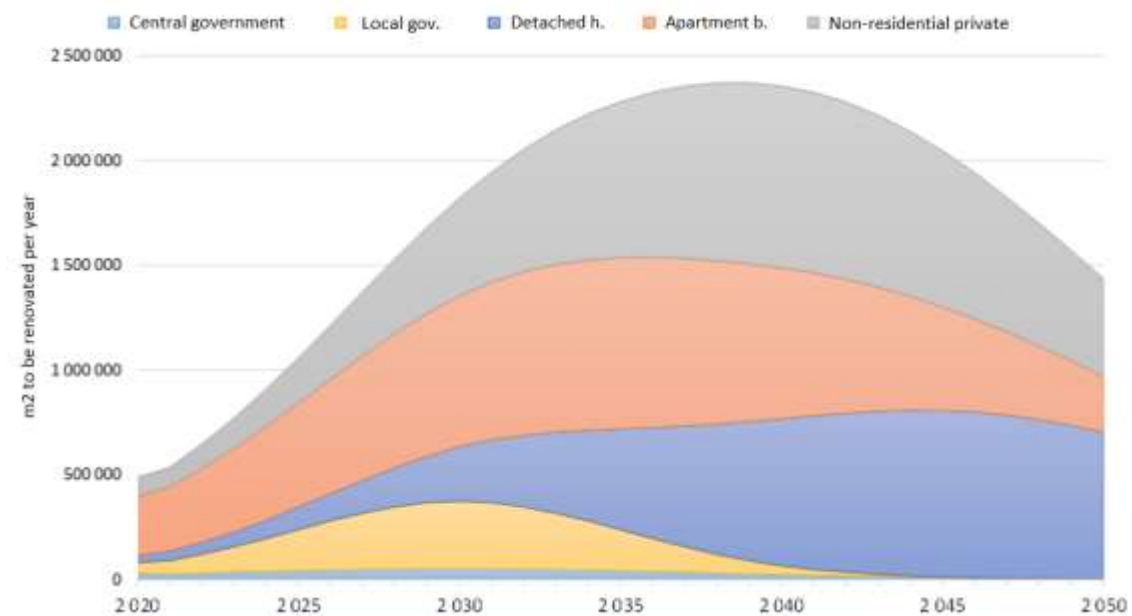
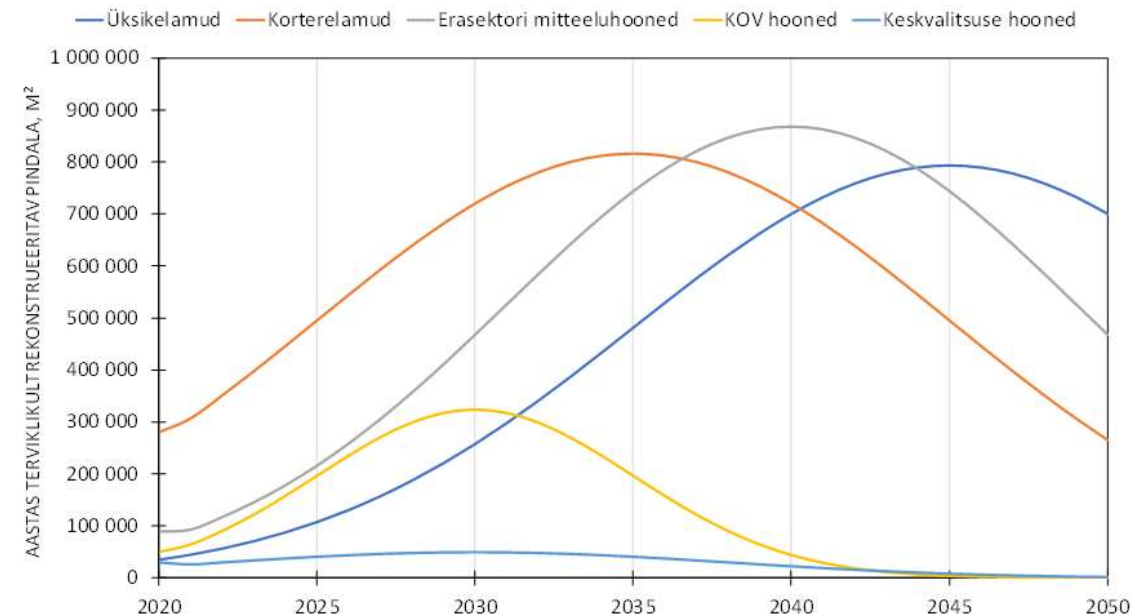
By 2050, complete deep renovation is required for (m2):

Detached houses	~14 000 000
Apartment buildings	~18 000 000
Non-residential private	~17 000 000
Municipal buildings	~4 000 000
Central government	~900 000
<b>TOTAL</b>	<b>~53 900 000</b>

Total cost: 22 bn €

Initial grants needed:

- 2021-2025: 0,8 bn € (avg 200m€/y)
- 2026-2030: 1,4 bn € (avg 280m€/y)



Yearly renovation volume (m2 floor area) by building type

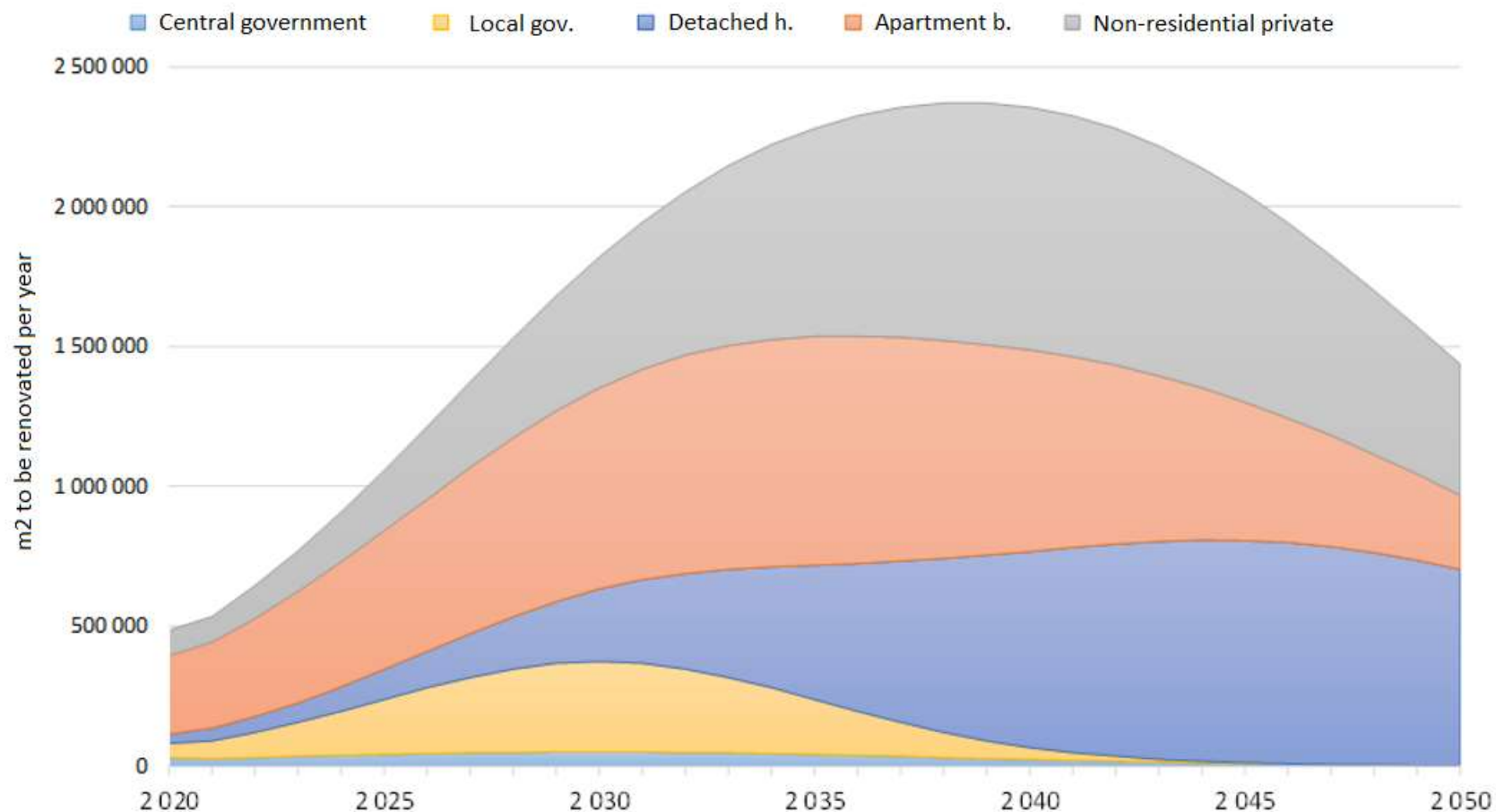


# Possible platform for investments

**Housing investment fund.** New market-based instrument for wider scale residential development. Provides finances, know-how and counter-cyclical investment support.

- Important measure to increase volumes in fragmented ownership situation and considering the less active/competent apartment associations
- Provides stability to the market and increases interest from large firms (possibly ESCO-s)
- Gathers funding from state budget, structural support, investment funds, banks, possibly EIB(?)
- Social housing in addition to wider scale renovation
- Example: *The Housing Finance and Development Centre of Finland (ARA)*

# Thank you!



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# More Information

**For info or further questions on this presentation please contact the JASPERS Networking and Competence Centre:**

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