

# ***Rehabilitation of the existing housing stock***

***in the European Union and other European Countries***

**18th INFORMAL HOUSING MINISTERS MEETING**

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## Introduction

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### Background

During its Presidency of the European Union, scheduled for the first half of 2010, Spain is due to host the 18<sup>th</sup> the XVIII Informal Meeting of EU Housing Ministers. The selected topic of the meeting will be: "Rehabilitation of the existing housing stock".

To this effect, a questionnaire was prepared to be completed by the housing authorities of EU Member States, candidate countries and two guest countries, Norway and Switzerland. The purpose of the questionnaire was to advance mutual knowledge and make it possible for EU Member States and candidate and guest countries to analyse the different policies implemented across Europe.

The present document expounds the main findings related to the answers provided in the above mentioned questionnaire. For the analysis, respondents were divided into several groups: the fifteen older members (EU-15), members joining the EU after 1 May 2004 (EU-12), the three candidate countries (Croatia, Former Yugoslav Republic of Macedonia and Turkey), and Norway and Switzerland.

This report has been prepared by the Housing Ministry of Spain, with the support of *hache2i Estrategia y Dirección S.L.* consulting firm.

### Scope

This report has been drawn in order to provide participants in the Informal Meeting of EU Housing Ministers to be held from 21 June 2010 with a summary of the main interventions, policies and regulations implemented by each country in connection with the rehabilitation of their existing housing stock.

### Methodology

A questionnaire was prepared, which was subsequently sent to all 32 countries: 27 Member States, three candidate countries (Former Yugoslav Republic of Macedonia, Croatia and Turkey) and two guest countries (Norway and Switzerland).

The first step was data gathering: during this stage contact was made with the national focal points in order to clarify any doubts that may have arisen during the processing of the different questionnaires or to obtain further details on specific points where the information provided may have been too scarce.

The second step was the analysis of the answers given by each country.

The questionnaire contained both closed questions (where a range of possible answers was already provided) and open-ended questions (comments, scope of the country's regulations, country features, etc.).

The findings extracted from closed answers are presented in statistical form. Percentages were calculated based on total participating countries, unless otherwise stated. The findings of open-ended questions, usually specific to each country, were summarized in a 32 different country reports.

Lastly, a final report was drawn up, with results being presented in two different ways:

1. Statistical results are shown in four groups:
  - A. All countries
  - B. EU-15<sup>1</sup>: Answers from the older EU Member States.
  - C. EU-12<sup>2</sup>: Answers from Member States joining the EU after 1 May 2004.
  - D. Candidate countries<sup>3</sup>: Answers from EU candidate countries.
  - E. Guest countries: Norway and Switzerland
2. Summary country reports, which include the highlights of the answers provided by each one of the participating countries. This document will enable countries to exchange experiences and best practices.
3. All the countries surveyed responded to the questionnaire, albeit not always in full because of lack of data or other reasons.

Open-ended questions for which no “yes” or “no” answer was marked in the corresponding box but where a comment was added stating that a certain situation obtained sometimes, partially, often, etc were taken to have been answered in the affirmative.

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<sup>1</sup> Germany, Austria, Belgium, Denmark, Spain, Finland, France, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, United Kingdom, Sweden

<sup>2</sup> Bulgaria, Cyprus, Slovenia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Czech Republic, Slovakia, Romania

<sup>3</sup> Former Yugoslav Republic of Macedonia, Croatia, Turkey

## Executive summary

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The questionnaire sent to the housing focal points of the 27 EU Member States, the three candidate countries (the Former Yugoslav Republic of Macedonia, Croatia and Turkey) and the countries invited to participate in the survey (Norway and Switzerland) was completed by all respondents.

### General summary:

The most significant points to be highlighted are as follows:

1. There was broad consensus on the definitions proposed for the term “rehabilitation,” as applied to dwellings, buildings and urban areas.
2. The enhancement of energy performance, with the ensuing reduction of CO<sub>2</sub> emissions, is one of the main drivers of rehabilitation.
3. Heterogeneity of the statistical information available on government-subsidised rehabilitation makes comparisons across countries and trend identification more difficult.
4. There is a general consensus on the contribution of rehabilitation to the maintenance and/or creation of employment.
5. Lack of agreement on future use of ERDF funds for rehabilitation purposes.
6. Lack of a broad consensus on the possibility that the European Union should established common architectural guidelines.
7. In general, the answers of EU-15 Member States are more in line with those of candidate and guest countries than with those of the EU-12 group. However, when it comes to questions related to economic matters, the answers of candidate countries tend to be more in line with those of E-12 countries.

### Axis 1: Rehabilitation: Overview

There is broad consensus between the countries participating in the survey in terms of the definitions proposed for the term “rehabilitation.” From this standpoint, “dwelling rehabilitation” can be defined as:

*“The group of interventions needed to improve a dwelling’s fitness for use, energy performance, environmental protection, use of renewable energies and physical accessibility.”*

Consensus is 91% for the item “improve fitness for use” and “enhance energy performance,” and 78% for “improve environmental protection.”  
“Building rehabilitation” is defined as:

*“The group of interventions needed to improve a building’s structural conditions, its energy performance, environmental protection, use of renewable energies, and architectural aspects, and to guarantee its safety and weathertightness.”*

In this case, the degree of agreement between the respondents ranges from 100% for “enhance energy performance” to 78% for “Improve architectural aspects”.  
Lastly, “Rehabilitation of urban areas” is defined as:

“Upgrading of the residential fabric in the urban milieu by means of a group of interventions needed to rehabilitate dwellings and buildings; citizen participation. It includes works aimed at urban planning and redevelopment, enhancing universal accessibility and installing centralised hot water networks fed by renewable energies.

These interventions usually entail the thorough renewal of neighbourhoods in need of building demolition and replacement, urban planning or area redevelopment, supply of facilities and equipment; and improvement of accessibility to public spaces.”

Degree of consensus varies between virtual unanimity for “rehabilitation of its dwellings and buildings” (only one country disagreed) to 60% for “installation of centralised hot water networks fed by renewable energies”. The item “installation of centralised air-conditioning networks fed by renewable energies” has been removed from the suggested definition since only a minority (34%) of countries included it in their definition of “urban area rehabilitation.”

“Enhancement of energy performance” is probably the most important driver for technical rehabilitation in the majority of countries as it is a key requirement to bring down CO<sub>2</sub> emissions. Housing accounts is the third largest emitter of CO<sub>2</sub> after the transport and the manufacturing sectors and in many countries dwellings and buildings erected between the 60’s and the ’80’s are characterized by low energy performance.

Differences exist between EU-15 and EU-12 countries. The former are more focused on rehabilitating dwellings whereas the latter seem to lay greater emphasis on building rehabilitation. This attitude is in line with rehabilitation regulations of the different countries. Indeed, regulations are more concerned with dwellings in the EU-15 countries and with buildings in the EU-12 countries. In a few of the EU-12 countries, rehabilitation of private dwellings is either not included in the legislation or depends excessively on the owner of the property.

In the majority of countries, competences over rehabilitation are shared between local authorities (91%) and the Central Government (85%). In 44% of countries, regional governments have competences over rehabilitation, which they share with the other levels of government. Although as a general rule competences over rehabilitation are shared between the different levels of government, five exceptions exist: Malta, where competencies lie exclusively with the Central Government, the United Kingdom, where they pertain only to the regional governments, and Slovenia, Estonia and Sweden, where the local governments are the only competent authority.

Regulations on rehabilitation have similar provisions in the different countries participating in the study.

#### **Purpose of rehabilitation:**

- “Energy-related aspects” are those that feature most prominently in the regulations of the different countries. Specifically, it is included in regulations of 90% of the countries, chiefly aimed at the enhancement of energy performance in dwellings and buildings and the use of renewable energies, through application of new energy-saving technologies or construction materials.
- 81% of countries include “adaptation to the needs of disabled persons,” as one of the goals of rehabilitation: in the majority of cases (61%) the norm also comprises elderly persons.
- In 68% of countries, regulations refer to “architectural aspects”; “urban planning aspects,” are in turn mentioned by 65% of countries.

#### **0.1.1 Funds for rehabilitation**

- “Financial aspects” feature in the regulations of 71% of countries, whereas 58% of countries refer to “fiscal aspects.”  
Overall, it is in the EU-15 countries and the candidate countries that these aspects feature more profusely. In contrast, EU-12 countries are below average, with the greatest difference being found in terms of “adaptation to the needs of elderly persons” and “fiscal aspects.”



58% of countries have regulations that state that urban rehabilitation must have an “integrated character”, prioritizing environmental and social aspects (especially in EU-15 countries).

## Axis 2: Fulfilment of housing needs

It was impossible to determine whether the different countries managed to fulfil their housing needs through rehabilitation given the wide divergence in the data supplied, which made it impossible to draw any conclusions in this respect.

### Statistics

Regarding the use of subsidies for rehabilitation, 23 countries contributed data on dwelling rehabilitation and 16 on building rehabilitation. Nevertheless, the information provided is not homogeneous. The data supplied by some countries is extremely precise, whereas that supplied by others is made up of rough estimations. Figures reported regarding the number of dwellings rehabilitated varies widely, e.g. between 280,000 to 5 housing units. When it comes to quantifying the number of dwellings and buildings subjected to rehabilitation, there is no single manner of gathering data regarding the number of dwellings and buildings rehabilitated in each country. Some countries do not make a distinction between dwelling and building rehabilitation. Others do not consider such a distinction necessary.

Consequently, there are no data that make it possible to accurately estimate the volume of the rehabilitation sector in the different countries, or to carry out comparisons across countries.

However, it must be pointed out that:

- Twenty-four countries have some kind of statistics on rehabilitation works carried out with public subsidies (12 EU-15, 9 EU-12, 2 candidates, Norway).
- As regards dwelling rehabilitation, Germany, France, Spain, Finland, Hungary and the Czech Republic show the highest intensity. Nevertheless, it is not possible to establish a trend as some countries have increased their activity since 2000, while others have decreased it.
- As far as building rehabilitation is concerned, in most countries the number of refurbished buildings is of a few hundred, except for Poland (2,860 buildings in 2008) and Hungary (1,461 buildings in 2008).

### Intervention on the surrounding area

The majority of countries understand that fulfilment of housing needs necessarily implies the existence of appropriate surroundings. Consequently, in 63% of countries, especially in those in the EU-15 group and in the candidate countries, subsidies for dwellings and/or buildings rehabilitation may at times simultaneously benefit from financial support for urban planning interventions.

### Transfer of costs in the rental housing stock

An important stimulus for the rehabilitation of rental housing stock is the fact that owners can wholly or partially transfer rehabilitation costs to their tenants in 21 of the surveyed countries (66%). The majority (74%) of EU-15 countries allow such transfers provided that the investment made results in an improvement (in terms of fitness for use, energy performance, etc.). Cost transfers may range between 5% and 11%, depending on the specific country.

Half the countries in the EU-12 group allow landlords to transfer rehabilitation costs to their tenants. In some countries, these transfers must be negotiated between landlord and tenant.

## Axis 3: Job creation

### Statistics

Thirty of the countries participating in the survey (94%) consider that rehabilitation contributes to the maintenance and/or creation of employment.

Austria estimates that the job creation potential of rehabilitation is of 14 direct and indirect jobs per million euro invested, while according to Ireland the figure is 8 jobs per million euro invested.

EU-15 Member States (74%), and to a lesser extent (50%) the countries in the EU-12 group, have recently promoted rehabilitation as a way to combat the financial crisis. Estimations indicate that almost 500,000 jobs were either created or maintained between 2008 and 2009 (although figures vary widely among countries).

As an example of the plans implemented, Germany introduced a series of programmes aimed at stimulating economic activity which had a direct effect on the generation and/or maintenance of employment:

- In addition to the “Impetus Programme for Growth and Employment” (part of the “First Package for Growth and Employment”) introduced in November 2008, the annual budget for the “CO2 Building Rehabilitation Programme” was increased to 1.5 billion euro between 2009 and 2011. Nonetheless, demand for funding was so high in 2009 that the programme had to be supplemented by an additional 750 million euro half way through that year. Estimations indicate that the programme created or maintained 270,000 jobs in the construction industry and in the small retail sector at regional and local levels.
- 
- In the United Kingdom, the Government recognises the impact of the current financial crisis on the housing sector and has responded to the short-term market conditions through measures taken since the start of the downturn, by providing support for construction, jobs and skills. In June 2009, the British Government pledged to invest £1.5 billion into new affordable housing. This pledge will help create an estimated 45,000 jobs in the construction and related industries over the next three years.

### Human resources with specific rehabilitation skills

The majority of countries (66%) consider that the available amount of skilled professionals and labour is sufficient to meet the existing needs of the rehabilitation sector. This availability is higher in the EU-12 countries and the candidate countries, with 75% and 100% respectively, than in the EU-15 group, where the amount is sufficient only in 53% of countries.

In 25 countries the educational system offers some sort of specific instruction for the rehabilitation sector, with responses in the affirmative ranging between 59% (intermediate-level university education) and 69% (advanced-level university education) of countries.

This instruction is available at intermediate and advanced-level vocational training programmes in between 63% and 66% of countries respectively. The offering of university-level instruction on rehabilitation is comparatively larger in the EU-12 group and in the candidate countries than in the EU-15 Member States, where this kind of instruction tends to be offered at vocational training level.

It should be mentioned that in four out of the five countries that offer no academic instruction on rehabilitation, availability of skilled professionals and labour is not aligned with the needs of the sector. Nonetheless, in two of these countries 34,000 jobs have been created thanks to the stimulus package.

## Axis 4: Funding and Concert between Public Administrations and the Private Sector.

### ERDF Funds

Although the majority of EU-12 countries (83%) have used ERDF funds for rehabilitation purposes, a lower number of countries intend to use them in the future (75%). In fact, although amendment of Regulation (EC) 1080/2006 allows countries to avail themselves of ERDF funds for rehabilitation purposes, there is as yet no consensus on the use of those funds with that purpose. The majority of EU-12 countries that intend to use them contrasts with a relative majority of EU-15 countries who think the opposite.

### Availability of subsidies

EU countries make available to their citizens up to six different types of financial support for the rehabilitation of dwellings and buildings:

- Tax benefits
- Non-refundable loans
- Low-interest loans
- Subsidised loans
- Guarantees
- Other kinds of subsidies

A total of 25 countries (81%) offer some kind of financial support for dwelling rehabilitation, 23 countries (75%) contemplate subsidies for building rehabilitation. The most widespread type of financial support available at the three different levels of government is the non-refundable loan, followed by low-interest loans and by tax relief, in case of building rehabilitation.

As mentioned above, EU-12 Countries provide increased support for the rehabilitation of buildings than of dwellings and their preferred type of assistance is non-refundable loans. Support is comparatively greater in EU-15 countries.

Overall, the central government is the level of government that offers most subsidies both for dwelling and building rehabilitation

As far as non-refundable loans are concerned, local authorities in 8 countries make such support available both for dwelling and for housing rehabilitation. Nonetheless, the role played by central governments is greater since they offer these kinds of loans in 19 of the countries studied, both for dwelling and building rehabilitation.

Generally, EU citizens have at their disposal more than one type of rehabilitation subsidy. Indeed, a large majority of countries offers at least two kinds of support, and quite a few of them offer up to three and four types of subsidies. In theory this allows them to better cater for the needs of each one of their citizens.

### Specific Subsidies

As far as subsidies for specific purposes are concerned, financial support aimed at adapting dwellings to the needs of elderly and disabled persons are often channelled through specific subsidies.

Sixty-one percent of countries offer support aimed at adapting dwellings to the needs of disabled persons; this figure is 51% in the case of elderly persons. In the EU12 group, the proportion of countries that provide this type of subsidies is lower than in the EU-15 group and in the candidate countries.

On the whole, support for adapting dwellings or buildings is slightly greater in the case of disabled persons than for elderly persons, although adaptations to the needs of elderly persons are often implicit in the adaptations intended for disabled persons.

Fifty-nine percent of countries offer specific subsidies for low-income families; this percentage increases to 79% in the case of EU-15 Member States.

### Information and guidance

Information and guidance on rehabilitation subsidies is centralised in the majority of countries (66%), those services being particularly centralized in EU-12 countries (83%). Similarly, in 58% of EU-12 countries the processing of applications for rehabilitation subsidies is centralized; this figure decreases to 48% for the whole group.

## Axis 5: Role of architecture

### Importance of architecture

The majority of respondent countries (82%) have a government department (generally within the ministries of housing, public works or the environment) that is tasked with matters related to architecture. However, only half of the countries surveyed possess their own architectural policy, which is often limited to buildings that are listed or which belong to the country's historical or cultural heritage. The majority of these countries have participation mechanisms in place whereby citizens can have a say in shaping architectural policy.

Architecture is mainly associated with culture, the environment and urban planning, which is tantamount to associating it with the city. Only a minority of countries associates architecture with industry and innovation.

Architectural quality is an important consideration in the majority of countries, although in many cases it refers to technical aspects (quality of execution, functionality) rather than to aesthetic ones. Twenty-five states have specific regulations that cover technical and functional aspects of architecture, whereas 18 countries have specific regulations that govern rehabilitation matters. In the majority of countries architectural regulations cover matters related to housing, fitness for use and urban layout. Virtually all respondents consider that high-quality architecture has a positive impact on citizen wellbeing, job creation and asset generation and management.

The majority of countries consider that the term architecture denotes "any kind of construction" and most of them promote architecture, especially in projects developed by the public administration. Consequently, the most common mechanisms to promote architecture are the inclusion of specific requirements in the specifications of both public tenders and architectural competitions for public projects. Likewise, several countries grant architectural awards as a way to foster architectural quality in a more general way.

### EU guidelines

Only half the countries surveyed think that the existence of common EU architectural guidelines would be useful. In this respect, there is a wide difference between EU-15 countries (most of which are against the introduction of such guidelines) and EU-12 and candidate countries (most of which are in favour of the introduction of such guidelines). Some of the countries that are against the introduction of common EU architectural guidelines claim that architectural diversity across Europe precludes the introduction of common EU guidelines. These countries, together with others that support the establishment of common European guidelines, believe that diversity must be preserved,

# 1 Rehabilitation: Overview

## 1.1 Concept of rehabilitation

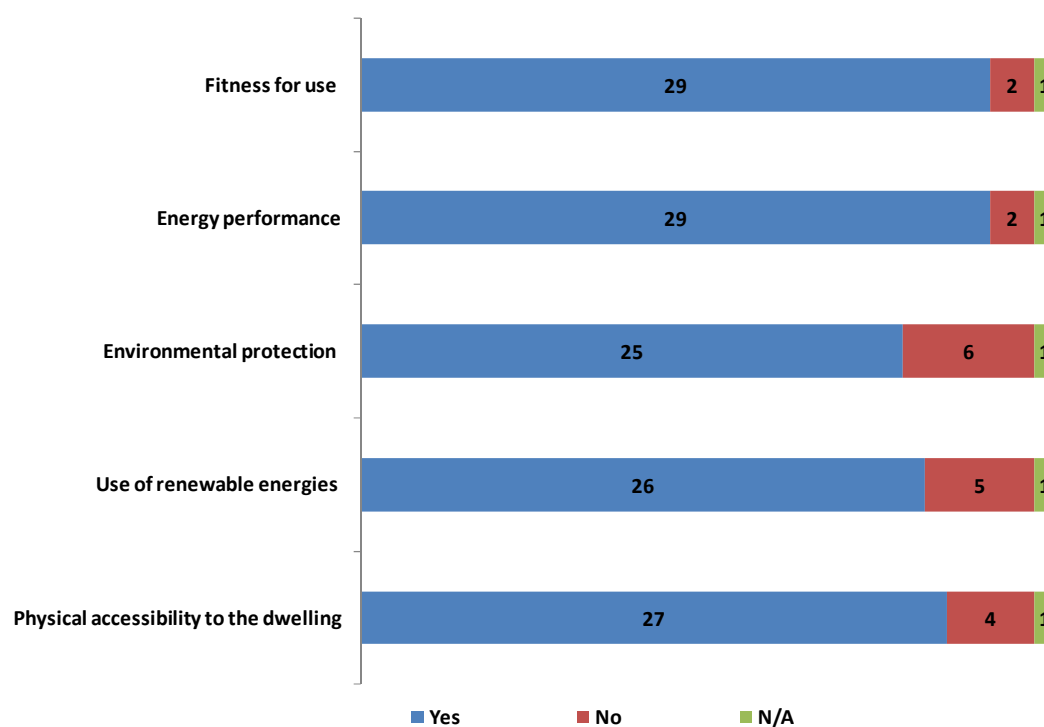
### 1.1.1 Concept of dwelling rehabilitation

#### A. All Countries

There is widespread consensus on the definition of the concept of dwelling rehabilitation. Indeed, agreement with the different items of the definition proposed ranges between 78% and 91% of countries.

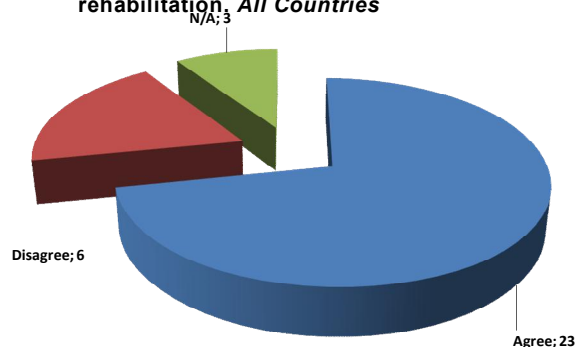
“Fitness for use” and “energy performance,” both with 91% positive answers, are the items where agreement is more prevalent, whereas “environmental protection” is part of the definition of rehabilitation in 78% of Member States.

Fig. 1.1.1. Dwelling rehabilitation is the set of interventions needed to improve ,,,. All Countries



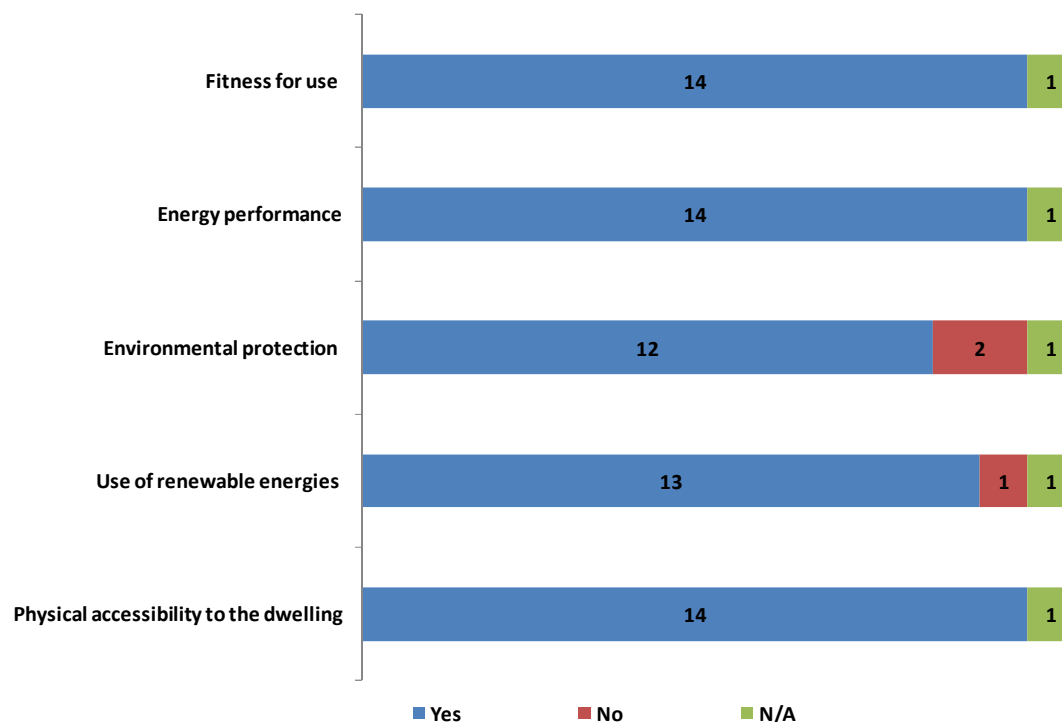
Agreement with the overall concept of “dwelling rehabilitation” is slightly lower (72%).

Fig. 1.1.1. Overall concept of dwelling rehabilitation, All Countries



## B. EU-15 Countries

Fig. 1.1.1. Dwelling rehabilitation is the set of interventions needed to improve .... EU-15 countries



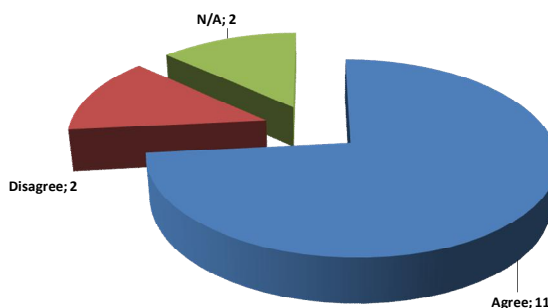
In the EU-15 countries there is virtual unanimity on the concept of concept of “dwelling rehabilitation.” Fourteen countries (93%) include improvement of “*fitness for use*”, “*energy performance*” and “*physical accessibility to the dwelling*” in the definition of rehabilitation. “*Environmental protection*,” mentioned by twelve countries (80%), is the least prevalent element. Neither Ireland nor the Netherlands include “*environmental protection*” in their definition of “dwelling rehabilitation.”

In line with the overall results, agreement with the overall concept of dwelling rehabilitation decreases slightly, down to 73% of EU-15 countries. Two countries, Ireland and Sweden, do not share this concept.

In Sweden, there is no formal definition of dwelling or building rehabilitation. The “Planning and Buildings Act” of July 1995 replaced the concept of rehabilitation by the concept of “change”. Everything that is not new construction or maintenance is now called “Change.” This concept can be extended to construction work or to other changes: internal or external measures that produce a change in façades, construction and facilities or a change in interior decoration. However, in everyday usage, rehabilitation is still construed as the improvement of the condition of dwellings and buildings in different ways.

Denmark, on the other hand, does not provide answers to the different parts of the question as – in their words - the purpose of Danish urban development and urban renewal regulations is to upgrade degraded urban areas and transform them into attractive places to live and to make private investments in. Danish urban development policies are sponsored by the private initiative. Local authorities only have four instruments at their disposal:

Fig. 1.1.1. Overall concept of dwelling rehabilitation. EU-15 Countries



- Building renovation
- Area renovation
- Upgrading of open spaces
- Notice of terminal dilapidation

### C. EU-12 Countries

In the EU-12 Countries, the concept of dwelling rehabilitation enjoys a lower degree of consensus. The greatest agreement is obtained in connection with the improvement of “fitness for use” and “energy performance”, with 83% of positive answers and two negative answers (Lithuania and Poland). In contrast, “environmental protection”, “use of renewable energies”, and “physical accessibility to the dwelling” received 64% of positive answers.

Latvia, Lithuania, Poland and Slovakia did not include “environmental protection” or “use of renewable energies” in their concept of rehabilitation, while “physical accessibility to the dwelling” is not part of the concept for Lithuania, Poland, Slovakia and Romania.

Fig. 1.1.1. Dwelling rehabilitation is the set of interventions needed to improve .... EU-12 countries

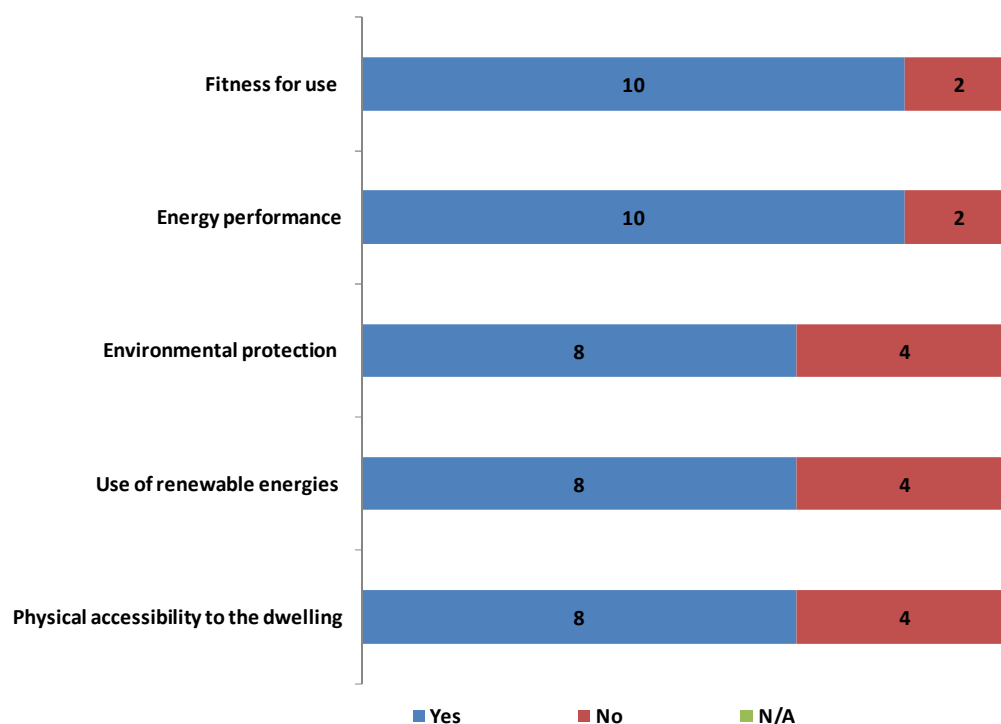
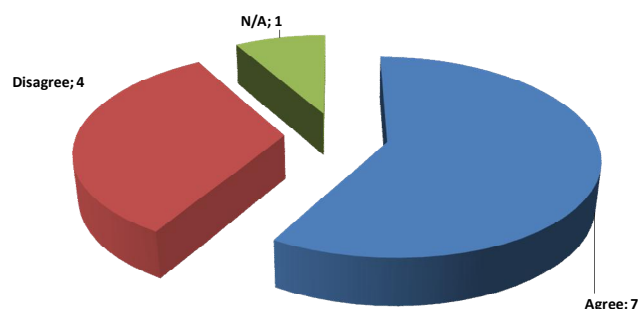


Fig. 1.1.1. Overall concept of dwelling rehabilitation. EU-12 countries

A slight majority of seven countries (59%) agree with the overall concept of dwelling rehabilitation (Bulgaria, Cyprus, Estonia, Hungary, Malta, the Czech Republic and Romania)

Mention should be made of the fact that in some EU-12 Countries there are no rehabilitation programmes for private dwellings, as in the case of Poland and Slovakia.

In Lithuania the decision to rehabilitate a dwelling corresponds solely to the property

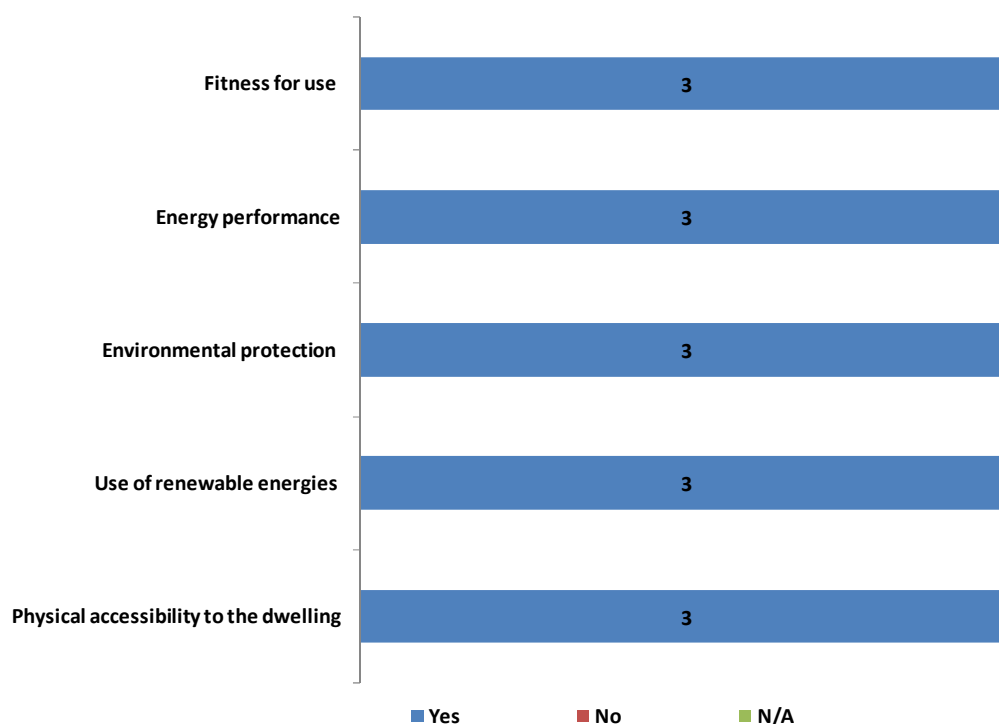


owner. Modernisation programmes are in place, whose goal is to invest in energy performance programmes and in other improvements, but only in multiple-family residential buildings.

In Latvia, dwelling rehabilitation is related to energy performance: rehanilitation work is aimed at reducing energy costs by replacing windows, doors and roofings. Authorities also recommend the use of environmentally-friendly construction materials and equipment as well as the use of renewable energies, although this is not a compulsory requirement for rehabilitation projects.

#### D. Candidate countries

Fig. 1.1.1. Dwelling rehabilitation is the set of interventions needed to improve ... Candidate countries



All candidate countries agree with all the items comprised in the concept of dwelling rehabilitation. Consequently, there is also unanimity in terms of the overall concept.

#### E. Norway and Switzerland

Both Norway and Switzerland agree with all the items in the concept of dwelling rehabilitation, and both countries agree with the overall concept.

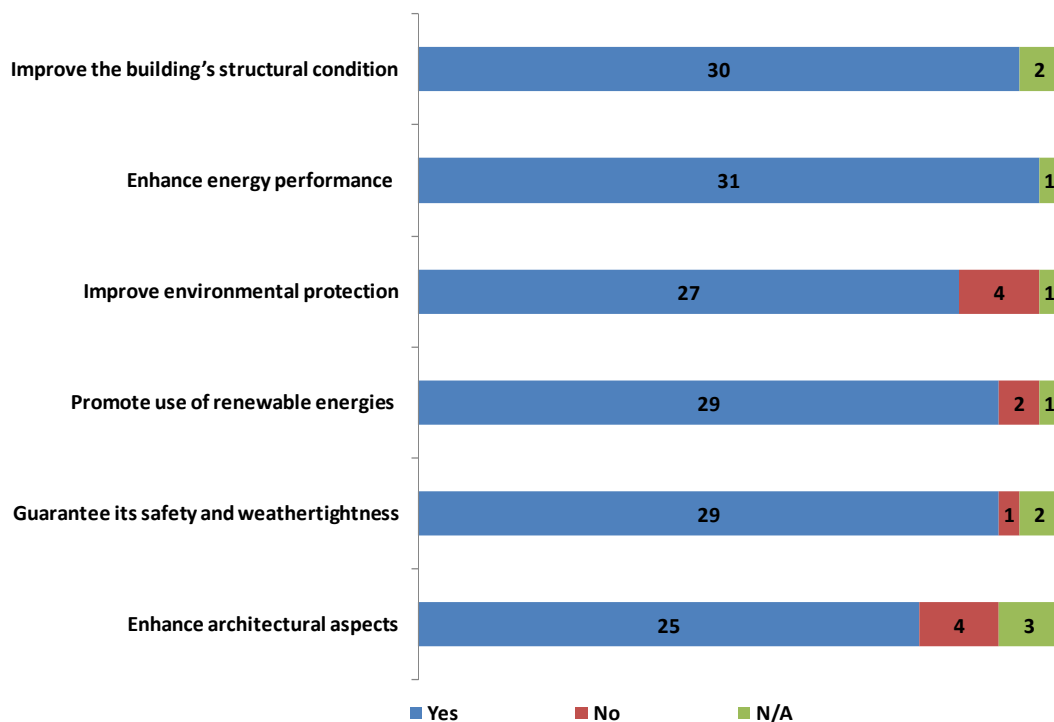


### 1.1.2 Concept of building rehabilitation

#### A- All Countries

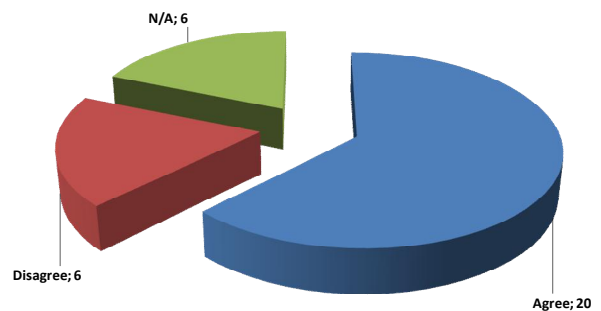
Overall, participating countries show higher levels of agreement with the definition proposed for “building rehabilitation” than for that proposed for “dwelling rehabilitation.” Agreement with the different items proposed ranges between 78% and 97% of countries. “Enhance energy performance” is the item that received the most positive responses (97%), while “enhance architectural aspects” is the item that enjoyed the least agreement, even if 25 countries (78%) do consider it part of the definition of “building rehabilitation.” It should be remembered that for the definition of “dwelling rehabilitation” the item “enhance energy performance” obtained 90% positive responses, seven points more than the definition for “building rehabilitation.”

Fig. 1.1.2. Building rehabilitation is the set of interventions needed to improve .... All Countries



The majority (63%) of participating countries agree with the overall concept of “building rehabilitation.” Interestingly, agreement here is ten percentage points lower than for “dwelling rehabilitation” (73%).

Fig. 1.1.2. Overall concept building rehabilitation. All Countries



## B- EU-15 Countries

There is consensus on the contents of the concept of building rehabilitation, with positive responses ranging between 67% and 93% of countries.

“Enhance energy performance” and “promote use of renewable energies,” both with 93% of positive answers, are the items where agreement is most prevalent, Ireland being the only country that does not include this item in its definition. On the other hand, “enhance architectural aspects” had 67% positive responses, with disagreements from Austria and the Netherlands.

Fig. 1.1.2. Building rehabilitation is the set of interventions needed to improve ...: EU-15 Countries

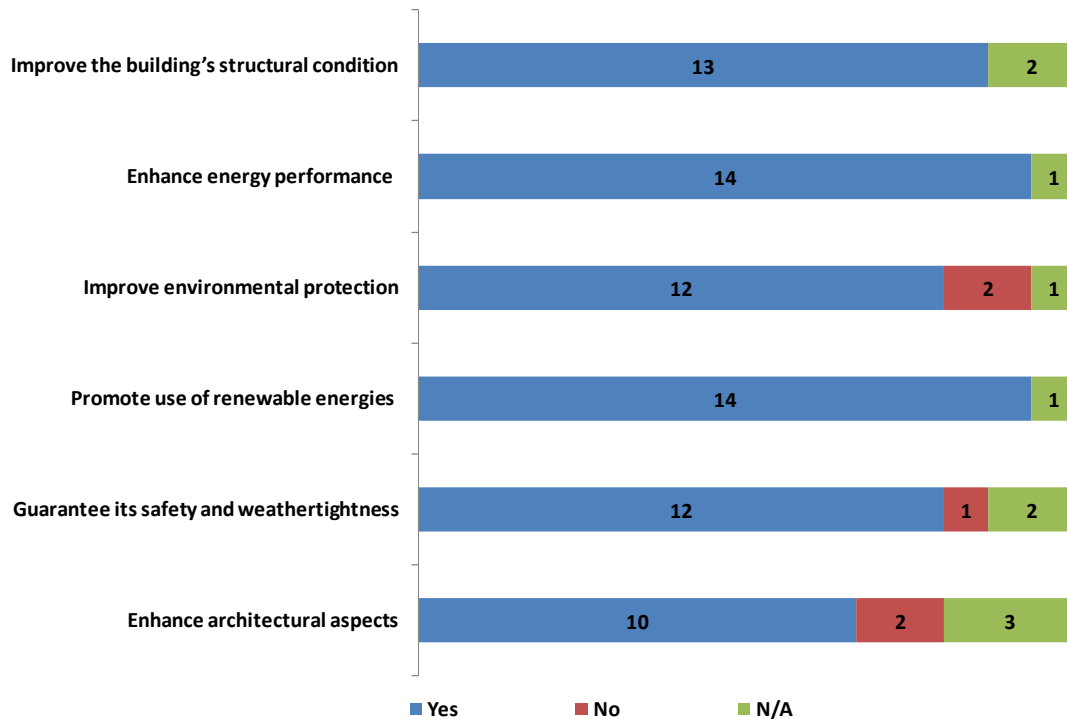
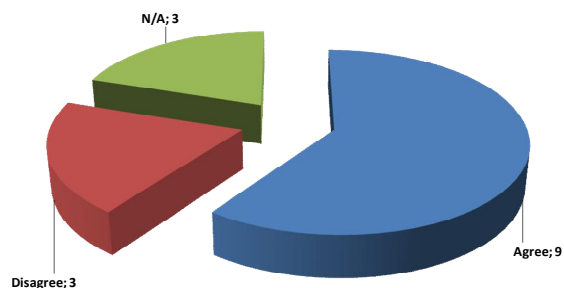


Fig. 1.1.2. Overall concept of building rehabilitation. EU-15 countries



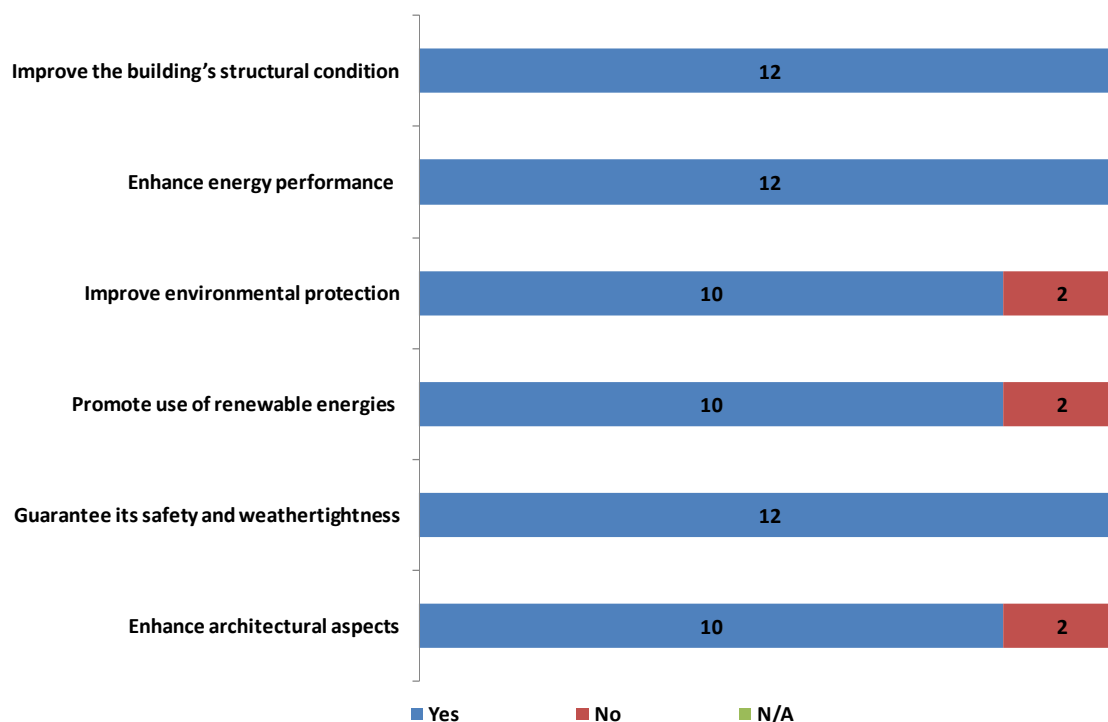
Agreement with the overall concept of building rehabilitation is less important than individual definitions, with 60% consensus, as compared with 73% for dwelling rehabilitation.

In Austria “safety and weathertightness” are not normally a problem in buildings, not even before their rehabilitation. Architecture is usually a complex subject because thermal insulation often poses a threat to the original architecture, and refurbishment does not always enhance architectural design. However, some improvements are being observed since architects become increasingly involved with rehabilitation projects.

In the United Kingdom, building regulations set minimum standards for structure, fire spread, resistance to contaminants, energy efficiency and accessibility for new buildings and when people elect to carry out work on existing buildings.

### C- EU-12 Countries

Fig. 1.1.2. Building rehabilitation is the set of interventions needed to ... EU-12 Countries



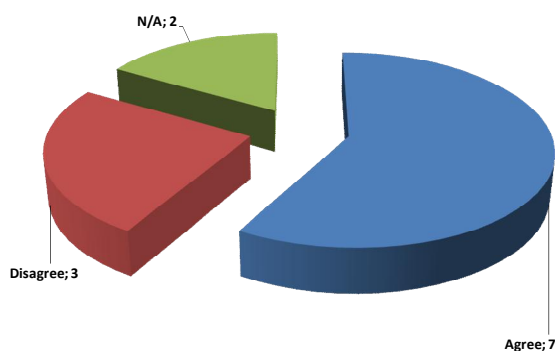
EU-12 countries show greater consensus on the definition of the concept of building rehabilitation than EU-15 countries. Positive responses ranged between 83% and 100% of countries.

All EU-12 countries consider that the items “improve the building's structural conditions”, “enhance energy performance” and “guarantee its safety and weathertightness” are part of the definition of “building rehabilitation.” In addition items like “improve environmental protection”, “promote use of renewable energies” and “improve architectural aspects” obtained 83% of positive answers.

Agreement with the overall concept is lower, but was nevertheless expressed by the majority of countries (58%), the same percentage obtained by the overall dwelling rehabilitation concept.

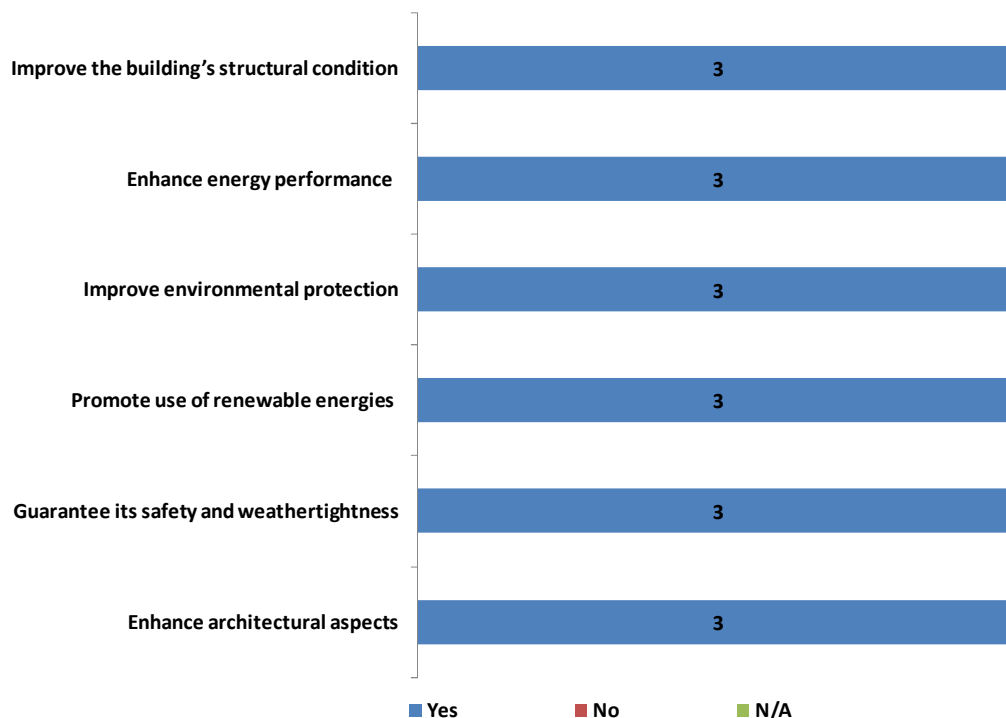
In Estonia, the current actual financial and economic crisis has resulted in architectural aspects related to building rehabilitation not being considered a priority at the present time. In Latvia, building rehabilitation, like dwelling rehabilitation, is related with energy performance.

Fig. 1.1.2. Overall concept of building rehabilitation. EU-12 countries



## D- Candidate countries

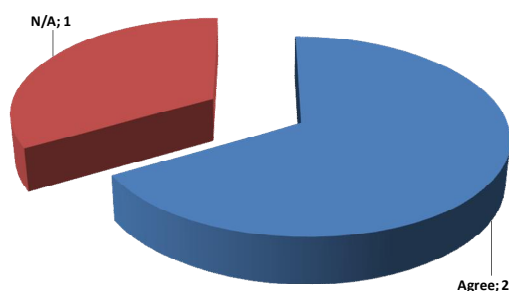
Fig. 1.1.2. Building rehabilitation is the set of interventions needed to .... Candidate countries



All three countries unanimously agree with all items in the concept proposed for building rehabilitation.

Two of the candidate countries (Croatia and the Former Yugoslav Republic of Macedonia) agree with the overall concept. Turkey has not expressed itself on this point.

Fig. 1.1.2. Overall concept of building rehabilitation. Candidate countries



## E- Norway and Switzerland

Norway and Switzerland agree with all items in the definition proposed for the concept of "building rehabilitation."

### 1.1.3 Concept of rehabilitation of urban areas

#### A- All Countries

There is a high degree of consensus on the definition of “rehabilitation of urban areas.” Indeed, agreement with the different items proposed ranges between 57% and 94% of countries. There is only one item where disagreement is more prevalent than agreement, i.e. half the countries do not consider “*installation of centralised air-conditioning networks fed by renewable energies*” to be part of the definition of “rehabilitation of urban areas.” Only 38% of countries believe it is.

In the section “*upgrading the residential fabric in the urban milieu*”, positive answers ranged between 57% (*Installation of hot water networks fed by renewable energies*) and 94% (*rehabilitation of dwellings and buildings*).

Positive answers for “*thorough neighbourhood renewal*” ranged between 69% (*demolition and replacement of buildings*) and 88% (*development of equipment and facilities*), and “*improvement of accessibility of its public spaces*”.

Fig. 1.1.3. The rehabilitation of urban areas involves a series of interventions needed to ... All Countries

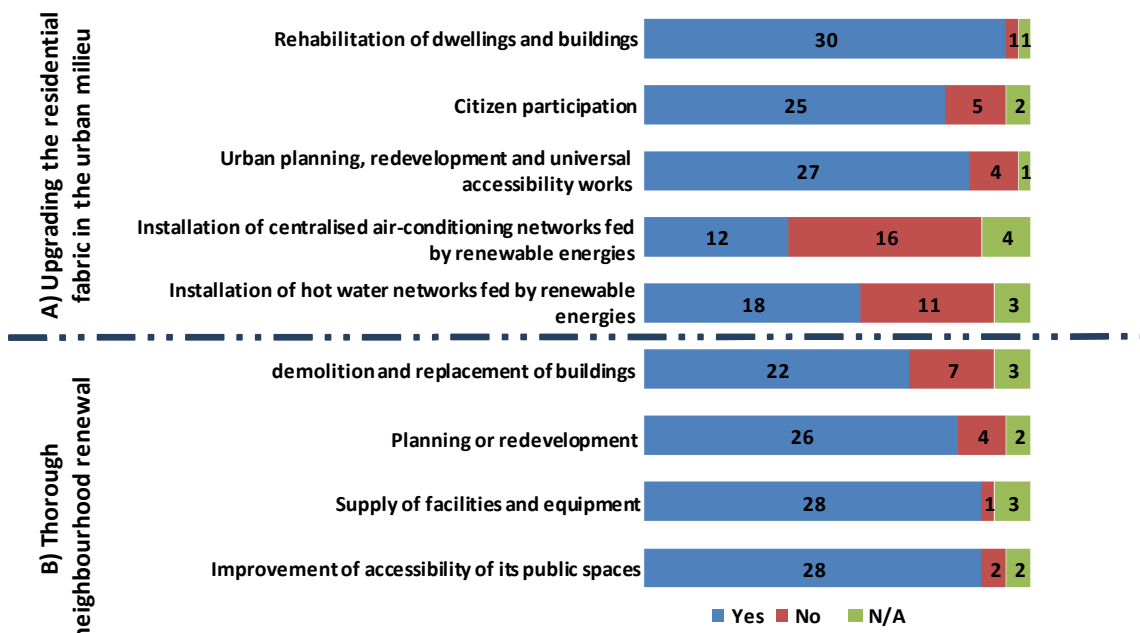
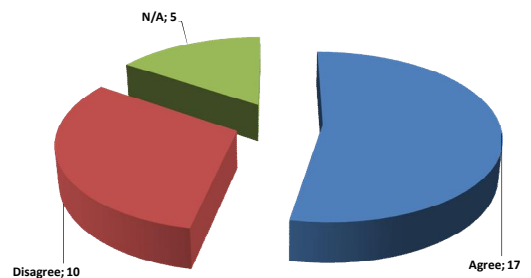


Fig. 1.1.3. Overall concept of rehabilitation of urban areas. All Countries

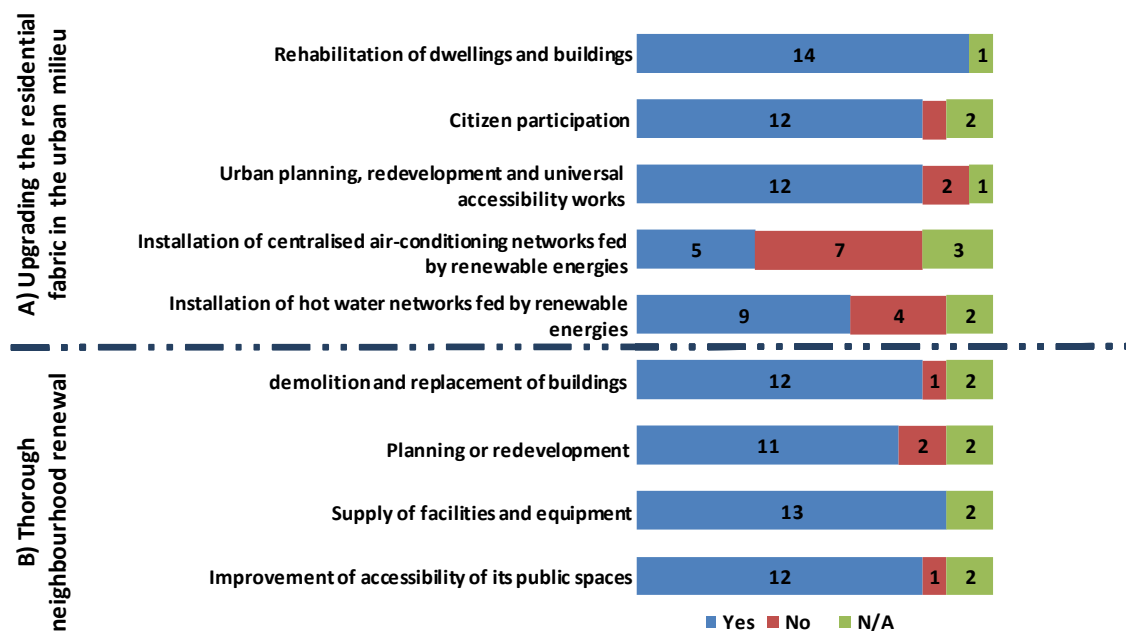
The majority (54%) of countries agree with the concept of rehabilitation of urban areas.



## B- EU-15 Countries

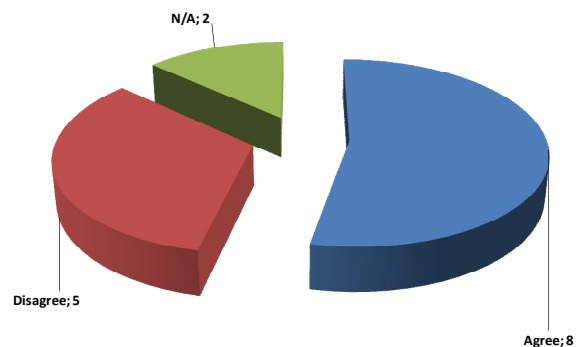
The majority of countries agree with the different items in the definition of “rehabilitation of urban areas”, with positive responses ranging between 60% (“installation of hot water networks fed by renewable energies”) and 94% (“rehabilitation of dwellings and buildings”), except for “Installation of centralised air-conditioning networks fed by renewable energies,” which obtained only 34% of positive and 47% of negative responses. Seven of the 15 countries did not include this item as part of the definition of “rehabilitation of urban areas” (Germany, Austria, Belgium, Denmark, Ireland, the Netherlands and the United Kingdom).

Fig. 1.1.3. The rehabilitation of urban areas involves a set of interventions needed to ... EU-15 Countries



Fifty-four percent of countries agree with the definition of the overall concept of “rehabilitation of urban areas”: Belgium, Finland and the United Kingdom (as compared with 60% that agree with the definition of the concept of “dwelling rehabilitation” and 60% that agree with the definition of the concept of “building rehabilitation.”

Fig. 1.1.3. Overall concept of rehabilitation of urban areas. EU-15 Countries



Germany, Austria, Ireland, Italy and Sweden state that they do not agree with the overall concept of “rehabilitation of urban areas.” As regards the overall concept of “rehabilitation of urban areas,” countries point out the following:

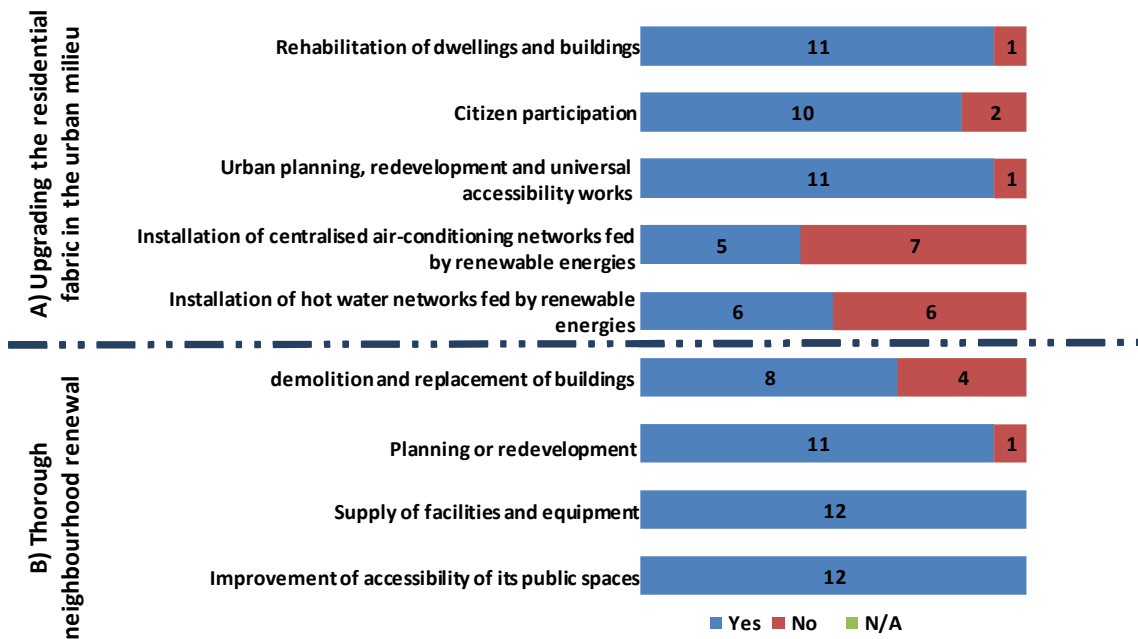
In Austria there is growing opposition to urban planning projects that require demolition of private residential buildings.

In Sweden, there is no formal definition of the concept of rehabilitation of urban areas. Nonetheless, most of the items proposed were identified as relevant by the Swedes.

Political debate focuses on measures that may contribute to making cities more sustainable and reducing CO2 emissions. The Government has appointed a Commission for Sustainable Cities for the period 2008-2010. The purpose is to work on sustainable development of cities, residential areas and urban communities. (<http://www.hallbarastader.gov.se>).

### C- EU-12 Countries

Fig. 1.1.3. The rehabilitation of urban areas involves a set of interventions needed to: EU-12 countries

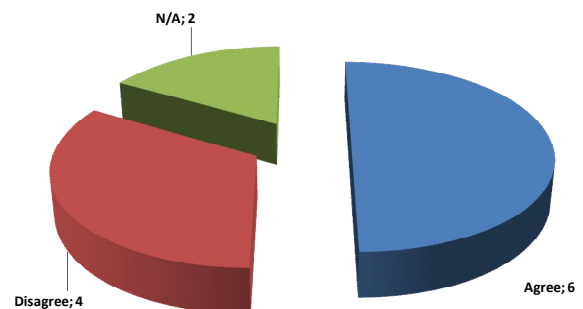


Agreement with the concept of rehabilitation of urban areas is greater for EU-12 countries than for countries in the EU-15 group; in some cases (*development of equipment and facilities*” and *improvement of accessibility of public spaces*”) agreement reaches 100%. At the same time, the majority of EU-15 countries (59%) did not include *“installation of centralised air-conditioning networks fed by renewable energies”* in the concept of “rehabilitation of urban areas.”

Nevertheless, agreement is lower in terms of the overall concept of “rehabilitation of urban areas” since only 50% agree with this overall concept: Bulgaria, Cyprus, Hungary, Poland, the Czech Republic and Romania. In contrast, 54% of EU-15 countries agreed with that concept. For reference, it may be interesting to say that agreement of EU-12 countries with the overall concepts of both dwelling and building rehabilitation is 58%.

In Lithuania, the scope of rehabilitation is limited because of the prevailing economic and financial situation. Priority is given to rehabilitation of multi-family buildings integrated in the Sustainable development Plan.

Fig. 1.1.3. Overall concept of rehabilitation of urban areas. EU-12 Countries



In Croatia the conditions for the application of these concepts still need to be created.

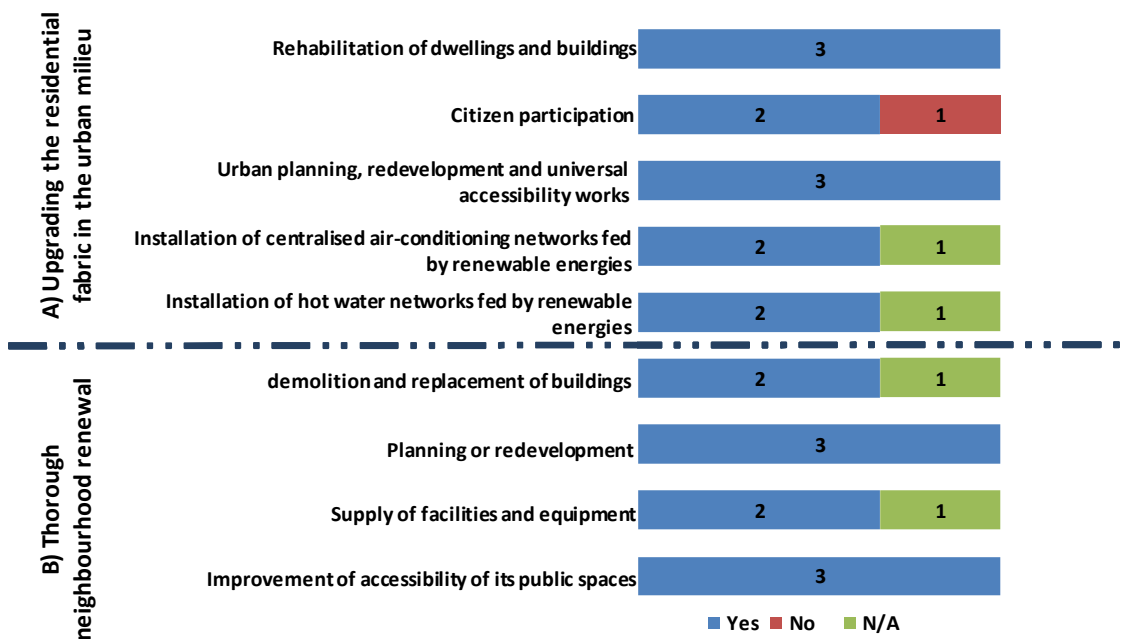
In Estonia, there is currently no need for the planning or redevelopment of urban areas or neighbourhoods. The relevant areas are not large enough to require an urban planning scheme. Nor is there a need for centralised air-conditioning networks, given the country's cold weather. In view of the aim to renew and maintain existing buildings, there is no need to rehabilitate or demolish existing constructions.

#### D- Candidate countries

All the candidate countries agree with the items “rehabilitation of dwellings and buildings”, “urban planning, redevelopment and universal accessibility works”, “urban planning or area redevelopment” and “improvement of accessibility of public spaces”.

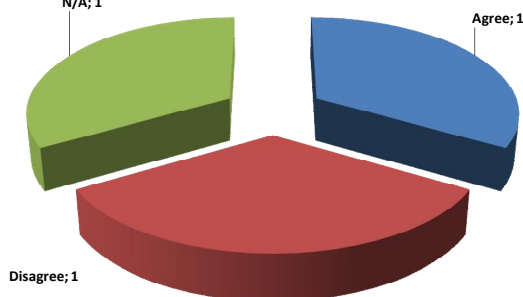
Two countries of the three agree with the remaining items. Only Turkey did not include “citizen participation” in its definition of “rehabilitation of urban areas”.

Fig. 1.1.3. The rehabilitation of urban areas involves a series of interventions needed to ...Candidate countries



Only the Former Yugoslav Republic of Macedonia agrees with the overall concept.

Fig. 1.1.3. Overall concept of rehabilitation of urban areas. Candidate countries



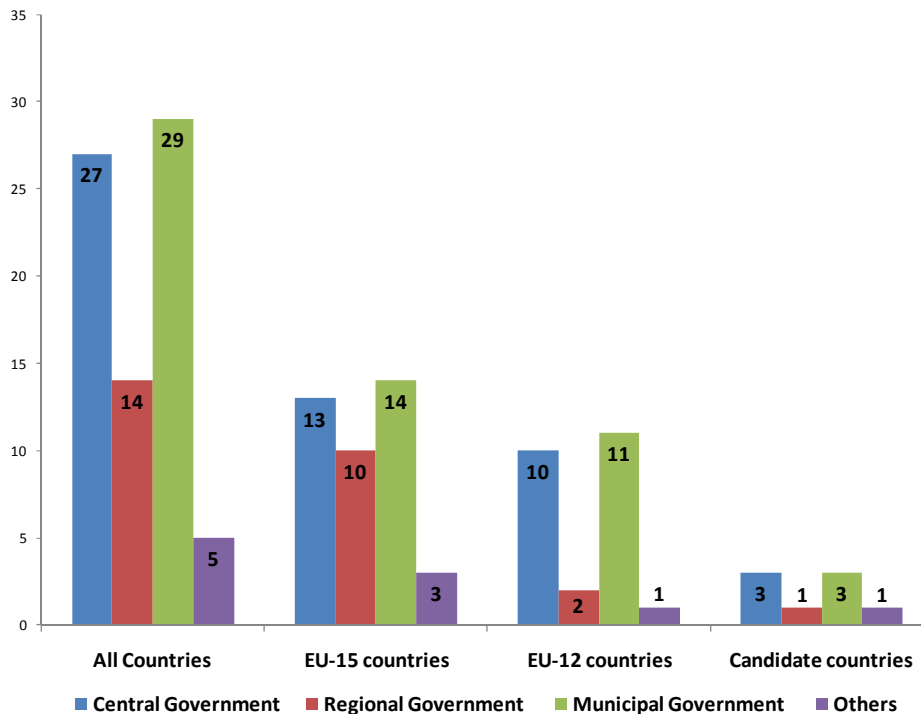
#### E- Norway and Switzerland

Both countries agree with the overall concept.



## 1.2 What levels of government have competences over rehabilitation?

Fig 1.2. What levels of government have competences over rehabilitation in your country?



### A- All Countries

Local governments have competences over rehabilitation in 91% of the countries participating in this survey. In three of them, Slovenia, Estonia and Sweden, these competences are exclusive.

The central government also possesses competences over rehabilitation in the majority of countries (85%), which it always shares with the other levels of government, with the only exception of Malta, where competences are exclusive.

Regional governments have competences over rehabilitation in only a minority of countries (44%). Those competences are exclusive only in the United Kingdom.

Sixteen percent of countries have agencies other than the public administration with competences over rehabilitation.

## **B- EU-15 Countries**

Except in the United Kingdom, local governments always feature as entities with competences over rehabilitation.

The central government also has competences over rehabilitation, except in the United Kingdom and Sweden.

Regional governments are only responsible for rehabilitation in 9 EU-15 countries: Germany, Austria, Belgium, Spain, Finland, France, Italy, Portugal and the United Kingdom.

In addition, there are other agencies that have competencies:

- The Housing Finance and Development Centre of Finland (ARA)
- *Départements* and *intercommunités* in France
- *Établissements publiques* in Luxembourg

## **C- EU-12 Countries**

In all EU-12 countries, local governments possess competences over rehabilitation.

The Central Government has competences in all the countries except for Slovenia and Estonia. In Malta competences are exclusive.

Regional governments are responsible for rehabilitation in only two EU-12 countries: Poland and the Czech Republic.

In addition, Romania has other local agencies that have responsibilities for rehabilitation.

## **D- Candidate countries**

In the three candidate countries, the central and local governments have competences over rehabilitation.

Regional governments are responsible for rehabilitation in Croatia

In addition, in Turkey the private sector also has competences.

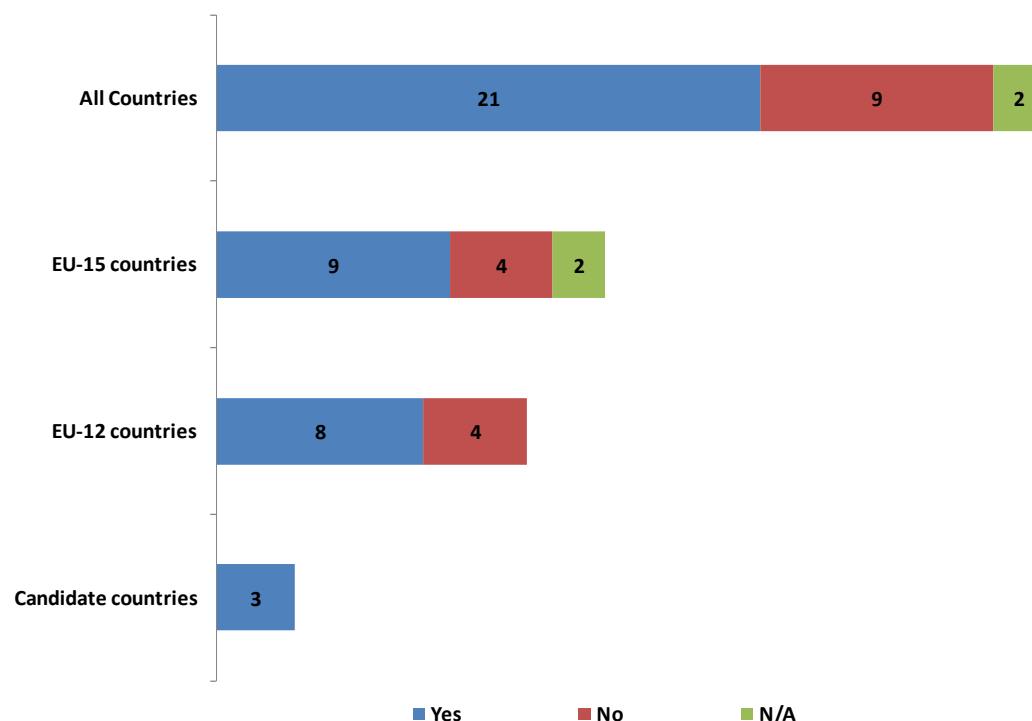
## **E- Norway and Switzerland**

In Switzerland, all three levels of government possess competences over rehabilitation.

On the other hand, in Norway the responsibility for rehabilitation lies with the owner of the property. The role of the public administration is reduced to planning and construction activities, under the control of the Planning and Building Authority.

## 1.3 Regulatory Framework for Rehabilitation

Fig 1.3. Is there any regulation in your country that governs the scope and concept of rehabilitation?



### A- All Countries

In the majority of los countries (66%) there are regulations that govern the scope and concept of rehabilitation.

### B- EU-15 Countries

Sixty percent of EU-15 countries have regulations that govern the scope and concept of rehabilitation: Germany, Austria, Denmark, Spain, Greece, Italy, Portugal, the United Kingdom and Finland.

In some countries, the law establishes different levels and definitions of rehabilitation (Germany and Italy).

In Sweden, a “value year” is assigned to all buildings, which varies as a function of the cost of any rehabilitation works undertaken.

In Denmark, the Urban Renewal and Urban Development Act sets out the norms governing central and local government financial support for the rehabilitation of dwellings and degraded urban areas.

### C- EU-12 Countries

The scope and concept of rehabilitation are governed by regulations in the majority of EU-12 countries (66%): Bulgaria, Slovenia, Latvia, Lithuania, Czech Republic, Slovakia and Romania.

In Latvia, support programmes include subsidies for dwelling rehabilitation works carried out in order to enhance energy performance. For example, works in the common areas of multiple-family buildings: insulation, renewal of heating systems, renewal and construction

of ventilation systems, renewal of buildings' structure. These subsidies can also be claimed for other kinds of works like roof replacement, façade and staircase repairs, improvement of accessibility for disabled persons, renewal and/or replacement of lifts, windows, doors, electrical fixtures, fire safety devices and any other works related to the enhancement of energy performance that may be indicated in the energy audit of a building.

#### **D- Candidate countries**

Such regulations exist in all three candidate countries.

#### **E- Norway and Switzerland**

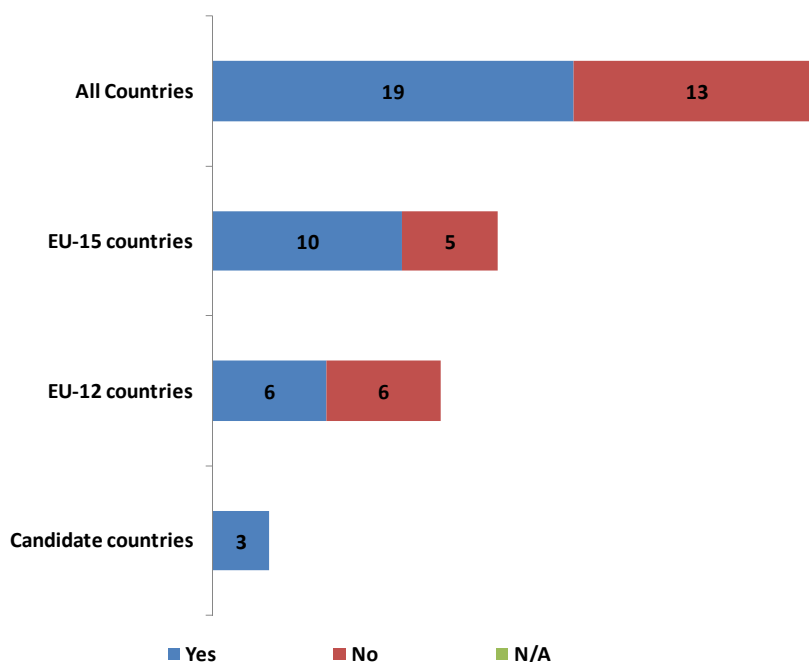
In Norway there is no legal framework or any special legislation that contemplate rehabilitation. However, a decree on Planning and Construction regulates certain aspects paying special attention to matters such as universal design and the visual design of the surroundings.

Switzerland for its part does have some regulations on rehabilitation.

## 1.4 Integrated nature of rehabilitation

### A- All Countries

Fig 1.4. Is there any statutory provision that sets out that urban rehabilitation must have an “integrated character”?



In the majority of countries (60%), there are regulations that stipulate that urban rehabilitation must have an “integrated character,” with a special focus on environmental and social aspects.

### B- EU-15 Countries

The majority of EU-15 countries (67%) have regulations stating that urban rehabilitation must have an “integrated character”: Germany, Austria, Belgium, Denmark, Spain, Finland, France, the Netherlands, Portugal and the United Kingdom. On the other hand, Greece, Italy, Sweden, Luxembourg and Ireland rehabilitation do not formally require this “integrated character.” In this group, neither Ireland nor Luxembourg possess any regulation that governs the scope and concept of rehabilitation. Nonetheless in Belgium, although there is no specific regulation for rehabilitation, there are specific provisions that stipulate that urban rehabilitation must have an “integrated character.” In the case of Italy, such a requirement is only required to qualify for funding for certain programmes such as the neighbourhood contracts, the Comprehensive Urban Re-zoning Plan, etc. The main requirements to be met for an urban rehabilitation process to be designated as “integrated” are as follows:

- In France and Italy, regulations cover above all social aspects, whose goal is social integration.
  - In France, apart from sustainable development, regulations are aimed at restructuring neighbourhoods classified as “sensitive urban areas”. An “integrated character” is defined as restructuring and re-zoning of neighbourhoods in order to promote a social mix and sustainable development.
  - In Italy, an “integrated character” is only mandatory in some cases, such as for “neighbourhood contracts,” which are urban “revitalization” projects promoted

by local governments in disadvantaged neighbourhoods in order to foster local development, job creation and social integration.

- In Germany, regulation focuses above all on sustainable development. The State provides financial support for the creation of sustainable urban structures.
- 
- In Finland, in addition to goals related to social policy and sustainable development, the regulation also includes cultural goals (cultural heritage).
- 
- In Denmark, “integrated” rehabilitation is part of the Urban Renewal and Urban Development Act.

### **C- EU-12 Countries**

Half of EU-12 countries have some statutory provision that sets out that urban rehabilitation must have an “integrated character”: Bulgaria, Slovenia, Hungary, Latvia, Lithuania and the Czech Republic. As was the case in the EU-15 group, these regulations also focus mainly on sustainable development and social aspects.

In Hungary, although there is no specific regulations for rehabilitation, there is a statutory provision that states that urban rehabilitation must have an “integrated character”. In Bulgaria, in addition to sustainable development, the regulation includes accessibility of buildings as well as the internal and external aesthetics of buildings and their surroundings. In Croatia, regulations are chiefly focused on making rational use of the space.

Hungary makes financial resources available for urban rehabilitation projects provided that they have an integrated character. Cities cannot access such subsidies if they have not previously prepared an integrated urban development plan. There are two kinds of programmes: rehabilitation of cities and neighbourhoods on the one hand and rehabilitation of disadvantaged urban areas on the other. In Latvia and Lithuania, regulations focus mainly on environmental aspects.

### **D- Candidate countries**

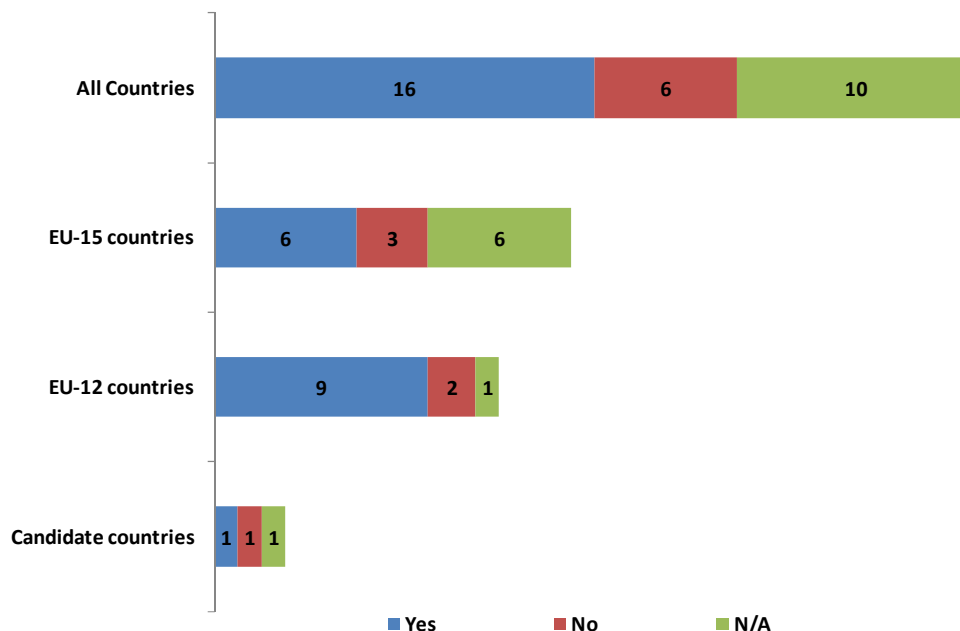
All three candidate countries state that they have statutory provisions in place that set out that urban rehabilitation must have an “integrated character”.

### **E- Norway and Switzerland**

Norway and Switzerland do not have regulations that stipulate that urban rehabilitation must have an “integrated character”.

## 1.4.2 Available support

Fig 1.4.2. Must rehabilitation projects have an “integrated carácter” in order to qualify for European funds or national subsidies?



### A- All Countries

In half of the countries, rehabilitation projects must have an “integrated character” to qualify for public subsidies or European funds.

### B- EU-15 Countries

In six EU-15 countries, rehabilitation projects must have an “integrated character”: Germany, Austria, France, Italy, Ireland and Greece (pilot project).

The main requirements related to this “integrated character” of urban rehabilitation are:

In Germany, the different urban regeneration programmes have different requirements, but as a general rule the most important requirement is that the project should have taken a global perspective on urban development from a social, economic and environmental point of view.

In Austria, the Central Government has set out some special provisions that define urban areas with specific rehabilitation needs.

In France the integrated character is only mandatory to qualify for national subsidies for dwelling rehabilitation.

In Italy, an “integrated character” is mandatory for regional urban projects that use ERDF funds. Projects are developed with the participation of citizens.

It should be noted that in Greece, the question of whether rehabilitation projects must have an “integrated character” has been the subject of a pilot project related with the revitalization of disadvantaged regions with a high level of social, environmental and economic problems.

## C- EU-12 Countries

The majority of EU-12 Member States (75%) state that, in order to qualify for European funding or national subsidies, rehabilitation projects must have an “integrated character”: Slovenia, Estonia, Hungary, Latvia, Lithuania, Poland, the Czech Republic and Romania. In Lithuania, the Government has supported an Energy Performance Investment Programme through the renovation of residential multiple-family buildings with the aim of reducing energy consumption.

In Slovenia, the goal is to improve functional, technical, design-related, constructive, economic, social, cultural and environmental conditions.

In Romania, an “integrated character” is mandatory to qualify for funds from the Regional Operational Programmes. Citizen participation is also taken into consideration.

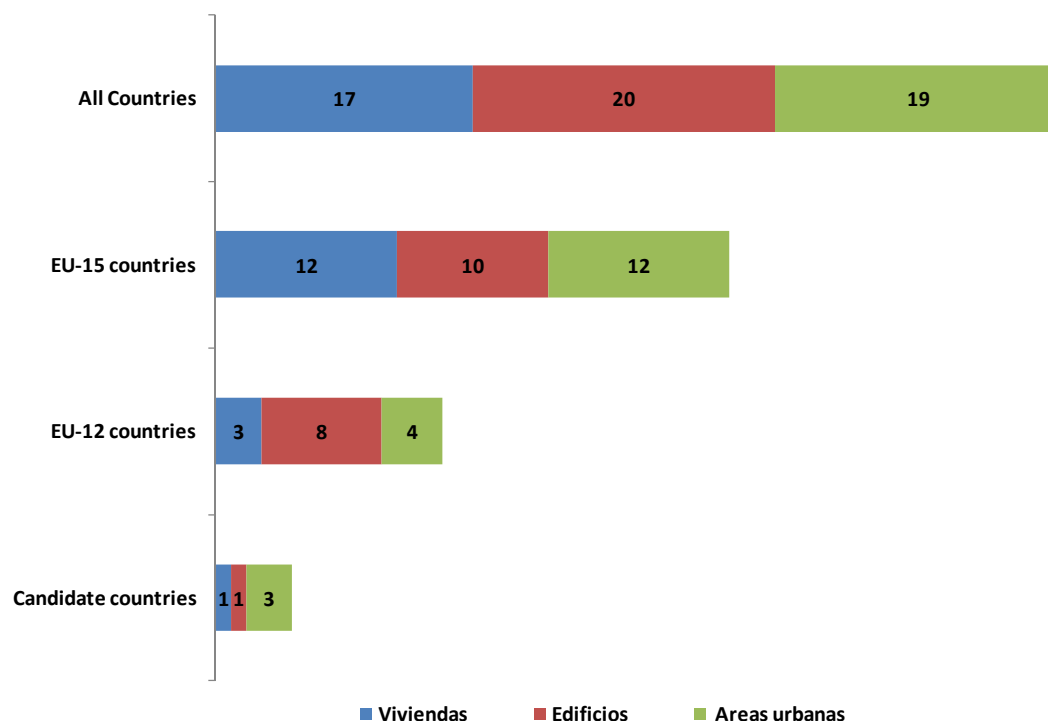
## D- Candidate countries

In the Former Yugoslav Republic of Macedonia urban rehabilitation projects must have an “integrated character” to qualify for subsidies. The goals are boosting quality of life, enhancing energy performance, upgrading existing buildings and construction of ramps for disabled persons.

An “integrated character” is not mandatory in Croatia.

## 1.5 Purpose of Regulation

Fig 1.5. What is the focus of the regulation on the rehabilitation of the existing housing stock?



### A- All Countries

Overall, the main focus of the regulation on the rehabilitation of the existing housing stock are buildings (63%), followed by urban areas (60%) and by dwellings (54%).



## **B- EU-15 Countries**

In 80% of the EU-15 Member States, rehabilitation regulations tend to focus on dwellings and urban areas. Building rehabilitation is included in the regulations in 67% of cases. It should be noted that 100% of the countries that previously declared to have regulations that govern the scope and concept of rehabilitation, also have regulations on dwelling rehabilitation.

## **C- EU-12 Countries**

The answers of the EU-12 countries differ significantly from those of the EU-15 group. Indeed, in the EU-12 countries regulations on rehabilitation focus mainly in buildings (67%), whereas a minority of states focus on dwellings (25%) and urban areas (34%). It should be noted that all the countries that previously declared to have regulations that govern the scope and concept of rehabilitation have regulations for building rehabilitation, except for Slovenia.

## **D- Candidate countries**

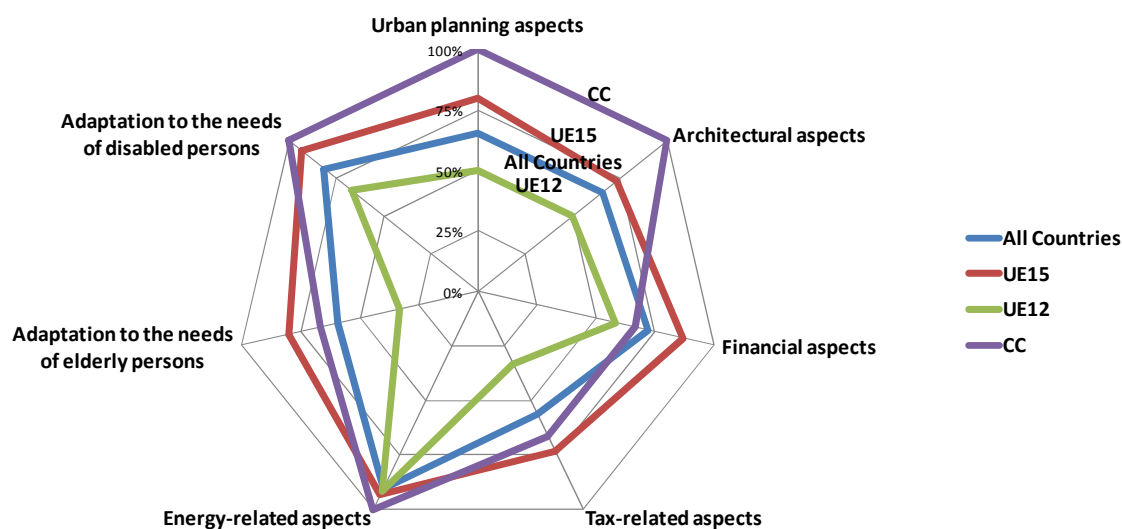
In all three candidate countries, regulations focus exclusively on urban areas, except for Croatia whose regulation includes dwellings and buildings in addition to urban areas.

## **E- Norway and Switzerland**

Only Switzerland has declared to have rehabilitation regulations that focus on dwellings and buildings; Norway did not provide an answer to this question.

## 1.6 Overview of existing regulations on rehabilitation

Fig 1.6. What aspects are covered by the regulations on rehabilitation?



### A- All Countries

The aspects that feature more profusely in the rehabilitation regulations of participating countries are “energy-related aspects” (91% positive answers) followed by “adaptation to the needs of disabled persons” (81% positive answers). “Tax-related aspects” (56%) and “urban planning aspects” (66%) are the least frequently mentioned.

### B- EU-15 Countries

There is general consensus on the aspects included in the different rehabilitation regulations, with percentages ranging from 73% for “architectural aspects” and “tax-related aspects”) and 93% for “energy-related aspects” and “adaptation to the needs of disabled persons/accessibility”.

### C- EU-12 Countries

Agreement between EU-12 countries on the different aspects included in their rehabilitation regulations is lower than for the EU-15 group. Some of the aspects are only present in a minority of countries, such as “tax related aspects”. The “adaptation to the needs of elderly persons/accessibility” is mentioned by 50% of countries and “energy-related aspects”, with 92%, is present in all the countries except for Hungary.

### D- Candidate countries

All candidate countries mention “urban planning aspects”, “architectural aspects”, “energy-related aspects” and “adaptation to the needs of disabled persons/accessibility”.

The remaining aspects (“financial aspects”, “tax-related aspects” and “adaptation to the needs of elderly persons/accessibility”) are mentioned by two-thirds of candidate countries.

## E- Norway and Switzerland

The Swiss rehabilitation regulations include all aspects except for “urban *planning aspects*”, while Norway does not provide an answer to this question.

### 1.6.1 Urban planning aspects

As expected, there was a wide variety of responses as regards the main urban planning aspects included in the regulations of each of the respondents. Regulations include different items such as: use of the urban space, subsidies, urban planning permits, rehabilitation of degraded areas with social problems, sustainable development, high quality construction, protection of the cultural heritage and the landscape, enhancement of the surroundings and of green areas, etc.

### 1.6.2 Architectural aspects

Regulations on the architectural aspects also contain multiple items such as safety, design, aesthetics, energy performance, accessibility, protection of the cultural heritage and the landscape etc. However, some countries (Germany, Spain, Finland and the Former Yugoslav Republic of Macedonia) seem to have a particular approach to safety. Aesthetics refers both to constructions and to public spaces (Bulgaria, Finland, Greece) and the protection of the cultural heritage is mentioned by Finland, the Czech Republic and Romania).

In Croatia, the war waged in the 90's is a factor that influences political decisions related to housing policy since the priority in the country is reconstruction of dwellings and buildings and the provision of housing for war victims. A funding scheme was created which assigned subsidies as a function of the extent of damage sustained by the dwellings.

### 1.6.3 Financial aspects

As regards financial aspects, regulations consider:

Subsidies, which may be granted by central, regional or local governments, are usually made available to property owners both for rehabilitation work, repairs, purchase of equipment, etc.

- In Belgium, regional governments subsidise a certain percentage of the cost of public and private rehabilitation initiatives depending on the applicant's income level and the types of works projected (housing rehabilitation, rehabilitation of heritage sites, etc.).
- In Bulgaria, the State supports property owners of residential buildings, by offering subsidies of up to 20% of total rehabilitation costs.
- In Denmark, property owners receive subsidies for dwelling rehabilitation
- In Spain, subsidies for rehabilitation works are offered to developers, property owners and authorised tenants.
- In France, subsidies are distributed as a function of the type of rehabilitation works undertaken and their beneficiaries.
- In Greece, subsidised loans exist for special dwellings in rehabilitation areas.
- Italy provides subsidies for housing and equipment.
- In Poland, subsidies are granted to the poorest households. Municipal subsidies are in place aimed at providing the poorest households with a dwelling.
- In Romania, the housing association pays 20% of the total cost involved in rehabilitating existing housing units, the remainder is paid by the Central Government (50%) and the local governments (30%).

In Germany, owners of both historical buildings and building located in revitalized or urban development areas, and the tenants who live in these same areas can benefit from income tax deductions.

## Financial support

- For sustainable projects that enhance energy performance (Latvia, Lithuania)
- For building refurbishing projects
- Low-interest loans
  - In Lithuania, modernization loans benefit from a fixed interest rate of 3%.
  - Low-interest loans are available in Portugal
  - In Slovakia, preferential loans are offered at 1% with up to 20 years' maturity.
  - In Switzerland, interest-free and low-interest loans are available.
- In Spain, low-interest loans are granted by authorised banks. Beneficiaries can also obtain subsidies for their monthly instalments.

### 1.6.4 Tax-related aspects

Tax-related aspects are mainly present in the rehabilitation regulations of the EU-15 Member States. They are the following:

- Reduced VAT rate (Spain, France, Italy, Poland, Portugal)
- 
- Tax relief (Germany, Croatia, Bulgaria, Spain, France, Italy, Poland, Romania, Switzerland, Luxembourg)
- 
- Exemption from municipal rates
  - In Greece, tenants and property owners are exempted from payment of municipal rates when they carry out specific building rehabilitation works.
  - Tax-related aspects do not feature very extensively in EU-12 countries.

### 1.6.5 Energy-related aspects

These are the most prominent aspects in the regulations of all the countries surveyed. All the different regulations cover:

- Enhancement of energy performance in dwellings and buildings
- and/or
- use of renewable energies (energy-saving new technologies or construction materials)

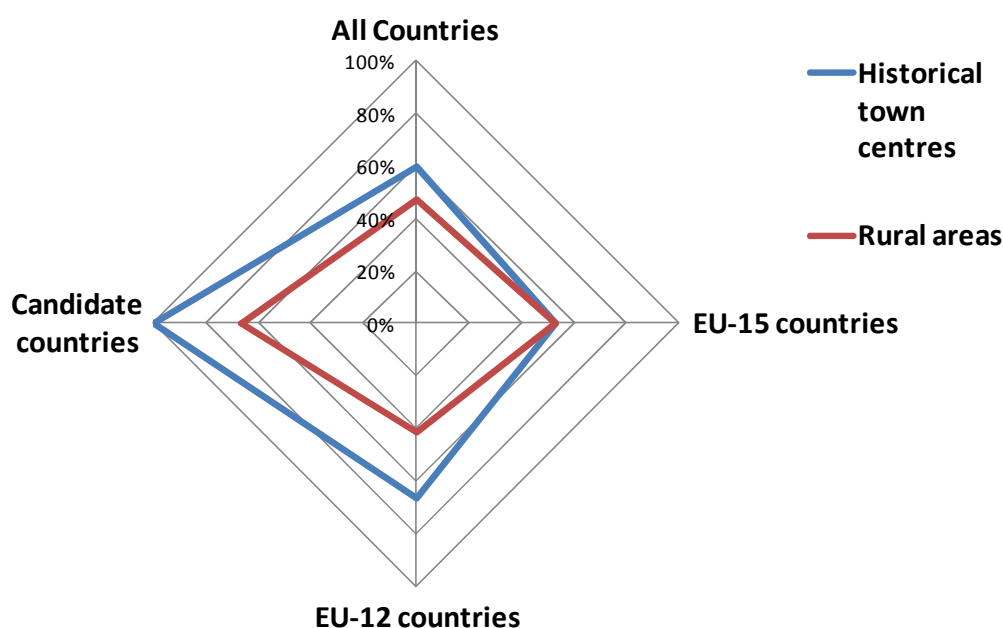
### 1.6.6 Adaptation to the needs of elderly and disabled persons

In the majority of countries regulations usually tackle these two aspects together. In most countries, accessibility of elderly and/or disabled persons to dwellings and buildings is a mandatory requirement. Incentives and subsidies are in place for the rehabilitation of dwellings and buildings to this end.

## 1.7 Specific Regulations

(This section corresponds to questions 1.7.1 and 1.7.2 of the questionnaire)

Fig 1.7. Are there specific regulations for the rehabilitation of ...?



### A- All Countries

The majority of countries (59%) have specific regulations for rehabilitation of historical town centres, and almost half of respondents (47%) have specific for rehabilitation of rural areas.

In general, specific regulations governing the rehabilitation of historical town centres deal with such aspects as maintenance, and/or restoration, and/or protection of the cultural heritage (Germany, Austria, Croatia, Finland, Estonia, France, Ireland, Latvia, Lithuania, Turkey).

In some countries such regulations include specific rehabilitation subsidies for historical town centres (Austria, Portugal, and the Czech Republic).

Regulations dealing with the rehabilitation of rural areas include in some countries the same items as those dealing with the rehabilitation of urban areas (Slovenia and the Former Yugoslav Republic of Macedonia): protection of the cultural and natural heritage, healthy living environment, improvement of spatial planning techniques, distance between buildings...

In other countries such regulations mainly focus on measures geared to rehabilitation of rural areas: subsidies or funding (Cyprus, France).

## **B- EU-15 Countries**

There are specific regulations for the rehabilitation of historical town centres in the majority of EU-15 Member States (53%): Germany, Austria, Spain, Finland, France, Ireland, Portugal, and the United Kingdom.

With respect to rural areas, eight EU-15 countries have specific Regulations for their rehabilitation: Austria, Spain, Finland, France, Ireland, the Netherlands, Portugal and the United Kingdom. Sweden and Belgium provide no information on this point.

## **C- EU-12 Countries**

Unlike EU-15 countries, the majority (67%) of countries in the EU-12 group have specific regulations for the rehabilitation of historical town centres: Cyprus, Slovenia, Estonia, Latvia, Lithuania, Malta, the Czech Republic and Romania.

Five EU-12 countries also have specific regulations for the rehabilitation of rural areas: Cyprus, Slovenia, Malta, the Czech Republic and Romania.

## **D- Candidate countries**

All three candidate countries have specific regulations for rehabilitating historical town centres, and two of them have specific regulations for rural areas: Croatia and the Former Yugoslav Republic of Macedonia.

## **E- Norway and Switzerland**

In Switzerland there are no specific regulations that govern rehabilitation of historical town centres or urban areas, while Norway has left this question unanswered.

## 2 Fulfilment of housing needs

### 2.1 Number of housing units subjected to subsidised rehabilitation in 2000, 2005 and 2008 or thereabouts, about which there is available information

#### A- All Countries

Of the 23 countries that have answered this question, twelve belong to the EU-15 group, eight to the EU-12 group, two are candidate countries, and one is a guest country. The other countries provide no information on this point or declare to have no data related to the number of dwellings rehabilitated with public subsidies.

The heterogeneity of data makes it impossible to identify any trends.

**Table. 2.1. Number of housing units subjected to subsidised rehabilitation in 2000, 2005 and 2008, or thereabouts, about which there is available information.**

Country	Año		
	2000	2005	2008
Austria	<1%	<1%	1%
Belgium (Brussels Capital City and Wallonia)		17,315 (Wallonia)	Rehabilitation Subsidies [AATL] 1,770 applications for façade renovation 586 applications for public housing in 2008 15,718 (Wallonia)
Bulgaria			580
Cyprus		905	1,035
Czech Republic	1,600 (2001)	9,032	91,000
Denmark	4,450	2,513	1,478
Finland	110,000	125,000	140,000
France	310,633 Private (2002): 178,385 Public housing stock (PALULOS): 132,248	203,869 Private: 132,057 Public housing stock (PALULOS): 57,628 Public housing stock ANRU: 14,184	210,491 Private: 112,761 Public housing stock (PALULOS): 50,090 Public housing stock ANRU: 47,640
Germany	345,000 (2001-2005)	320,000 (2006)	280,000 (620,000 en 2009)
Hungary	1,913 (2001): Industrialised technology 21,319 (2001): Traditional technology	32,538: Industrialised technology 74,944 (2003): Traditional technology	74,778 (2009): Industrialised technology 10,297 (2009): Traditional technology
Ireland	Not available	600	600
Italy	7,000	5,000	5,000
Latvia	0	0	5
Malta	1	41	100
Netherlands	5,000	7,000	7,000
Portugal		1,919 (2007)	2,819 (2008)
Romania		1,209	1,149
Slovak Republic	4,660	11,174	22,501
Spain	67,606	125,476	153,807
Sweden	24,623	29,265	8,119
United Kingdom	See comments		
Croatia	See comments		
Former Yugoslav Republic of Macedonia	0	0	0
Noruega	15,195 Renovation loans: 15.014 Renovation subsidies: - First home subsidy: 181	10,124 Renovation loans: 5.877 Renovation subsidies: 3.389 First home subsidy: 858	7,798 Renovation loans: 3.477 Renovation subsidies: 3.294 First home subsidy 1.034

## B- EU-15 Countries

There is wide dispersion among EU-15 countries in terms of the number of dwellings that have been rehabilitated with public subsidies. On the one hand, there are very active (Germany and the United Kingdom) and active countries (Spain, Finland and France), and on the other hand there are countries with far lower rehabilitation rates.

The German case is very interesting since they have based their building rehabilitation programme on the achievement of energy efficiency. In 2001, Germany introduced their CO2 Building Rehabilitation Programme, aimed at supporting and stimulating construction and rehabilitation projects that seek to save energy and reduce CO2 emissions. Moreover, each region has their own programmes to support the creation of these energy-efficient buildings. Funding is obtained from the German Development Bank (KfW). Since this programme was implemented, applications for funding have increased steadily, with 1,350,000 housing units funded from this Programme in 2009. In addition, 20,000 dwellings were adapted to the needs of elderly persons in 2009.

In the United Kingdom, the “Decent Homes Programme” rehabilitated one million dwellings over the 2002-2009 period. Application of the Programme to social housing has made it possible to install:

- 810,000 kitchens
- 610,000 bathrooms
- 1,140,000 central heating systems
- over one million double glazed windows
- Rewiring of 850,000 homes to bring them up to the new fire safety requirements
- Improved insulation systems in 882,000 housing units

Finland dwells on how difficult it is to estimate the number of housing units that have been rehabilitated with public subsidies since these take various forms including subsidized loans, guarantees, subsidies, and tax benefits. Official estimations are based on the National Accounts. In them, Finland uses the broad scope of subsidies, and also uses general tax rebates granted by the authorities for different reasons.

It should be mentioned that different countries use different approaches to come up with their estimations, which makes it difficult to make comparisons between them. From this standpoint, many of the countries provide data on subsidies awarded exclusively on the basis of specific decisions by the authorities, for example subsidies granted further to an application, and exclude those assigned automatically without state intervention, for example tax benefits.

Sweden does not have statistical data for 2008. Until 2006 the government offered financial support (in the form of subsidised interest rates) for construction and rehabilitation of dwellings. The information in the table shows the number of housing units rehabilitated, the majority of which benefited from loans with subsidised interest rates.

## C- EU-12 Countries

In EU-12 Member States the number of housing units rehabilitated with public subsidies is not very significant, except in the case of Hungary.

In Hungary there are different rehabilitation programmes:

- Renewal of residential buildings constructed with industrialized technologies (thermal insulation, modernization of engineering aspects, change of windows, use of renewable energies)
- National Energy Saving Plan: rehabilitation of dwellings constructed with traditional technology traditional to provide them with thermal insulation; install new windows, new heating and hot water systems and equip them to use renewable energies)



In Cyprus, estimations refer to the number of housing units and residential buildings that the government has rehabilitated as part of the dwelling rehabilitation programme for refugees.

The Slovak Government grants global financial support to residential buildings. Estimations have been made to provide an idea of the total amount of housing units rehabilitated with public subsidies.

#### **D- Candidate countries**

The Croatian Government, through the Ministry of Regional Development, rehabilitated 145,972 housing units between 1995 and 2008, including those damaged from 1991.

During the period 2004-2008, the Government reconstructed:

- 1,029 housing units in 26 residential buildings through the Ministry of Regional Development and the Ministry of Physical Planning and Construction
- 113 housing units in 4 buildings in the city of Vukovar through the Ministry of Environmental protection and the Ministry of Physical Planning and Construction.

No dwellings have been rehabilitated in the Former Yugoslav Republic of Macedonia with public subsidies.

As mentioned above, Turkey does not have data about the number of housing units rehabilitated with public subsidies.

#### **E- Norway and Switzerland**

In Norway, the number of housing units rehabilitated with public has decreased since 2000. Switzerland does not provide information on this point.

## 2.2 Number of buildings subjected to subsidised rehabilitation in 2000, 2005 and 2008 or thereabouts, about which there is available information

### A. All Countries

Of the 16 countries that have contributed data on this matter, four belong to the EU-15 group, nine to the EU-12 group, two are candidate countries and one is a guest country. The other countries either provide no information on this point or declare not to have data on the number of buildings rehabilitated with public subsidies.

Table. 2.2. Number of buildings rehabilitated with public subsidies in 2000, 2005 and 2008, or thereabouts, about which there is available information

Country	Year		
	2000	2005	2008
Austria	<1%	<1%	1%
Bulgaria			28
Cyprus		815	752
Denmark	680	475	321
Hungary(Industrial technology)	36 (2001)	730	1,461
Italy	500	400	500
Latvia	0	0	9
Lithuania		1	307
Malta	1	15	26
Poland	190	1,75	2,86
Portugal		91 (2007)	256
Romania		26	22
Slovakia	136	258	418
Croatia	See comments		
Former Yugoslav Republic of Macedonia	0	0	0
Norway	See comments		

None of the countries rehabilitated a significant number of buildings with public subsidies.

### B. EU-15 Countries

No significant conclusions can be drawn about the EU-15 Member States.

### C. Countries de la UE 12

The number of buildings rehabilitated with public subsidies the in EU-12 countries is negligible.

In 2009, against the background of the world economic crisis and climate change, the Romanian Government included dwelling rehabilitation into its list of priorities. Consequently, the Ministry of Regional Development and Housing assigned 360 million RON (approximately 100 million euro) to a thermal rehabilitation programme. The funds were enough to act on 51,484 housing units.

For its part, the data from Poland indicate the number of buildings rehabilitated with public subsidies in the framework of the National Programme for Thermal Rehabilitation and Renewal of Residential Buildings.

#### D. Candidate countries

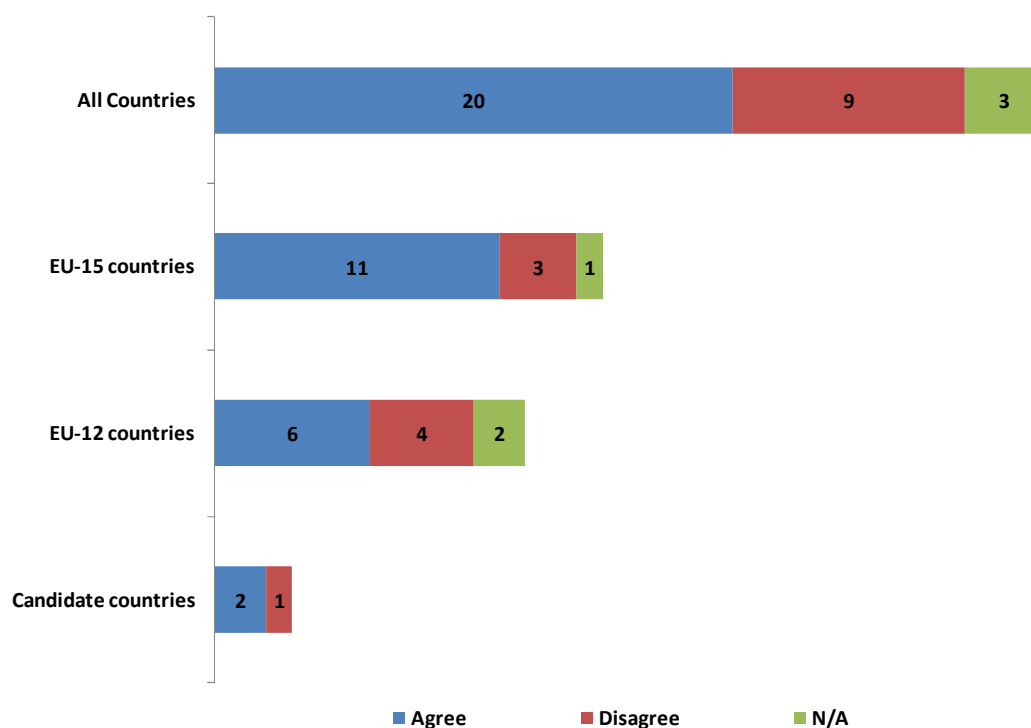
The Croatian Government, through the Ministry of Environmental protection and the Ministry of Physical Planning and Construction, has rehabilitated a total of 30 residential buildings over the period 2004-2008.

#### E. Norway and Switzerland

In Norway, the governmental body that is responsible for granting loans and subsidies for housing purposes (the “Housing Bank”) does not keep a record of buildings that receive subsidised loans or subsidies for rehabilitation. They only keep track of the number of housing units that receive financial support.

### 2.3 Dwelling and building rehabilitation projects that also benefit from subsidies for urban planning or redevelopment works or for the supply of equipment to public spaces.

Fig. 2.3. Can dwelling and building rehabilitation interventions carried out in your country to meet the housing needs of owners or tenants simultaneously benefit from public subsidies for urban planning and redevelopment works or for the supply of equipment to the affected residential spaces?



#### A- All Countries

In the majority of countries (63%), dwelling and/or rehabilitation interventions can also benefit from public subsidies for urban planning and redevelopment works or for the supply of equipment to the affected residential spaces.

## **B- EU-15 Countries**

In the great majority of EU-15 Countries (74%), dwelling and/or rehabilitation interventions can also benefit from public subsidies for urban planning and redevelopment works or for the supply of equipment to the affected residential spaces, except for Austria, Denmark and Italy. The United Kingdom did not provide information on this point.

In France and Belgium, urban planning and redevelopment interventions as well as the supply of equipment to public residential spaces are basically aimed at social cohesion between citizens living in disadvantaged areas and those living in upscale neighbourhoods.

- In Belgium the main focus is on the construction or repair of sidewalks, the rehabilitation of public squares, roundabouts and schools, the improvement of street lighting and the socio-economic revival of neighbourhoods, The Government provides incentives for the establishment of businesses in these areas.
- France also focuses on interventions aimed at upgrading infrastructures or communications in disadvantaged neighbourhoods.

## **C- EU-12 Countries**

Responses provided by the EU-12 countries show no consensus.

In half the EU-12 Member States surveyed, Bulgaria, Cyprus, Lithuania, Malta, the Czech Republic and Romania, dwelling and/or rehabilitation interventions can also benefit from public subsidies for urban planning and redevelopment works or for the supply of equipment to the affected residential spaces. In Estonia, Latvia, Poland and Slovakia receiving multiple subsidies is precluded. Slovenia and Hungary do not provide information on this point.

## **D- Candidate countries**

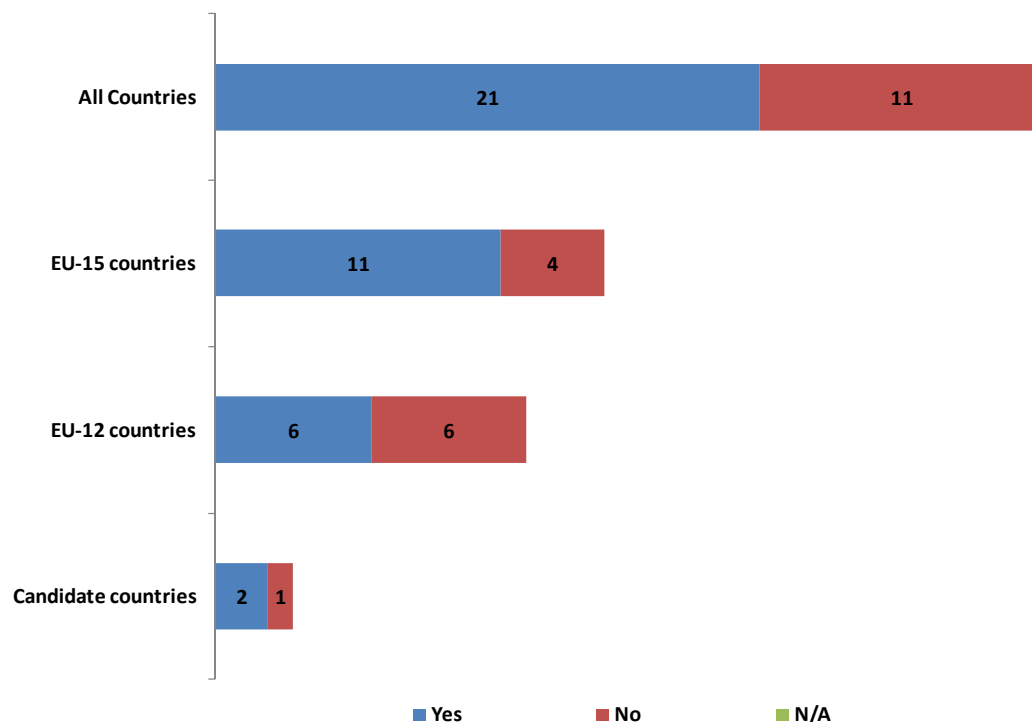
In Croatia and the Former Yugoslav Republic of Macedonia, dwelling and/or rehabilitation interventions can also benefit from public subsidies for urban planning and redevelopment works or for the supply of equipment to the affected residential spaces. Turkey does not allow simultaneous subsidies.

## **E- Norway and Switzerland**

In Norway, dwelling and/or rehabilitation interventions can also benefit from public subsidies for urban planning and redevelopment works or for the supply of equipment to the affected residential spaces. Switzerland does not allow citizens to benefit from multiple subsidies.

## 2.5 Transfer of investment costs to tenants.

Fig. 2.5. Can property owners/investors transfer investment costs (partly) to tenants?



### A- All Countries

In the majority of countries participating in the survey (66%), property owners/investors are entitled to transfer part of their investment costs to tenants.

### B- EU-15 Countries

In the great majority of EU-15 countries (74%) property owners/investors are entitled to transfer part of their investment costs to tenants, provided that the investment made results in an improvement (in terms of fitness for use, energy performance...). This transfer of costs is allowed in Germany, Austria, Denmark, Spain, France, Italy, Luxembourg, the Netherlands, Portugal, the United Kingdom and Sweden, with the following characteristics:

- In Germany: up to 11% of investment costs can be transferred
- In Spain: the interest rate applied to the capital invested in the rehabilitation project is the standard rate plus three basis points, up to a maximum of 20%, which can be charged as from the fifth year into the lease.
- In Italy: 5%
- In France, the landlord can ask his tenant for a fixed monthly fee, which cannot exceed one-half of the amount the tenant is expected to save once the investment is completed.
- In Belgium, Finland, Greece and Ireland property owners/investors are not allowed to transfer part of their investment costs to tenants.

### **C- EU-12 Countries**

Transferring rehabilitation costs to tenants is possible in half of the EU-12 countries: Latvia, Poland, the Czech Republic, Malta, Slovakia and Romania.

- In the Czech Republic and in Romania these transfers must result from an agreement between the two parties, landlord and tenant.

In Bulgaria, Cyprus, Slovenia, Estonia, Hungary and Lithuania, property owners/investors are not allowed to transfer part of their investment costs to tenants.

### **D- Candidate countries**

In the candidate countries, property owners/investors are entitled to transfer part of their investment costs to tenants, except in Turkey.

- In the Former Yugoslav Republic of Macedonia, according to the "Housing Act," tenants are entitled to perform rehabilitation works without prior authorization from their landlord. The cost of these works must be paid by the landlord.

### **E- Norway and Switzerland**

In Norway, from the legal point of view, property owners/investors are not allowed to transfer part of their investment costs to tenants while the lease agreement is in force. Transfer of costs is possible when the contract comes up for renewal, which happens every three years. In Switzerland, property owners/investors are entitled to transfer part of their investment costs to tenants.

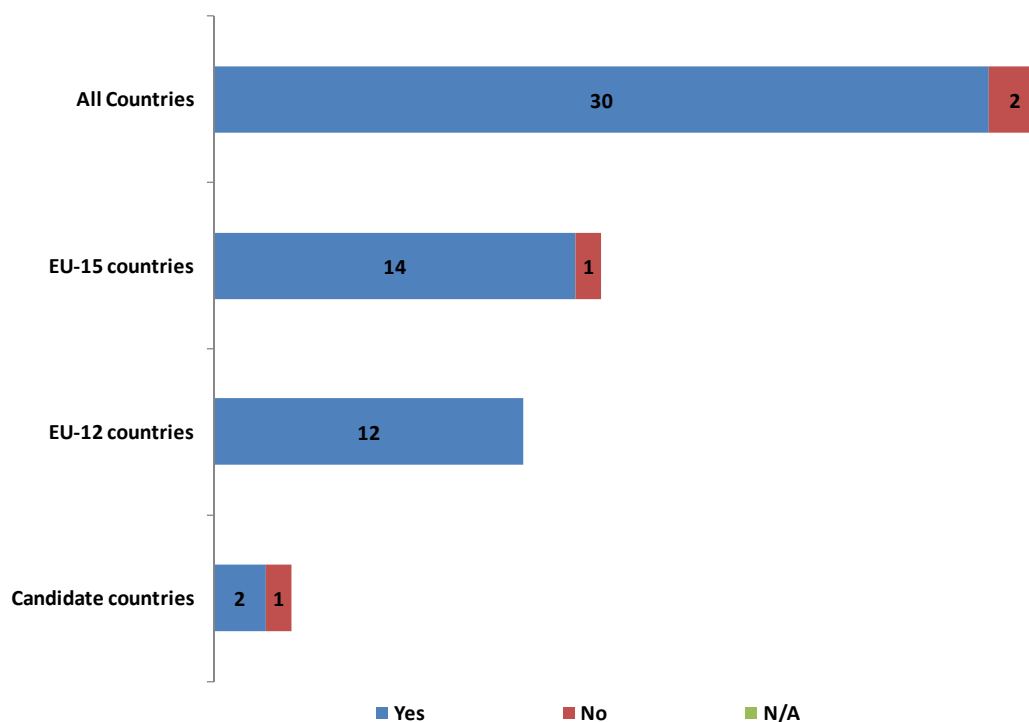
### 3 Job creation

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#### 3.1 Rehabilitation and maintenance or job creation.

All countries agree that rehabilitation can contribute to the maintenance and/or creation of employment, except for the Netherlands and Turkey.

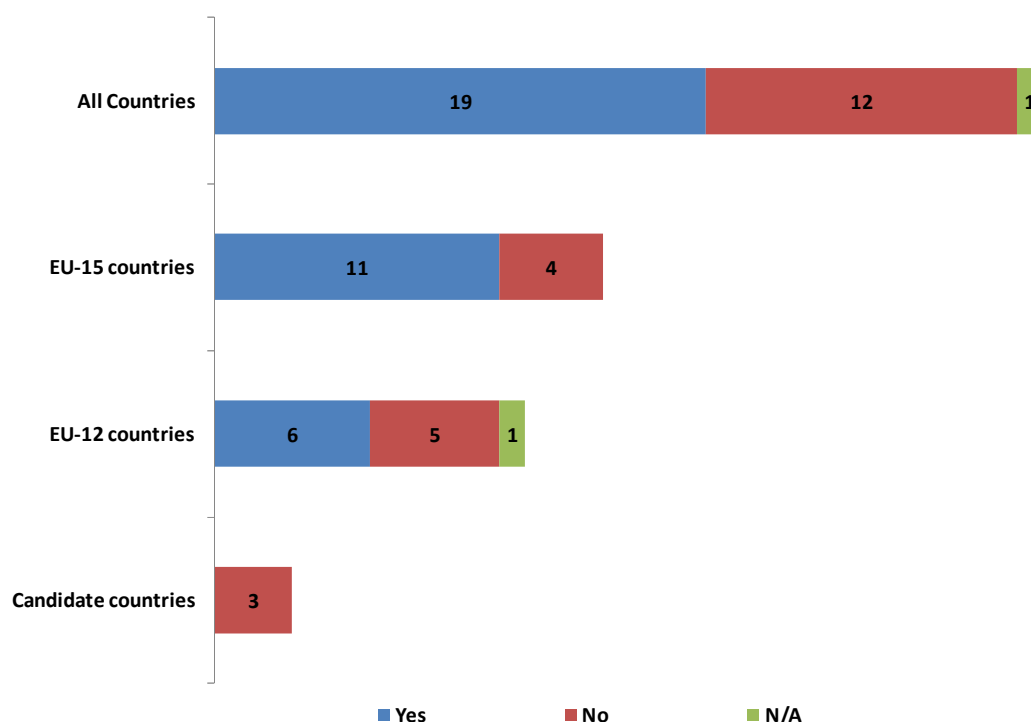
Fig.3.1. Does your country consider that rehabilitation can contribute to the maintenance and/or creation of employment?





### 3.2 Application of fiscal and/or financial policies to promote rehabilitation with a view to fostering economic activity and employment

Fig. 3.2. Has your country recently applied fiscal and/or financial measures to promote rehabilitation with a view to supporting economic activity and the maintenance and/or creation of employment?



#### A- All Countries

The majority of countries (60%) have applied fiscal and/or financial measures to promote rehabilitation with a view to supporting economic activity and maintaining and/or creating employment.

Ten countries have estimated the impact of the measures applied on job creation. Of the countries that answered this question, seven belong to the EU-15 group, two to the EU-12 group and one was a guest country. The other countries provided no information on this point or declared not to have data on the number of direct jobs created thanks to the measures applied (Greece, Lithuania, Luxembourg, Switzerland). Bulgaria, Estonia and Italy do not provide an answer to this question.

Table 3.2.a. Estimation of the number of direct jobs created thanks to the measures applied

Country	Year	
	2008	2009
Austria		More than 7,000
Czech Republic	20	14
Finland		15
France	62	
Germany	See comments	
Ireland	4	4
Slovakia		8
Spain		26,949
United Kingdom	See comments	
Norway	0	7

### B-EU-15 Countries

A large majority of EU-15 countries (74%) has applied the measures mentioned above, except Belgium, Denmark, The Netherlands and Portugal.

Of the eleven EU-15 countries that have applied measures, seven have been able to estimate the number of direct jobs created thanks to the measures applied.

Finland expects to create another 15,000 jobs by applying special fiscal and/or financial measures in 2010. In addition, it states that they can only make rough estimations since it is difficult to precisely determine the direct effect of the measures applied since part of the rehabilitation works were carried out without financial support from the government.

Germany introduced a series of programmes to stimulate the economy that had a direct influence on the maintenance and/or creation of employment:

- In addition to the “Impetus Programme for Growth and Employment,” which was part of their first package for economic stimulus introduced in November 2008, the German Government decided to increase the annual budget of the CO2 Building Rehabilitation Programme to 1.5 billion euro for the period 2009-2011. However demand for funds was so high in 2009 that the Programme’s budget had to be supplemented by an additional 750 million euro in mid 2009.
- Estimations indicate that this Programme created or maintained **270,000 jobs** in the construction industry and in the retail sector, both at regional and local level.
- In addition, it is estimated that reduction of interest rates for loans taken out to carry out rehabilitation projects geared to elderly persons could have generated or maintained **4,000 jobs** in 2009.
- The “Investments into the future by the communities and Federal States” Programme, which is part of the second package for economic stimulus introduced in February 2009, was addressed at investments in the educational system (schools, childcare facilities, gymnasiums, etc). It contemplates a series of measures aimed at enhancing energy performance in buildings and promoting the use of renewable energies. This is a two-year programme and it is endowed with 13.3 billion euro. Final assessment of this programme is still underway.

In the United Kingdom, the Government recognises the impact of the current financial crisis on the housing sector and has responded to the short-term market conditions through measures taken since the start of the downturn, by providing support for construction, jobs and skills.

In June 2009, the British Government pledged to invest £1.5 billion into new affordable housing. This pledge will help create an estimated **45,000 jobs** in the construction and related industries over the next three years.

In Sweden, property owners can claim 50% tax relief (up to 100,000 SEK, i.e. around 10,000 euro) on labour costs related to reconstruction and renewal of housing units. This tax relief is applicable to labour costs but not the cost of the necessary materials. Although this tax rebate has been in use since 2009, it has not been subjected to any official assessment yet.

### **C- EU-12 Countries**

Half the EU-12 countries have applied measures to promote rehabilitation with a view to supporting economic activity and the maintenance and/or creation of employment: These countries are Bulgaria, Estonia, Latvia, Lithuania, the Czech Republic and Slovakia. Two of these countries have been able to estimate the number of direct jobs created by the measures applied (the Czech Republic and Slovakia).

In the Czech Republic, the measures applied succeeded in creating a significant amount of direct jobs (14,000)

Although it provides no estimation of the number of direct jobs created by the measures applied, Latvia, states that it has adopted a series of socio-economic measures to promote employment: (a) measures to promote self-employment addressed to economically productive citizens who possess professional skills but who are currently unemployed. The government has simplified the patent-granting procedure for these persons and has also reduced their taxes and social security contributions; (b) support measures for micro-businesses. the Government encourages the hiring of unemployed persons by granting businesses several incentives and subsidies to assist them in developing these persons' skills.

### **D- Candidate countries**

None of the candidate countries has applied any measures to promote rehabilitation as a stimulus for economic activity.

### **E- Norway and Switzerland**

Both Switzerland and Norway have applied measures to promote rehabilitation with a view to supporting economic activity and the maintenance and/or creation of employment. In addition, Norway estimates that 7,000 direct jobs were created in 2009 thanks to the measures enforced.

## **3.3 Relationship between rehabilitation of the housing stock and the creation and/or maintenance of employment**

### **A- EU-15 Countries**

In Austria, it has been shown that rehabilitation can create more jobs than new construction or civil engineering.

The effects of residential construction on employment are approximately 50% greater than in the exports sector and 25% greater than in the private consumption sector. According to a study of the Austrian Institute Of Economic Research (WIFO) published in 2008, a 100 million euro investment in rehabilitation could generate up to 1,400 (direct or indirect) jobs throughout the economy.

In Spain, construction activities – especially those related to residential construction – have shown great job creation potential in the past given their high work intensity per unit of production.

This feature is even more evident in the case of rehabilitation as this activity must forgo even more often the mechanisation possibilities offered, for example, by large public infrastructure works or large-scale residential developments.

In addition, generalization of the rehabilitation culture across the population means that persons who may be dissatisfied with their dwellings can increasingly choose to rehabilitate them instead of having to abandon them or exchange them for others that are better suited to their needs. For that reason, the greater amount of rehabilitation projects carried out in the residential construction sector would seem to indicate an intensification of job creation in that sector.

In Finland, from May 2009 to the end of 2010, a 10% subsidy is granted to real estate companies and to property owners who intend to carry out rehabilitation works. As from April 2010, such subsidies will be available only for refurbishing projects geared to improving energy efficiency.

In Greece, the building construction sector plays an important role in the country's economy and social life. Given its decisive role, the sector has come to be called the "engine of the Greek economy." The sector, especially as far as dwelling construction is concerned, is funded mainly with private resources and makes a significant contribution to the country's economy as it provides a significant number of jobs. In this way, it helps increase the people's income and boost their quality of life. The contribution of this sector is also significant in terms of building renovation/rehabilitation, where traditional construction techniques are combined with the new technologies.

Ireland reckons that 8 direct jobs are created for every million euro invested in rehabilitation measures.

In Portugal, it is impossible to quantify the relationship between the rehabilitation of the housing stock and the creation and/or maintenance of employment. Nonetheless, Portugal shares the idea that rehabilitation contributes to the creation and/or maintenance of employment. Moreover, it is thought that the relationship between rehabilitation and job creation will be even closer in the future.

## **B- EU-12 Countries**

In Latvia, a rehabilitation project requires the involvement of different parties: energy auditors carry out an energy audit of the unit, which is required prior to any rehabilitation project and hence co-financed by the ERDF; architects develop the technical project for the rehabilitation of residential buildings; and construction companies carry out the actual rehabilitation works.

For Romania, thermal rehabilitation programmes automatically result in job creation. It is impossible to provide an accurate figure of the number of jobs created, but in the context of a severe downturn of the real estate market, the country's rehabilitation programme has become an effective way to cushion the effects of the crisis for construction businesses, which have been able to create a significant amount of jobs. In 2009, funds assigned to this programme amounted to 360 million de RON (around 100 million euro).

## **D- Candidate countries**

For the Former Yugoslav Republic of Macedonia, rehabilitation will generate new investments for several sectors of the economy (textile industry, wood industry, housing equipment industry, ceramic industry, construction product industry etc.).

In Croatia, the relationship between maintenance and rehabilitation of housing units on the one hand, and employment on the other, is evident. Moreover, in this country there is

great potential for façade and roof renovation. The need for these works is there; it is only a question of making the necessary resources available.

#### E- Norway and Switzerland

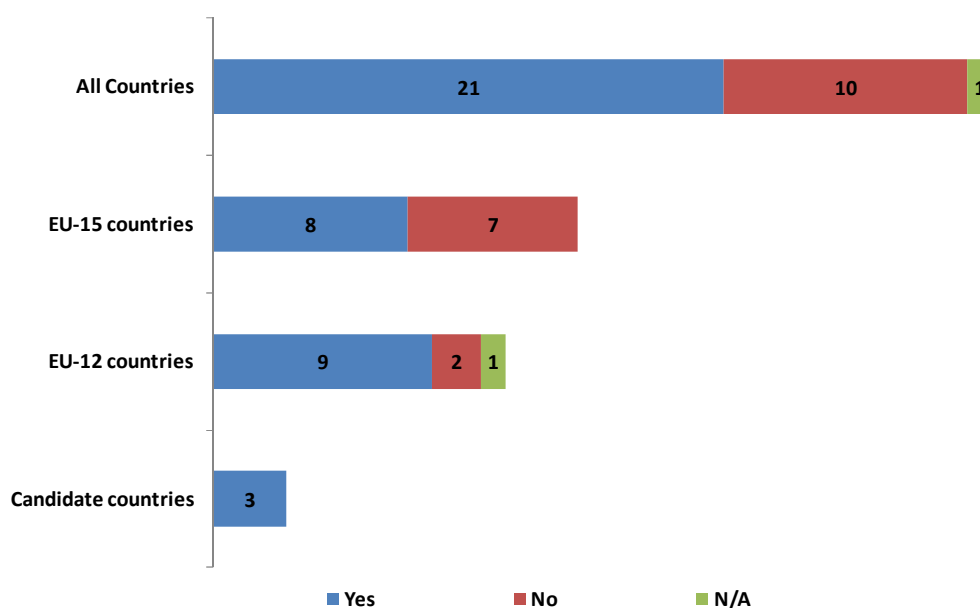
Estimations indicate that in Norway, 40% of rehabilitation works are carried out by professionals, which implies that 60% of those works are done by private individuals, often the property owner. In Norway, around 8 of every 10 dwellings belong to private owners, which promotes the rehabilitation of the housing stock.

### 3.4 Availability of suitable labour to meet the needs of the rehabilitation sector

#### A- All Countries

The majority of countries (66%) consider that they have enough professionals and skilled labour to meet the existing needs in the rehabilitation sector.

Fig. 3.4. Do you consider that the availability of professionals and skilled labour is sufficient to meet the existing needs of the rehabilitation sector?



#### B- EU-15 Countries

In the EU-15 group, opinions are divided.

Austria, Belgium, Denmark, Greece, Ireland, Luxembourg, the Netherlands and the United Kingdom concur in that they have sufficient labour and professionals to meet the existing needs in the rehabilitation sector. Nonetheless, Germany, Spain, Finland, France, Italy, Portugal and Sweden consider that there is a dearth of such professionals in their countries.

### **C- EU-12 Countries**

In the EU-12 countries there is wide consensus (75%) on the availability of suitable labour. Only Slovenia and Romania disagree stating that such labour is scarce in their countries. Slovenia considers that it does not have enough workers such as electricians, bricklayers, carpenters, painters etc. since the majority of Slovenians have higher educational levels. The lack of labour is offset by the supply of immigrants, mainly from the former Yugoslavia and, recently, from Slovakia, Bulgaria and the Ukraine.

### **D- Candidate countries**

All candidate countries consider that their supply of skilled labour is in line with the current needs in the rehabilitation sector.

### **E- Norway and Switzerland**

Switzerland believes that available skilled labour in their country is sufficient to meet the current needs of the rehabilitation sector, whereas the situation in Norway is just the opposite.

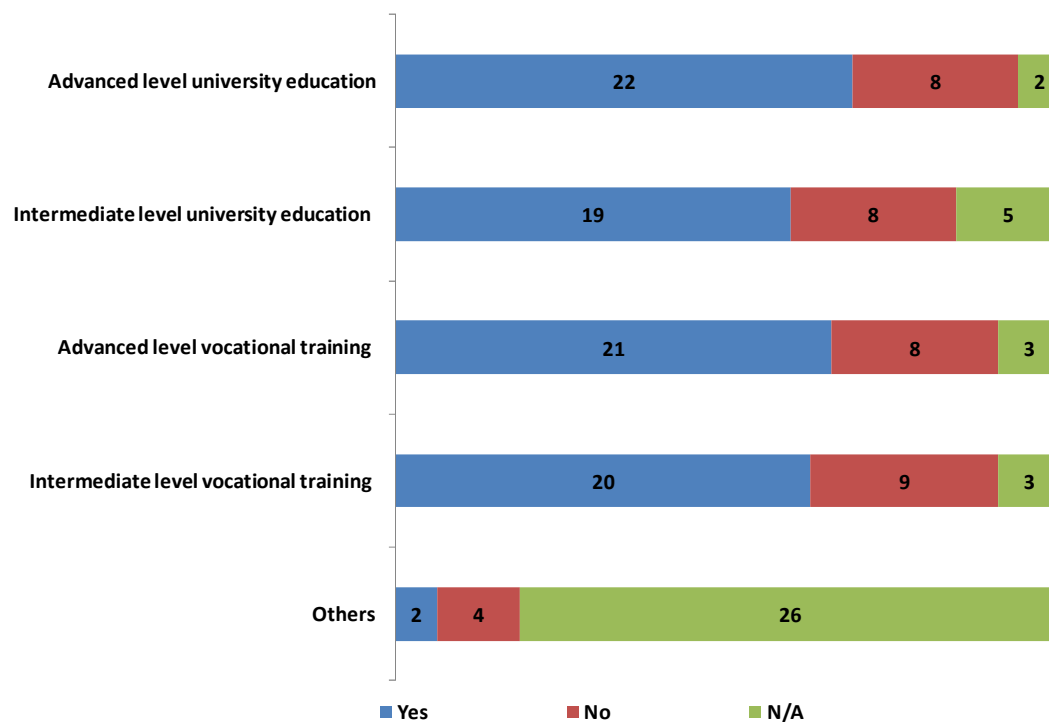
### 3.5 Suitability of the educational offering to the needs of the rehabilitation sector

#### A- All Countries

The majority of countries considers that their educational system offers instruction that is specifically geared to the rehabilitation sector, with positive answers ranging between 60% (intermediate level vocational training) and 69% (advanced level university education). University education would seem to offer instruction that is more relevant to the rehabilitation sector, especially at the advanced level.

Five countries claim they do not offer any kind of instruction that is specifically geared to the rehabilitation sector. However, in two of these countries 34,000 jobs were created as a result of the application of economic stimulus packages.

**Fig.3.5. Does the educational system in your country offer instruction geared specifically to the rehabilitation sector at these levels? All Countries**

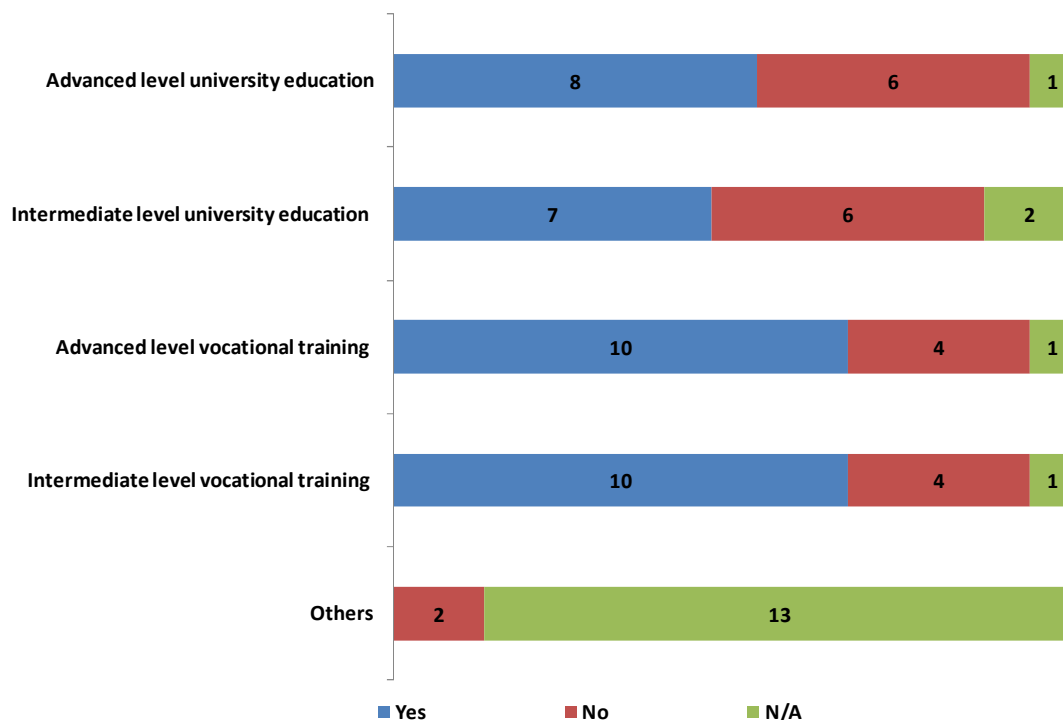


## B- EU-15 Countries

EU-15 countries exhibit wide differences in terms of their offering of specific training for the rehabilitation sector.

The largest offering of specific instruction for the rehabilitation sector in the EU-15 countries is provided by vocational training programmes (67%), but Spain, Italy, Sweden and Luxembourg do not provide instruction on rehabilitation at this level. On the other hand, 54% of countries offer this type of instruction at university level.

**Fig.3.5. Does the educational system in your country offer instruction geared specifically to the rehabilitation sector at these levels? EU-15 Countries**

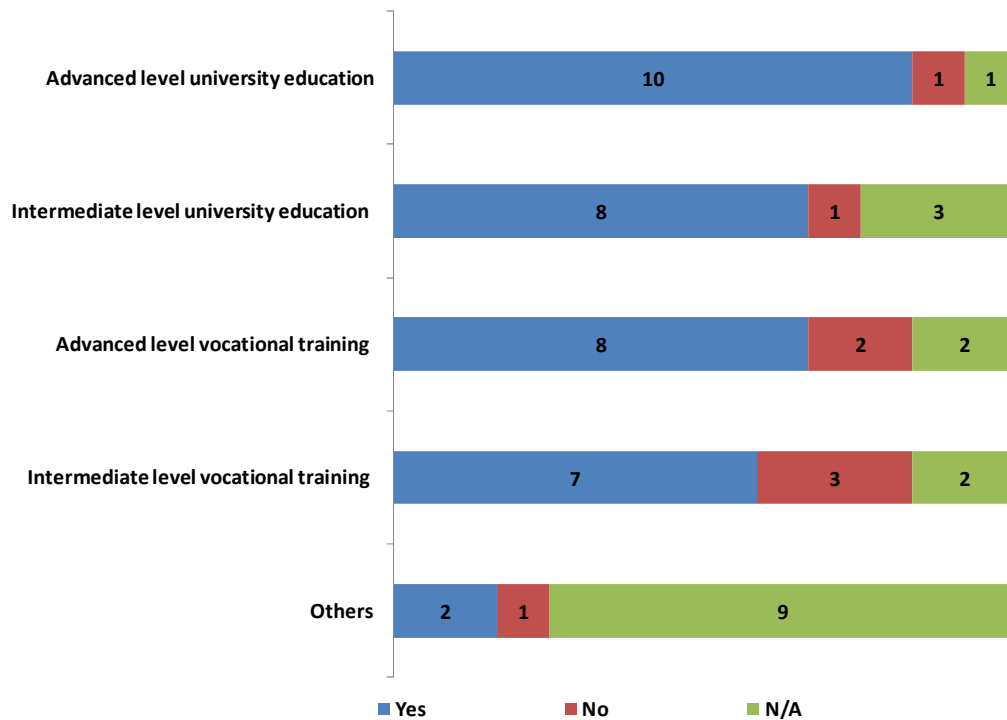




### C- EU-12 Countries

In the EU-12 group, it is universities that provide the largest offering of instruction geared specifically to the rehabilitation sector, especially at the advanced level (82% of countries). The offering of at vocational training level is lower (59%).

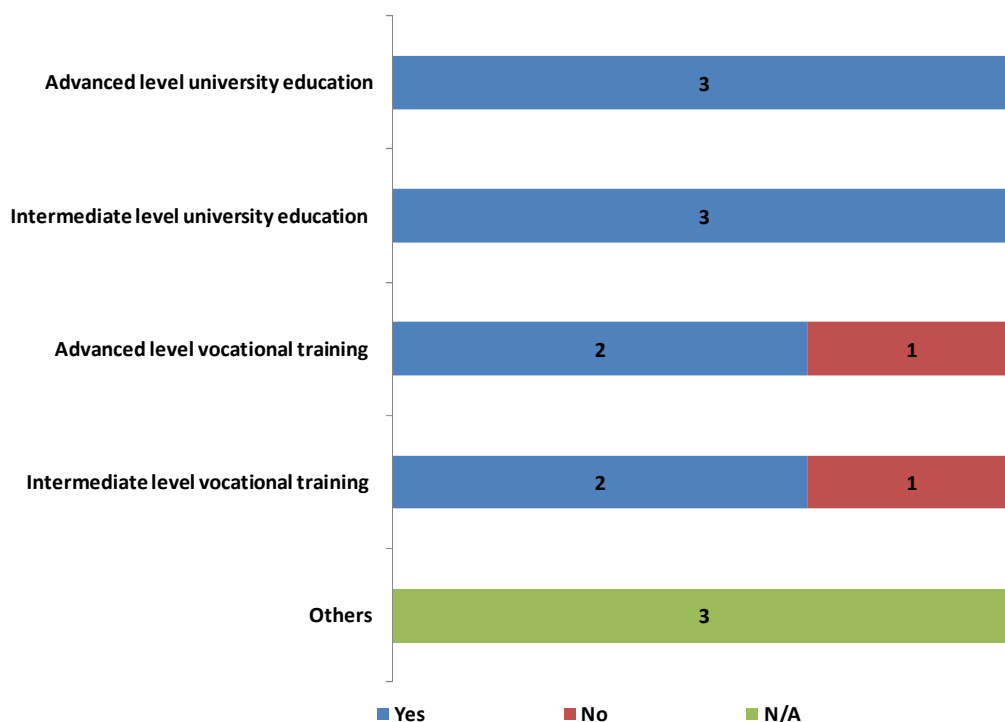
**Fig.3.5. Does the educational system in your country offer instruction geared specifically to the rehabilitation sector at these levels? EU-12 Countries**



## D- Candidate countries

Every candidate country offers instruction geared to the rehabilitation sector at university level, while only two in every three vocational training programmes include such kind of instruction. .

Fig.3.5. Does the educational system in your country offer instruction geared specifically to the rehabilitation sector at these levels? Candidate countries



## E- Norway and Switzerland

In Norway, no instruction is given that is specifically geared to the rehabilitation sector, neither at university nor at vocational training level. Nevertheless, students can develop skills in the field within their different educational programmes.

In Switzerland both university education and vocational training offer instruction that is specifically focused on the rehabilitation sector.

## 3.6 Rehabilitation experiences that can be regarded as “best practice”

Some countries have expounded examples of “best practice” related with the rehabilitation of the housing stock and the creation and/or maintenance of employment.

The **Austrian** “Renovation Cheque” (“Sanierungsscheck,” in German)

In April 2009, the Austrian government launched an anti-crisis series of measures that included 100 million euro package to promote thermal renovation and energy-efficiency in the private housing stock; half the money was assigned to residential buildings and the other half to non-residential ones.

This subsidy, which was called the “Renovation Cheque,” was granted to perform thermal renovation works for a maximum of 5,000 euro per family. Around 11,000 people benefited from these subsidies in the first 2 months and a half. Estimations show that, in addition to this, a total of 650,800 million euro was spent on work related to the renovation.

These public measures were particularly beneficial for SMEs and constituted a major step forward in the country's efforts to reduce CO2 emissions, in accordance with the provisions of the Kyoto protocol.

The "Renovation Cheque" made it possible to maintain 7,000 jobs in the construction sector, preventing an increase of the unemployment figures in this industry. In a nutshell, recent housing policy in Austria is based on direct subsidies, particularly geared to the renovation of the housing stock, with special emphasis being laid on energy savings. This has curtailed the amount of money available for the construction of new dwellings, which poses a serious problem since Austria is bound to face an increased demand of new housing in the next few years.

The **Belgian** "Contrats de Quartier"

Several projects are under way to promote socio-professional insertion into the rehabilitation sector through the so-called « Neighbourhood Contracts » ("Contrats de Quartier," in French).

Project X is a pilot project that has been under way since 2004 as part of the activities undertaken by the "Régie de Quartier" of the city of Brussels and the CPAS. The purpose is to conduct rehabilitation works to make privately occupied dwellings in those neighbourhoods comply with the relevant health and safety standards. The idea is for the public sector to take on the management of such housing units so that whenever possible dwellers can stay in their homes under the same financial conditions. The works were carried out by CPAS members.

In the **Former Yugoslav Republic of Macedonia**, the owner has a right to rehabilitate his property, which means that he is responsible for the rehabilitation works involved. This has both positive and negative implications.

The negative implications include the fact that the rehabilitation work carried out does not always comply with European standards. The FYRM believes that there is room to improve enforcement of these standards.

The positive implications include the fact that rehabilitation of old existing buildings highlights their intrinsic value and encourages others to do the same.

The **Czech Republic** offers several state subsidies for the housing sector. Information about these is available on <http://www.uur.cz/default.asp?ID=1939>

**Slovakia** introduced a governmental thermal insulation programme in 2009 as a measure to fight the economic crisis. The programme is managed by the State Housing Development Fund.

Through this programme, the government provides a 15-year interest-free loan that covers 100% of construction costs for up to 80 €/sq. m for the insulated area. In the case of multi-family residential buildings, applicants can be owners' associations or owners represented by a management company. Seventy-one million euro was allocated to this programme to finance thermal insulation in approximately 20,000-25,000 housing units. This programme has created approximately 8,000 jobs.

**Croatia**

Rehabilitation of the existing housing stock has great potential for the renovation of façades and other common areas.

**Spain**

The Spanish Habitat Committee promotes discussions on the sustainable city as well as the exchange of experiences that may be conducive to its development. A large number of experiences in the field of comprehensive urban renewal regarded as "best practices" in Spain have received awards at the different editions of the International Best Practices Competitions for their success in the creation of new jobs.

Some of these experiences are as follows:

- Comprehensive plan for the hillside neighbourhoods of Lorca (Pibal). (Lorca, Murcia). (2008). From the urban planning standpoint, these areas have problems of accessibility, slumming and scarcity of open areas. The purpose is social and economic revitalization. The number of direct beneficiaries of the specific interventions in the area is calculated at 4,519.
- Rehabilitation, restoration and protection of the cultural heritage and the environment of the historical town of Ourense (2004). The Project addressed the need to rehabilitate the historical town of Ourense. The façades and roofing sod around 200 buildings have been restored and 600 dwellings have been refurbished.
- Comprehensive intervention project of the Ribera neighbourhood in Córdoba. (2002). The goal here was to promote the social and economic revival of the neighbourhood through interventions designed to dignify the public space. Around 67 permanent and 93 temporary jobs have been created as a result of a Support Scheme endowed with 1,007,000 €.
- Baracaldo Urban Regeneration Programme. (2000). The purpose was to renovate the economic foundations of the city, recover public spaces and unused industrial precincts, provide infrastructures and equipment, and enhance accessibility through public transport. All 100,000 inhabitants of Baracaldo will benefit by all these interventions.

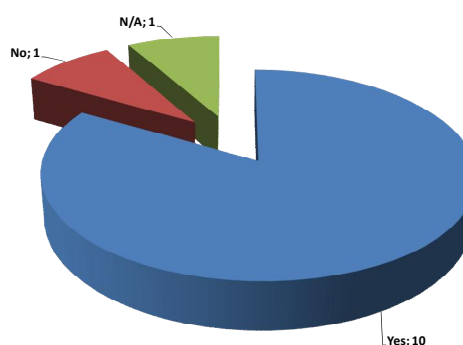
## 4 Funding and Concert between Public Administrations and the Private Sector

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### 4.1 Use of ERDF funds to subsidise housing costs in general.

Ten of the EU-12 Member States already use – or intend to use in the future – ERDF funds to subsidise housing costs in general. Cyprus is the only country that does not use them, while Slovenia does not provide an answer to this question.

Fig.4.1. Is your country using – or does it intend to use ERDF funds to subsidise housing costs in general? EU-12 countries



#### 4.1.a Scope of the use of ERDF funds

There are many similarities in the responses provided by the Baltic countries (Estonia, Latvia and Lithuania), all of them indicating that they devote ERDF funds mainly to policies aimed at promoting energy efficiency. Malta also expressed itself along the same lines.

Latvia provides a detailed description of the types of programmes they have implemented, basically centred around subsidies for insulation and renovation of the common areas of buildings so as to reduce energy consumption. They also use ERDF funds to develop co-generation plants and wind farms.

There are also points in common between Bulgaria, Latvia, Poland and the Czech Republic as all of them use ERDF funds for social purposes: creation of nursing homes (Bulgaria), enhancement of energy efficiency in social housing (Latvia), construction of social housing (Poland), pilot projects to address the problems faced by Roma communities at risk of social exclusion (Czech Republic) and the transformation of public buildings into modern high-quality social housing (Hungary)

As regards the use of ERDF funds for city rehabilitation, the cases of Hungary and the Czech Republic are good examples of how rehabilitation programmes can result in the revitalization of public spaces.

#### **4.1.b To what extent is the rehabilitation of the existing housing stock affected? (if at all)**

In the case of Estonia, it affects 10% of costs.

In Hungary's opinion, these programmes may be used for the renovation of the main structural elements of a building or to promote the use of renewable energies.

In Latvia, 62 projects from 28 Latvian municipalities have been approved for the renovation of multiple-family residential buildings and 25 projects have been approved for renovation of social housing.

Malta has funds available only for the renovation of its public housing stock.

In the Czech Republic the number of renovated housing units stands at 20,000

Slovakia states that the subsidies available account for just 0.6% of the investment needed to carry out a comprehensive rehabilitation of existing housing units.

In the case of Romania subsidies are only granted to transform public buildings into housing units.

In Lithuania, subsidies are only granted for multiple-family dwellings built before the end of 1993

#### **4.1.c To what extent is the enhancement of energy efficiency and the use of renewable energies in existing dwellings affected?**

For Estonia it accounts for around 10%.

In the case of Hungary it entails renovation of the main structural elements of a dwelling including roof and façade insulation as well as the replacement of Windows and doors. In addition, the use of renewable energies is encouraged.

For the Czech Republic it results in 20% savings on heat consumption in prefabricated buildings.

### **4.2 Use of amendment of Commission Regulation EC nr. 1080/2006**

In Germany it is the regions that hold the power to assign ERDF funds but it is likely that they will not use ERDF money to co-finance their housing policy during the present period. Belgium is considering taking advantage of the new possibilities provided by the ERDF fund.

Cyprus stated that they had not used ERDF funds to cover housing costs so far but the government is willing to consider this possibility.

In the case of Hungary, there are plans under way to make use of this possibility, but no concrete steps have been taken as yet.

France has used a modification of the ERDF Regulations, whereby expenses incurred towards energy efficiency in social housing are included.

Greece intends to avail itself – in the immediate future - of the possibility offered by the amendment of Regulation (CE) 1080/2006 to use ERDF funds to pay the costs inherent in enhancing energy performance and using renewable energies in existing dwellings.

Lithuania has started to take advantage of the new possibilities offered by the use of ERDF funds to pay the costs of promoting energy efficiency and the use of renewable energies in the existing housing stock.

In the United Kingdom, ERDF funds may be used to top the cost inherent in the enhancement of energy performance and the use of renewable energies in existing

housing units. Adaptation activities must be innovative and the expense must stay below 4% of the total programme costs.

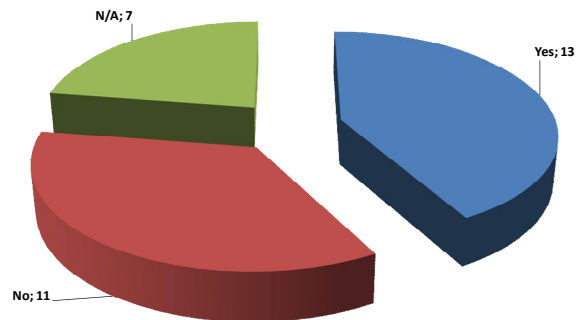
Sweden has not used ERDF funds and has no immediate plans to avail itself of this possibility.

**A- All Countries (except for the Netherlands)**

Only a minority of countries (12 in total) have applied or intend to apply the possibilities offered by the amendment of Regulation (CE) 1080/2006 to use ERDF funds to pay the costs inherent in the enhancement of energy performance and the use of renewable energies in existing housing units.

**Fig.4.2. Has your country applied (or does it intend to apply) the possibilities offered by the amendment of Regulation (EC) nr. 1080/2006 to use ERDF funds to pay – even retroactively from August 2006 - the costs inherent in the enhancement of energy performance and the use of renewable energies in existing dwellings? All Countries (except for the Netherlands)**

Mention should be made of the fact that la one-third of countries did not answer this question.

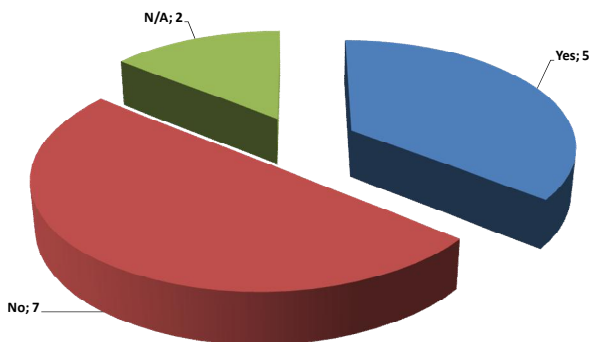


**B- EU-15 Countries (except for the Netherlands)**

Only five EU-15 countries intend to make use of ERDF funds to cover the costs related to energy performance and renewable energies in existing housing units: France, Greece, Italy, Portugal and the United Kingdom.

In Italy, this decision must be made by each one of the 19 regions and 2 autonomous provinces. To date, only the region of Piedmont has availed itself of the possibilities made available by the amended Regulation to finance social housing.

**Fig.4.2. Has your country applied (or does it intend to apply) the possibilities offered by the amendment of Regulation (EC) nr. 1080/2006 to use ERDF funds to pay – even retroactively from August 2006 - the costs inherent in the enhancement of energy performance and the use of renewable energies in existing dwellings? EU-15 Countries (except for the Netherlands)**

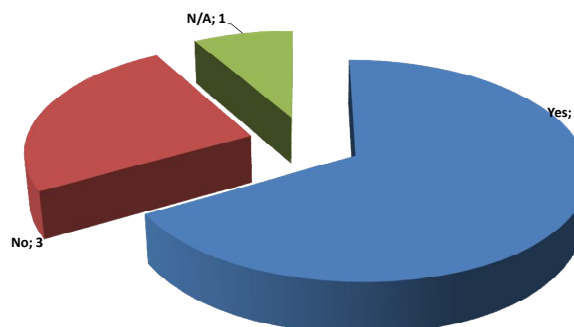


### C- EU-12 Countries

In contrast to the situation in the EU-15 countries, the majority of EU-12 countries (67%) has either utilised the possibility provided by the Commission Regulation or intends to do so in the future.

The Czech Republic, Cyprus and Slovakia have not used this possibility. Slovenia does not provide an answer to this question.

**Fig.4.2. Has your country applied (or does it intend to apply) the possibilities offered by the amendment of Regulation (EC) nr. 1080/2006 to use ERDF funds to pay – even retroactively from August 2006 - the costs inherent in the enhancement of energy performance and the use of renewable energies in existing dwellings? EU-12 Countries**



### 4.3 Position of the different countries on whether structural funds should be used for housing costs in general as of 2014

In Germany's opinion, housing is not part of the structural policy objectives intended to be supported by ERDF funds. Consequently, as the EU has no competences over housing, the possibility of funding housing policy through the ERDF should not be extended any further. Housing supply is a regional matter that needs to be addressed at a regional level.

For Croatia, a significant part of these funds must be allocated to housing expenditure, specifically to the rehabilitation of old town centres, the supply of alternative energies and the reconstruction of municipal infrastructure.

Spain has a large stock of primary residences, a significant amount of which should be rehabilitated given their age. It is not likely that the sector will experience a surge of new constructions as was the case during the real estate boom which began in the latter part of the 1990's and came to an end early this century. However, more capital should be invested in rehabilitating the existing housing stock, both in terms of consolidating residential buildings and improving the physical accessibility to dwellings and buildings and their energy performance through the use of alternative energies.

Spain must consider what funds it is going to use to finance the above mentioned works, especially taking into account that fewer and fewer Spanish regions will be eligible for Structural Fund assistance in the future. For the time being, Spain does not have a defined position on this issue.

For Greece, use of Structural Funds to fund residential building rehabilitation projects and the restructuring of degraded urban areas must be made within the Regional Development and Energy Efficiency Programmes.

Lithuania believes that housing expenditure contemplated in the Structural Fund Regulations for regional policy ought to increase from 2014.



#### 4.4 Tax benefits for dwelling rehabilitation

In the case of Germany, costs are shared between the Federal Government, the regions and the municipalities.

In Belgium applicants benefit from a reduced 6% VAT rate, whereas in Cyprus fiscal incentives are only granted in connection with listed buildings. In the case of Croatia, a resident can use up to 12,000 HRK per year.

In France, a reduced 5.5% VAT rate is applied, and any work conducted in residential buildings older than two years benefits from fiscal rebates provided that it is aimed at promoting sustainable development.

In the case of Sweden, tax rebates are available.

Fig.4.4. Are there tax benefits for dwelling rehabilitation in your country?

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	14	14	3	6	16	9	5	18	8
EU-15	9	4	1	5	4	5	4	5	5
EU-12	3	7	2	0	8	4	0	9	3
CC	1	2	0	1	2	0	1	2	0

##### A- All Countries (except for the Netherlands)

Tax benefits for dwelling rehabilitation exist in 49% of participating countries, with positive answers ranging between 17% (local governments) and 46% (central governments) depending on the level of government involved.

It is central governments that offer the greatest amount of tax benefits. Only a small proportion of countries (around 20%) offer tax rebates at regional and local level.

##### B- EU-15 Countries (except for the Netherlands)

In the majority of EU-15 Member States (64%) tax benefits for dwelling rehabilitation are provided mainly by the central government. Benefits at regional and local level are less frequent (36% and 29% respectively)

In Denmark, Ireland, Italy and the United Kingdom no tax benefits are provided by any level of government. In Spain tax benefits only exist at central and regional level.

##### C- EU-12 Countries

In contrast to the richer EU-15 Countries, only a minority of EU-12 countries (Bulgaria, Cyprus and the Czech Republic) offer tax benefits, and when they do they provide them only at central government level.

##### D- Candidate countries

Among the candidate countries, only Croatia offers tax benefits; these are available at all levels of government.

##### E- Norway and Switzerland

Norway does not provide tax benefits for dwelling rehabilitation, while Switzerland makes them available only at the central government level.

## 4.5 Availability of public subsidies for dwelling rehabilitation.

This question refers to five potential subsidies: non-refundable loans, low-interest loans, subsidised loans, guarantees and others.

### 4.5.1 Non-refundable loans. Dwellings

20 countries offer non-refundable loans at some level of government. Finland offers subsidised interest loans.

Some local administrations in Croatia assist citizens with the rehabilitation of residential buildings. For example, the Zagreb council defrays 25-30% of the costs involved in building façade renovations; this support can reach 50% for listed buildings.

In France, the central government provides subsidised loans through different Banks; tax rebates are also available in this country.

Fig.4.5. Are there any other public subsidies in your country for dwelling rehabilitation? *Non-refundable loans*

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	19	7	5	6	16	9	8	15	8
EU-15	11	0	3	6	3	5	5	3	6
EU-12	5	5	2	0	8	4	1	9	2
CC	1	2	0	0	3	0	1	2	0

#### A- All Countries (except for the Netherlands)

Non-refundable loans for dwelling rehabilitation are far more common than tax benefits in the countries studied. Indeed, 62% of countries offer them at state level, 20% at regional level and 26% at local level. This means that the central administration is the one that provides this support most frequently, followed by local governments and then by the regions.

#### B- EU-15 Countries (except for the Netherlands)

- Non-refundable loans at state level exist in eleven EU-15 countries (79%). Belgium, the United Kingdom and Sweden provide no information on this point.
- This support only exists at regional level in Germany, Austria, Belgium, Spain, France and Italy (43%).
- At local level, it only exists in Denmark, France, Ireland, Luxembourg and Portugal (36%).

#### C- EU-12 Countries

Unlike the EU-15 group, where 79% of countries provide non-refundable loans, (79% of countries), only a minority (42%) of EU-12 Member States offer this type of subsidy at state level (Cyprus, Estonia, Hungary, Malta and the Czech Republic). The Czechs also offer non-refundable loans at local level.

#### D- Candidate countries

Only Croatia provides non-refundable loans at state and local level.

#### E- Norway and Switzerland

In Norway non-refundable loans are available for rehabilitation projects at central and local level, while Switzerland only offers them at central level.

### 4.5.2 Low-interest loans Dwellings

Fig.4.5. Are there any other public subsidies in your country for dwelling rehabilitation?

#### Low-interest loans

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	17	8	6	4	17	10	3	19	9
EU-15	7	2	5	4	4	6	1	6	7
EU-12	6	5	1	0	8	4	1	9	2
CC	2	1	0	0	3	0	0	3	0

#### A- All Countries (except for the Netherlands)

Low-interest loans are less usual than non-refundable loans; they exist in 55% of countries. Once again, the central government is the administration that is most often in charge of distributing these subsidies, followed by the regions and local governments. As shown in the table, this type of subsidy exists in 16 countries at state level, in 4 countries at regional level and in 3 countries at local level.

#### B- EU-15 Countries (except for the Netherlands)

Low-interest loans are available in 7 EU-15 countries (50%) a state level: Germany, Austria, Spain, France, Greece, Italy and Portugal. This type of subsidy is also available at regional level in Germany, France, Austria and Italy. France is the only country in the group that provides low-interest loans at local level.

#### C- EU-12 Countries

In the majority of EU-12 countries, low-interest loans are available for dwelling rehabilitation. Six of them provide them at state level: Bulgaria, Slovenia, Estonia, Hungary, the Czech Republic and Slovakia and only one (the Czech Republic) offers them at local level. Regional administrations in this group do not offer this type of support.

#### D- Candidate countries

Low-interest loans are available (only at state level) in Croatia and Turkey.

#### E- Norway and Switzerland

Norway provides low-interest loans for dwelling rehabilitation at state and local level, whereas Switzerland only makes them available at state level.

### 4.5.3 Subsidised loans. Dwellings

Fig.4.5. Are there any other public subsidies in your country for dwelling rehabilitation?

#### Subsidised loans

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	10	14	7	4	17	10	3	17	11
EU-15	5	3	6	4	4	6	1	5	8
EU-12	3	8	1	0	8	4	1	8	3
CC	2	1	0	0	3	0	1	2	0

#### A- All Countries (except for the Netherlands)

Only one-third of the countries surveyed provide subsidised loans for dwelling rehabilitation. Once again, the central administrations are the most active in this respect. Ten countries provide this kind of subsidy at state level (33%), four do so at regional level and three at local level.

#### B- EU-15 Countries (except for the Netherlands)

A minority of EU-15 countries (36%) offer subsidised loans for dwelling rehabilitation:

- At state level: Germany, Greece, Italy, Luxembourg and Portugal.
- 
- At regional level: Germany, Austria, Belgium and Italy
- 
- At local level: Luxembourg.

#### C- EU-12 Countries

Subsidised loans for dwelling rehabilitation exist only in three EU-12 countries (25%): Slovenia, Hungary and the Czech Republic; they are available exclusively at state level, except for the Czech Republic where local governments also provide this kind of financial support.

#### D- Candidate countries

Croatia makes available subsidised loans for dwelling rehabilitation at state and local level, whereas Turkey does so only at state level.

#### E- Norway and Switzerland

Neither Norway nor Switzerland provide subsidised loans for dwelling rehabilitation.

#### 4.5.4 Guarantees. Dwellings

Fig.4.5. Are there in your country other public subsidies for dwelling rehabilitation? *Guarantees Housing*

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	6	17	8	1	17	13	2	19	10
EU-15	5	3	6	1	5	8	2	5	7
EU-12	1	9	2	0	8	4	0	9	3
CC	0	3	0	0	2	1	0	3	0

##### A- All Countries (except for the Netherlands)

Guarantees are the least usual kind of economic support. Only a small minority of countries (20%) provide this kind of subsidy, with the central administration being the most significant player.

##### B- EU-15 Countries (except for the Netherlands)

Guarantees for dwelling rehabilitation exist in five EU-15 countries: Denmark, France, Greece, Luxembourg and Sweden. In addition to the central government, the regions provide this kind of subsidy in France and the local administrations in France and Denmark.

##### C- EU-12 Countries

Guarantees for dwelling rehabilitation are only available in the Czech Republic, and exclusively at state level.

##### D- Candidate countries

There are no guarantees for dwelling rehabilitation in any of the three candidate countries.

##### E- Norway and Switzerland

Neither Norway nor Switzerland provide guarantees for dwelling rehabilitation.

#### 4.5.5 Other kinds of subsidies. Dwellings

Fig.4.5. Are there any other public subsidies in your country for dwelling rehabilitation? *Other kinds of subsidies*

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	2	12	17	0	12	19	0	13	17
EU-15	2	1	11	0	1	13	0	1	12
EU-12	0	8	4	0	7	5	0	8	4
CC	0	1	2	0	2	1	0	2	1

Only two EU-15 countries offer other kinds of financial support to dwelling rehabilitation: Finland (subsidized interests) and Luxembourg, both of them at state level.

## 4.6 Tax Benefits: Buildings

Belgium offers a subsidised VAT rate. Cyprus restricts tax relief to listed buildings. In Finland, conventional tax exemptions can be used particularly for single-family buildings. Furthermore, in Norway, no tax benefits are available for the rehabilitation of residential buildings.

Fig.4.6. Does your country provide tax benefits for building rehabilitation?

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	13	16	2	4	21	6	4	22	5
EU-15	7	7	0	4	8	2	3	9	2
EU-12	4	6	2	0	8	4	0	9	3
CC	1	2	0	0	3	0	1	2	0

### A- All Countries (except for the Netherlands)

Thirteen countries (42%) provide central government tax benefits for building rehabilitation, slightly less than the countries offering such benefits for dwelling rehabilitation (42%). This lower level of support is also found at the regional and the local level (13% in both cases).

### B- EU-15 Countries (except for the Netherlands)

Half the EU-15 countries provide tax benefits for building rehabilitation, with the central administration always playing the most active role, followed by the regional (29%) and the local (22%) administrations.

More specifically, tax benefits are available in:

- Germany and Portugal, at state, regional and local level: all three levels of government are competent in both countries.
- Belgium and Spain, at state and regional levels. There are no benefits at local level although the remit of local governments extends to these matters in both countries.
- Austria, Italy and Luxembourg, only at state level.
  - In Austria and in Italy, regions and local governments have competences over rehabilitation.
  - In Luxembourg the remit of the regions does not include rehabilitation policy but local governments do have competences in this regard.
- Greece, only at local level. Regional governments have no competences in this field but local governments do.

### C- EU-12 Countries

Only the central administration can provide tax benefits to building rehabilitation in one-third of EU-12 countries (Bulgaria, Cyprus, Poland and the Czech Republic). These same countries, together with Poland, offer tax benefits for dwelling rehabilitation.

### D- Candidate countries

Only Croatia provides tax benefits, at state and local level.

### E- Norway and Switzerland

In Norway, there are no tax benefits for building rehabilitation, whereas Switzerland offers them, albeit only at state level.

## 4.7 Availability of public subsidies for building rehabilitation

The question refers to five possible subsidies: non-refundable loans, low-interest loans, subsidised loans, guarantees and others.

### 4.7.1 Non-refundable loans. Buildings

Twenty countries (65%) provide non-refundable loans at some level of government. In the case of Lithuania, municipalities can contribute to the rehabilitation of residential buildings in their territory.

**Fig.4.7. Are there any other public subsidies in your country for building rehabilitation? Non-refundable loans**

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	19	5	7	6	13	12	8	12	11
EU-15	9	1	4	5	3	6	4	4	6
EU-12	8	2	2	1	6	5	3	5	4
CC	0	2	1	0	2	1	0	2	1

#### A- All Countries (except for the Netherlands)

Overall, the same findings apply here as for dwelling rehabilitation. Non-refundable loans for building rehabilitation exist in the majority of countries, with the state playing the leading role 62% of the countries.

#### B- EU-15 Countries (except for the Netherlands)

In EU-15 countries, the majority of countries (65%) provide non-refundable loans for building rehabilitation, although to a lesser extent than for dwelling rehabilitation. Nine countries provide non-refundable loans for building rehabilitation at state level (as compared with 11 countries in the case of dwellings): Germany, Austria, Spain, Finland, Greece, Ireland, Italy, Luxembourg and Portugal.

In addition to the central administration, these subsidies are also offered at regional level by Germany, Austria, Spain, Belgium and Italy, and at local level by Germany, Ireland Luxembourg and Portugal.

Mention should be made to the fact that in France this kind of subsidy is not available for building rehabilitation as opposed to dwelling rehabilitation.

#### C- EU-12 Countries

In contrast to EU-15 countries, in the EU-12 group, non-refundable loans for rehabilitation are more usual for buildings than for dwellings. EU-12 countries provide non-refundable loans for building rehabilitation at state level (Bulgaria, Cyprus, Hungary, Latvia, Lithuania, Poland, the Czech Republic and Slovakia), at regional level (Latvia) and at local level (Hungary, Latvia and the Czech Republic).

#### D- Candidate countries

None of the candidate countries offers non-refundable loans for building rehabilitation at state or local levels.

## E- Norway and Switzerland

In Norway the central and the local administrations offer non-refundable loans, while in Switzerland it is only the central administration that makes them available.

### 4.7.2 Low-interest loans Buildings

Fig.4.7. Are there any other public subsidies in your country for building rehabilitation? *Low-interest loans*

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	13	10	8	4	16	11	1	17	13
EU-15	6	2	6	4	4	6	0	6	8
EU-12	6	5	1	0	8	4	1	7	4
CC	0	2	1	0	2	1	0	2	1

#### A- All Countries (except for the Netherlands)

Low-interest loans for building rehabilitation exist in 14 countries (46%), although they are less usual than those geared to dwelling rehabilitation (17 countries, 55%). Such subsidies are mainly provided by central governments and, to a lesser extent, by regions. Local governments are not very much involved; in fact, only one country provides this kind of support at local level.

#### B- EU-15 Countries (except for the Netherlands)

Low-interest loans for building rehabilitation exist in a minority of EU-15 countries (43%).

- Germany, Austria and Italy make this kind of subsidy available at state and regional levels.
- Spain, Greece and Portugal, only at state level.
- Such economic support is not available at local level.

It should be noted that, except for France, countries that provide low-interest loans for dwelling rehabilitation also offer them for building rehabilitation.

#### C- EU-12 Countries

Low-interest loans are offered by half the EU-12 countries (Bulgaria, Slovenia, Hungary, Lithuania, the Czech Republic and Slovakia). These subsidies are granted at state level exclusively, except in the Czech Republic, where local governments also offer this kind of financial support.

#### D- Candidate countries

There are no low-interest loans for building rehabilitation in any of the three candidate countries.

#### E- Norway and Switzerland

Norway provides this kind of support at state level. Switzerland does not.



### 4.7.3 Subsidised loans. Buildings

Fig.4.7. Are there any other public subsidies in your country for building rehabilitation? *Subsidised loans*

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	9	13	9	4	16	11	1	16	14
EU-15	5	2	7	4	4	6	0	5	9
EU-12	4	7	1	0	8	4	1	7	4
CC	0	2	1	0	2	1	0	2	1

#### A- All Countries (except for the Netherlands)

In eleven of the participating countries (36%) subsidised loans are provided for building rehabilitation, which is a lower proportion than that found for dwelling rehabilitation. Thirty percent of them offer this kind of subsidy at the state level, which is again the most active of the three levels of government. Specifically, subsidised loans are offered at state level in nine countries, at regional level in four and at local level in one.

#### B- EU-15 Countries (except for the Netherlands)

Only a minority of EU-15 countries offer subsidised loans for building rehabilitation:

- At state level: Germany, Spain, Greece, Italy and Luxembourg
- At regional level: Germany, Austria, Belgium and Italy
- This kind of financial support is unavailable at local level.

#### C- EU-12 Countries

Subsidised loans for building rehabilitation exist in only four EU-12 countries: Slovenia, Hungary, Poland and the Czech Republic, always at state level except in the Czech Republic, where local governments also provide this type of assistance.

#### D- Candidate countries

There are no subsidised loans for building rehabilitation in any of the three candidate countries.

#### E- Norway and Switzerland

Neither Norway nor Switzerland provide subsidised loans for building rehabilitation.

#### 4.7.4 Guarantees. Buildings

Fig.4.7. Are there any other public subsidies in your country for building rehabilitation? *Guarantees*

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	7	13	11	0	16	15	0	16	15
EU-15	4	2	8	0	4	10	0	5	9
EU-12	3	7	2	0	8	4	0	7	5
CC	0	2	1	0	2	1	0	2	1

##### A- All Countries (except the Netherlands)

Although these are the least common subsidies, guarantees for building rehabilitation are offered in a slightly larger number of countries than those for dwelling rehabilitation. Seven countries (23%) offer this type of assistance, exclusively at state level.

##### B- EU-15 Countries (except the Netherlands)

A narrow minority of EU-15 Member States provide guarantees for building rehabilitation, slightly less than for dwelling rehabilitation: Finland, Greece, Luxembourg and Sweden, all of them at state level exclusively.

##### C- EU-12 Countries

In the EU-12 group, more countries offer guarantees for building rehabilitation than for dwelling rehabilitation. Three countries provide this kind of subsidy exclusively at state level: Lithuania, the Czech Republic and Slovakia (as compared with just one for dwelling rehabilitation).

##### D- Candidate Countries

There are no guarantees for building rehabilitation in any of the three candidate countries.

##### E- Norway and Switzerland

Neither Norway nor Switzerland provide guarantees to rehabilitate buildings

#### 4.7.5 Other kinds of subsidies. Buildings

Fig.4.7. Are there any other public subsidies in your country for building rehabilitation? *Other subsidies*

edificios?

	Central Government			Regional Governments			Local Governments		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
All countries	2	11	18	0	11	20	0	12	19
EU-15	1	1	12	0	1	13	0	2	12
EU-12	1	6	5	0	6	6	0	6	6
CC	0	2	1	0	2	1	0	2	1

Only two countries offer other types of financial support for building rehabilitation, exclusively at state level: Finland in the EU-15 group and Slovakia in the EU-12 group.

#### 4.8 Other subsidies to adapt dwellings and/or buildings to elderly persons

In the case of Germany, the Federal Government's support programme for senior friendly rehabilitation offers reduced interest rates to rehabilitated housing occupied by elderly persons.

Within the framework of German social housing policy, regional administrations also support rehabilitation projects with a view to promoting fitness for use for elderly persons, modernization of nursing homes and the construction of new rental buildings for disabled persons. Although social housing policy is funded mainly from the budget of the different regional administrations, until 2013 they will also benefit from an allowance of the Federal Government (518.2 million euro in total).

In addition, Germany provides tax benefits for elderly persons who wish to rehabilitate their homes (both if they own the property and if they rent it). Specifically, they can obtain a 20% tax rebate for up to 6,000 € of the labour costs involved.

In the framework of nursing care, insurance grants can be paid for structural alteration and technical help (max. 2.557 € per measure).

Austria provides specific subsidies.

In **Croatia**, local governments take care of the elderly population by supporting their nursing home expenses.

As regards **Finland**, subsidised-interest loans are available for special groups (including the elderly) who undertake rehabilitation projects. Building rehabilitation subsidies are also provided for works aimed at improving accessibility (for example for the installation of a lift in an old building).

The **French legislation** contemplates specific subsidies to facilitate works aimed at adapting buildings to the needs of elderly persons. Without these subsidies, elderly persons would not be able to stay in their homes and live an independent life.

In **Ireland**, the Housing Adaptation Grant Schemes for Older People and People with a disability, which are operated by local authorities with financial assistance from the State (central government funding), assists in the facilitation of continued independent living in their own home by older people. The grant covers a wide suite of purposes including accessibility, insulation and mobility aids. Some 11,500 grants were paid out under the scheme in 2009 with about €71 million in funding, supplied by the State, to local administrations who operate the schemes.

In **Luxembourg**, public real estate developers construct/adapt dwellings to the needs of elderly persons.

In the case of the **Former Yugoslav Republic of Macedonia**, local governments encourage building rehabilitation by exempting certain groups from payment of local rates and by subsidies to purchase construction supplies.

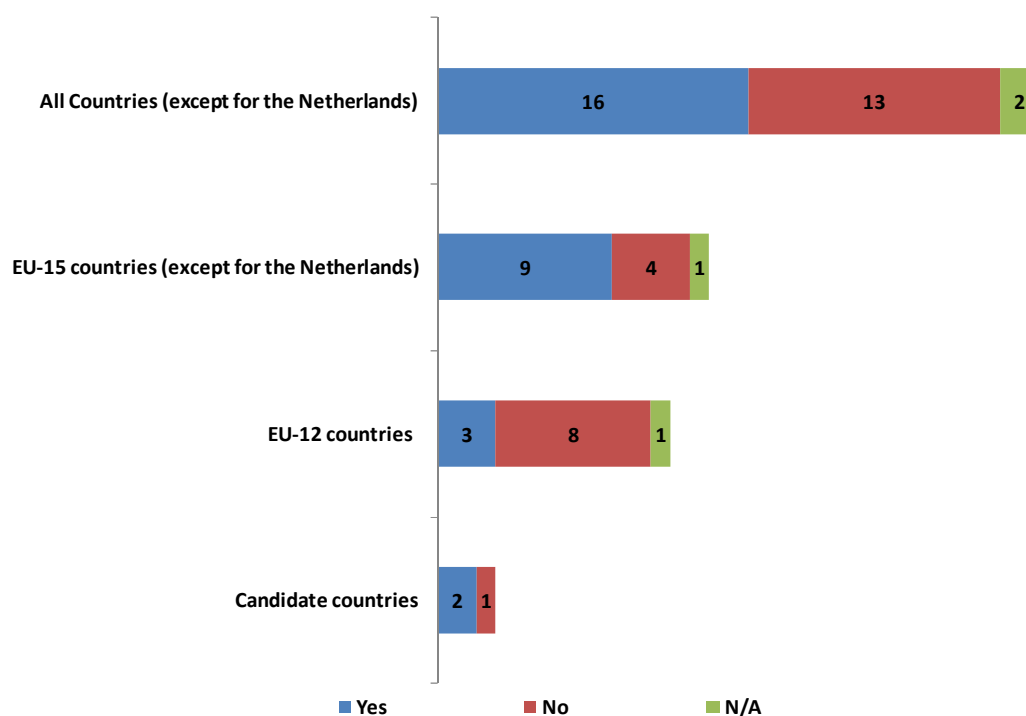
In **Malta**, the National Housing Authority refurbishes social housing to adapt them to the needs of elderly persons. In addition low-income elderly persons – even those who live in private homes can benefit from subsidies for housing rehabilitation and adaptation. These subsidies are assigned in accordance with the applicant's income level.

In Norway, the State provides local authorities with subsidies (20% of investment costs) for the construction of new homes or the rehabilitation of existing ones, as well as for the construction of dwellings for elderly persons (nursing homes and rental units for persons with special needs).

In the **Czech Republic**, the programme designed to promote construction of subsidised dwellings sets out the terms and conditions whereby the state provides financial support to adapt rental housing units – without large-scale structural alterations – to the needs of persons with impaired mobility and orientation, visually and hearing impaired persons, persons with mental retardation, elderly persons, etc..

**Switzerland** provides the same kind of subsidies as for dwelling rehabilitation (subsidized interest rates).

Fig.4.8. Are there any other public subsidies in your country to adapt dwellings and/or buildings to the needs of elderly persons?



#### A- All Countries (except for the Netherlands)

In a slight majority of countries (52%) financial support is available to increase accessibility of dwellings and/or buildings for elderly persons.

#### B- EU-15 Countries (except for the Netherlands)

In EU-15 Countries, such subsidies are relatively common. Indeed, they are provided by two-thirds of EU-15 Member States (65%): Germany, Austria, Spain, Finland, France, Greece, Ireland, Luxembourg and Portugal.

#### C- EU-12 Countries

In EU-12 group, only three countries (25%) provide this kind of support to adapt dwellings and buildings to the needs of elderly persons: Cyprus, Malta and the Czech Republic.

#### D- Candidate countries

The Former Yugoslav Republic of Macedonia and Croatia offer subsidies to increase accessibility of elderly persons to dwellings and/or buildings.

#### E- Norway and Switzerland

In Norway and in Switzerland there are subsidies to adapt dwellings and/or buildings to the needs of elderly persons.

#### **4.9 Other subsidies to adapt dwellings and/or buildings to disabled persons**

In the case of Austria, there are specific subsidies, as is the case for Belgium, Italy, Lithuania, Luxembourg and Sweden

Cyprus has a fund administered by the Ministry of the Interior which is intended to assist households and disabled persons in altering their housing units with a view to boosting their quality of life. A case-by-case assessment is performed, which means there is no specific set of criteria to be complied with by prospective applicants.

En Finland, there is a system of subsidised loans for building rehabilitation for special groups (including disabled persons). Building rehabilitation subsidies are also provided for improving accessibility (for example installing a lift in an old building). This subsidy is available to all citizens, not just to disabled persons

In the case of Hungary, subsidies consist in an fixed allowance meant to defray all the additional costs involved in adapting a dwelling to the needs of disabled persons.

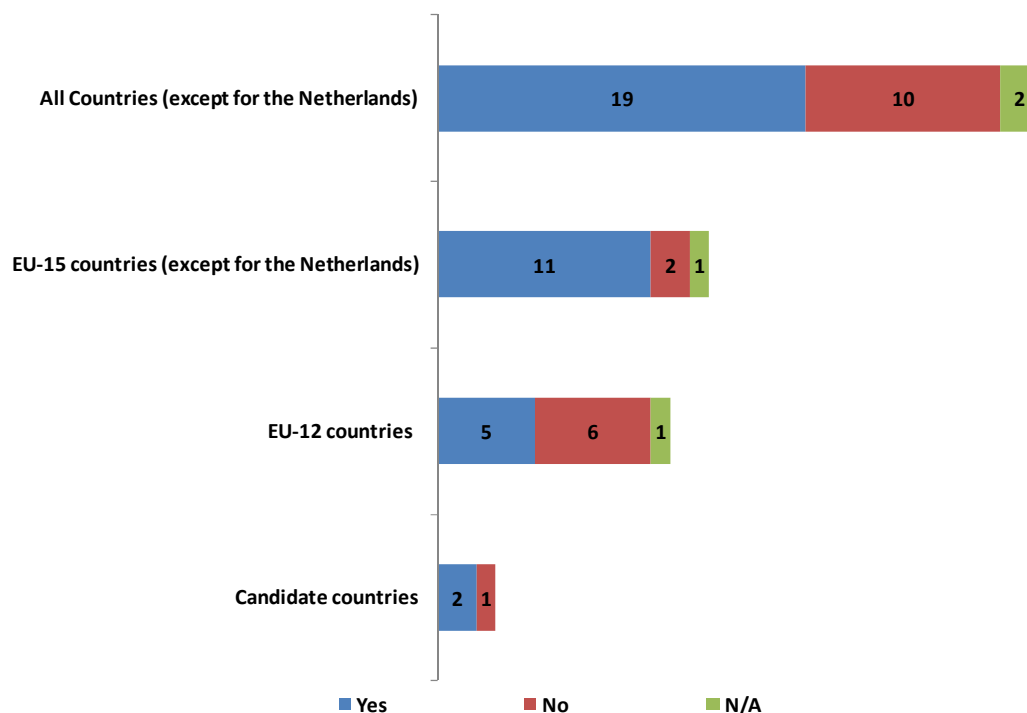
En Ireland, the government provides a subsidy intended to adapt dwellings to the needs of elderly and disabled persons.

In the case of Macedonia, local governments encourage building rehabilitation by exempting certain groups from payment of local rates and by subsidies to purchase construction supplies.

In Norway, the State provides local authorities with subsidies (up to 40% of investment costs) for the construction of new dwellings and for rehabilitation of existing rental dwellings and/or residential buildings for disabled persons who need continuous public services.

Local authorities offer subsidies and loans to homeowners who have disabled members in their family. In the case of Portugal, even if the National Plan for the period 2007-2009 did contemplate some kinds of financial assistance (subsidised loans), it did not produce good results.

Fig. 4.9. Are there any other public subsidies in your country to adapt dwellings and/or buildings to the needs of disabled persons?



#### A- All Countries (except for the Netherlands)

Subsidies to facilitate accessibility of disabled persons to dwellings and/or buildings are more common than for elderly persons. They are available in the majority of countries (62%).

#### B- EU-15 Countries (except for the Netherlands)

Eleven EU-15 countries (79%) offer this kind of subsidy for disabled persons. The exceptions are Denmark and Portugal. The United Kingdom does not provide an answer to this question.

#### C- EU-12 Countries

Five member states of the EU-12 group (42%) provide subsidies aimed at the rehabilitation of dwellings and/or buildings to facilitate accessibility of disabled persons: Cyprus, Hungary, Lithuania, Malta and the Czech Republic.

#### D- Candidate countries

In the Former Yugoslav Republic of Macedonia and in Croatia subsidies are available to increase accessibility of disabled persons to dwellings and/or buildings.

#### E- Norway and Switzerland

Norway provides economic subsidies for the rehabilitation of dwellings and/or buildings to increase accessibility for disabled persons. Switzerland does not offer specific subsidies.

#### **4.10 Other subsidies to adapt dwellings and/or buildings to low-income families**

In the case of Germany, the social housing programmes of the different regions offer a certain amount of money to low-income families who face specific social problems and who, in normal circumstances, would not be able to access decent housing. Austria provides specific subsidies.

In Belgium, there are different regional subsidies intended to cover the costs involved in housing rehabilitation: The amount of the subsidy depends on the family income. Cyprus has a fund administered by the Ministry of the Interior which is intended to assist low-income families with the upkeep and improvement of their homes. A case-by-case assessment is performed, which means there is no specific set of criteria to be complied with by prospective applicants.

In Finland, subsidised-interest loans are in place for the rehabilitation of residential buildings to convert them into social housing.

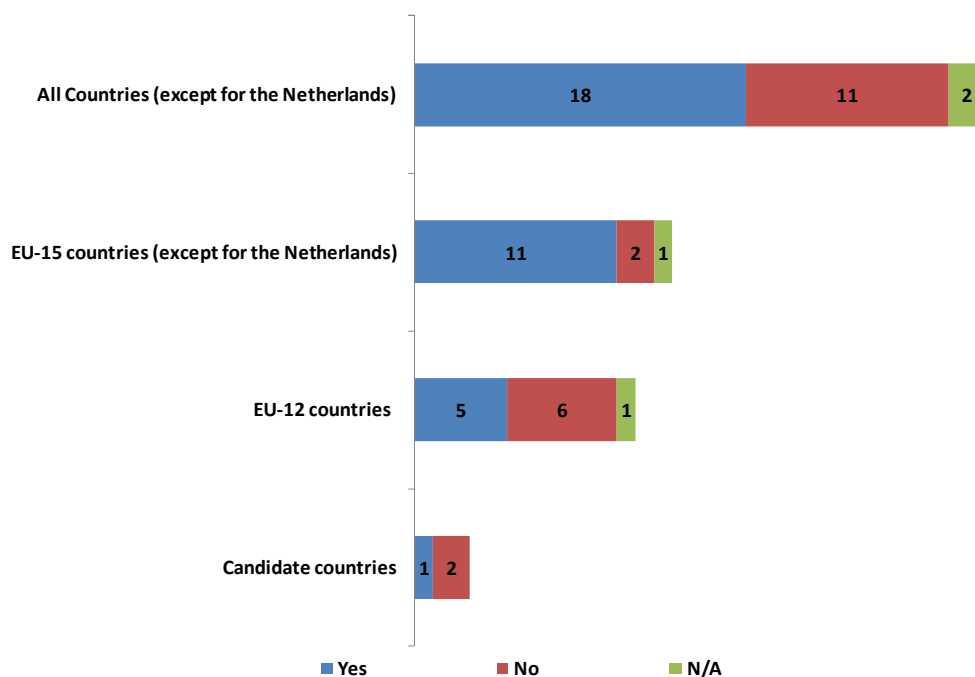
In the case of Spain low-income families receive higher or supplementary subsidies. In fact, families above a certain income level have no right to support. French housing policy is specifically focused on low-income families. In this context, subsidies are provided depending on the family's income level.

Greece makes available special funds within an overarching restructuring programme for different areas in the country. The programme also contemplates rehabilitation of neighbourhoods inhabited by low-income families

In Luxembourg, the State has introduced a system of individual housing subsidies. Most of these are means tested and vary depending on the size of the applying household: the lower the household's income, the higher the state subsidies.

Malta supports low-income families through the National Housing Authority. Their subsidies also benefit single-parent families and elderly persons. The subsidy granted depends on the applicant's income.

Fig. 4.10. Are there any other public subsidies in your country to adapt dwellings and/or buildings to the needs of low-income families?



#### A- All Countries (except for the Netherlands)

The number of subsidies aimed at the rehabilitation of dwellings and/or buildings for low-income families is similar to the number of subsidies geared to improving accessibility of disabled persons. They are available in 59% of countries.

#### B- EU-15 Countries (except for the Netherlands)

Eleven EU-15 Countries (79%) provide this kind of subsidy addressed to low-income families, except for Denmark and Sweden. The United Kingdom does not provide an answer to this question.

#### C- EU-12 Countries

Subsidies for the rehabilitation of dwellings and/or buildings inhabited by low-income families exist in five EU-12 Member States: Cyprus, Lithuania, Malta, Poland and the Czech Republic.

#### D- Candidate countries

Only the Former Yugoslav Republic of Macedonia provides public subsidies aimed at the rehabilitation of dwellings and/or buildings for low-income families.

#### E- Norway and Switzerland

Only Norway offers subsidies for rehabilitating dwellings and/or buildings inhabited by low-income families.



#### **4.11 Existence of public institutions that centralise the information on how to obtain subsidies for housing rehabilitation**

In Germany there are private consultants that provide guidance on energy-related matters whose services may be subsidised by the Federal Support Programmes.

In the case of Austria, both regional administrations and banks have specific departments that provide the general public with information.

In Bulgaria, it is the Ministry of Regional Development and Public Works that centralized the information, whereas in Cyprus, apart from the Ministry of the Interior there is no specific institution.

In Croatia, information to the general public about rehabilitation subsidies is provided by the Ministry of Culture and the Ministry of Regional Development, Forestry and Water Management. These institutions have specific departments tasked with conveying the information.

In Spain these institutions range from district dwelling/building rehabilitation offices to information centres located within areas under rehabilitation. The latter operate within the framework of the Autonomous Regions and of the governments of the cities of Ceuta and Melilla.

In the case of Finland, there are several semi-public organizations that provide information on the different rehabilitation programmes under way for the disabled, the elderly, etc.

In Cyprus, the only institution that provides this kind of information is the Ministry of the Interior.

In Slovenia the institution that provides the information is called the Slovenian Environmental Public Fund (Slovenski okoljski javni sklad), whereas in Estonia it is the Energy Agency that conveys the information.

In France, the information is conveyed by the National Housing Agency and the Environment and Energy Management Agency.

In Ireland, subsidies for adaptation of housing units to the needs of elderly and disabled persons are administered by the local authorities so it is at the municipal level that the information on the available subsidies is provided. Sustainable Energy Ireland (SEI) is Ireland's national energy agency. Its mission is to promote and assist the development of sustainable energy. It is responsible for stimulating sustainable energy policies and actions by public bodies, the business sector, local communities and individual consumers. It also manages programmes aimed at raising awareness and providing information, advice and publicity on best practice.

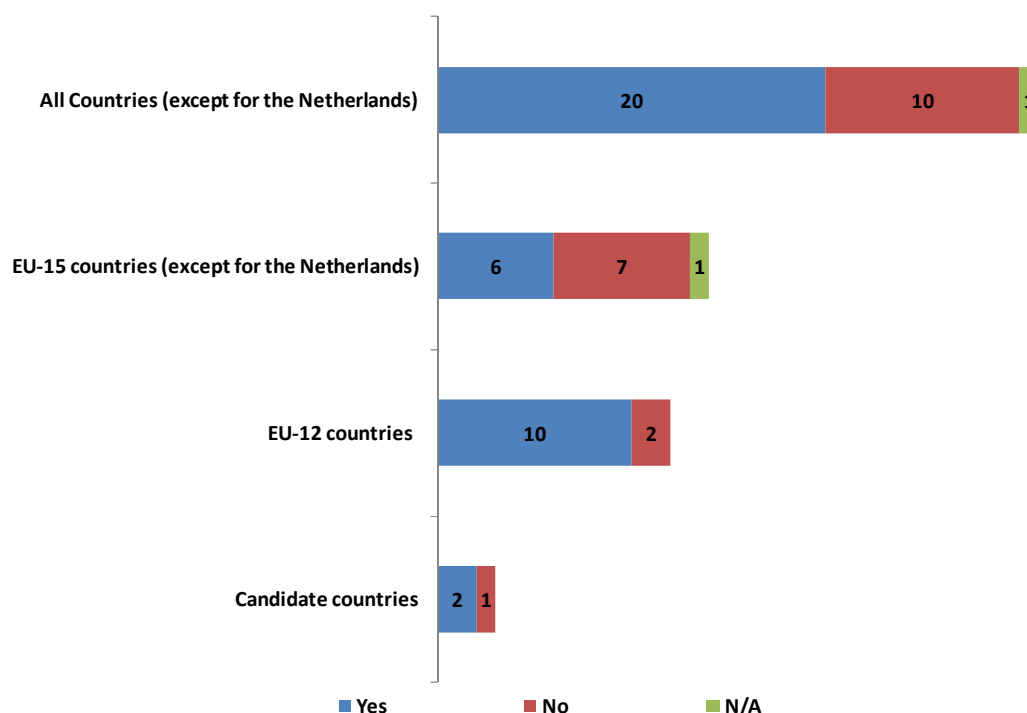
In Lithuania, the Housing and Urban Development Agency is a department within the Ministry of Environment that informs families, individuals, housing associations, property owners and local governments about the government support schemes available for multiple-family buildings in accordance with a Law of the Republic of Lithuania that rules on the subsidies provided by the State for housing rental or acquisition or for the modernization of multiple-family residential buildings.

In Malta, the National Housing Authority informs the general public through radio programmes, public information points and a website. In the case of subsidies intended for the enhancement of energy performance, the responsible ministries (Finance and Rural Development) are in charge of the dissemination work.

In the case of Norway information is provided by the Husbanken and the local authorities. In Poland, it is the "Bank Gospodarstwa Krajowego," a public bank created to implement governmental programmes that is tasked with providing the information. The bank is deeply involved in the housing modernization and renovation plan intended for the most disadvantaged households.

The Swiss cantons have specific offices that specialise in thermal rehabilitation.

Fig.4.11. Does your country have public institutions that provide guidance to businesses and individuals as to the conditions that they must meet to qualify for residential rehabilitation subsidies?



#### A- All Countries (except for the Netherlands)

In the majority (65%) of countries there are public institutions that provide guidance to businesses and individuals about the conditions they must meet to qualify for residential rehabilitation subsidies.

#### B- EU-15 Countries (except for the Netherlands)

In contrast to the majority of countries, in the EU-15 group only six countries (43%) provide that type of guidance: Austria, Spain, Finland, France, Ireland and Portugal.

#### C- EU-12 Countries

The majority (84%) of EU-12 countries offers public guidance on the steps to be taken to obtain rehabilitation subsidies. These are Bulgaria, Slovenia, Estonia, Latvia, Lithuania, Malta, Poland, the Czech Republic, Slovakia and Romania.

#### D- Candidate countries

The Former Yugoslav Republic of Macedonia and Croatia offer guidance to businesses and individuals on the conditions they must meet to qualify for residential rehabilitation subsidies.

#### E- Norway and Switzerland

Norway and Switzerland also provide guidance on the conditions that must be met to qualify for residential rehabilitation subsidies.

#### 4.12 Existence of public institutions that centralise the processing of applications for subsidies for housing rehabilitation

In **Germany**, it is the KfW Bankengruppe (German Development Bank) that centralises the management of rehabilitation subsidies and processes all applications for financial support with respect to its own development programmes.

In **Estonia** the processing is centralised in the Energy Agency, whereas in Austria – as in Spain - the task is decentralised to the different regions.

In **Bulgaria**, housing support programmes are centralized at the Ministry of Regional Development and Public Works.

**Cyprus** is in the process of centralising the management of all their housing support programmes (not just those for rehabilitation) in the Ministry of the Interior

In **Finland**, the Finnish Development Centre (ARA) is in charge of granting subsidized-interest loans, guarantees and grants to companies that own housing units so that they can rehabilitate them. Local governments offer subsidies for dwelling rehabilitation to private individuals.

In **Ireland**, local authorities manage housing support programmes and schemes designed to ease the burden of adapting dwellings to the needs of elderly and disabled persons. “Sustainable Energy Ireland” (SEI) is the only agency that fulfils that role at a national level.

From 2010, it will be the Ministry of Economy that manages housing support programmes in the **Republic of Latvia**.

In **Lithuania** the body that manages the country’s housing support programmes is the Housing and Urban development Agency, while in Malta it is the National Housing Authority that manages those programmes.

In **Norway**, the entity that centralises all housing support programmes is the Housing Bank (Husbanken), whereas in Poland this task is shared between the IHRU and the local governments. In Slovakia, it is the State Housing Development Fund.

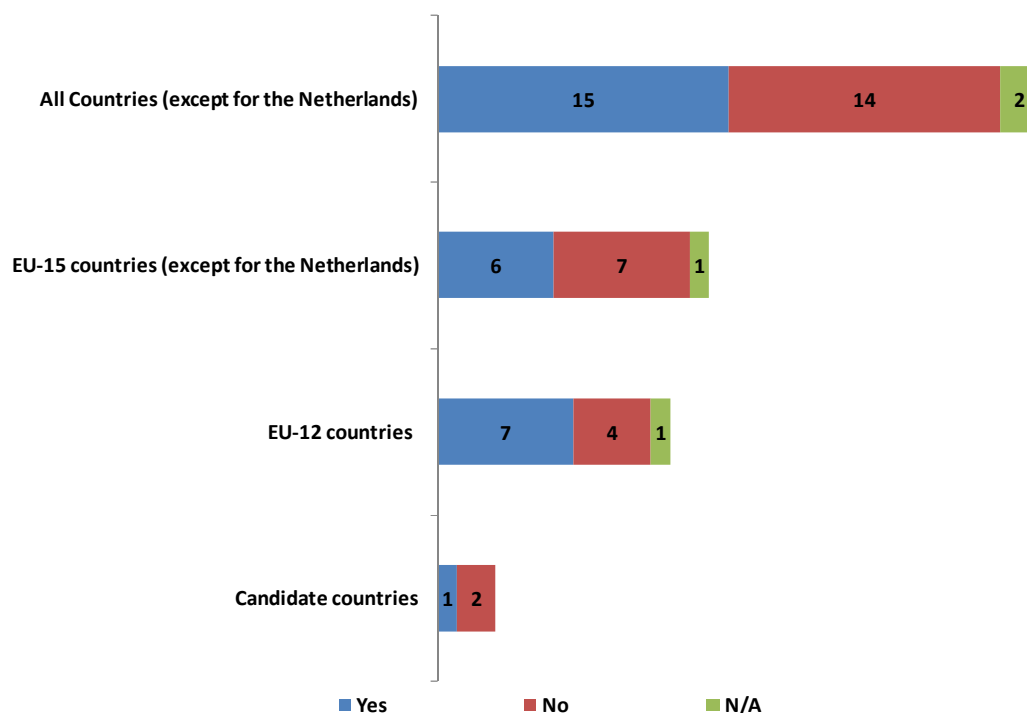
In the **Czech Republic**, all of these services and programmes are centralised by programme.

In **Romania**, local authorities centralise the general public’s applications for financial support for dwelling rehabilitation, and the Ministry of Regional Development and Tourism, at a national level, centralises applications by local authorities.

En **Switzerland** a distinction is drawn between the management of specific subsidies for energy rehabilitation, which fall within the remit of cantons, and management of housing units in general, which is carried out at federal level.

In **France** there is no government agency that centralises and processes all applications in a global and unified way.

Fig.4.12. Does your country have public institutions that centralise the processing of applications from businesses and individuals who wish to obtain residential rehabilitation subsidies?



#### A- All Countries (except for the Netherlands)

Agencies that offer guidance as to how to submit applications for rehabilitation subsidies are fewer than those devoted to providing information. The former exist only in a minority of countries (48%).

#### B- EU-15 Countries (except for the Netherlands)

Only six EU-15 Member States (43%) offer this type of guidance: Austria, Denmark, Spain, Finland, Ireland and Portugal.

#### C- EU-12 Countries

The majority of EU-12 countries (59%) provide guidance to the general public as to how to submit their applications for rehabilitation subsidies. These countries are Bulgaria, Estonia, Latvia, Malta, the Czech Republic, Slovakia and Romania.

#### D- Candidate countries

Only Croatia provides guidance as to how to submit applications for rehabilitation subsidies.

#### E- Norway and Switzerland

Norway offers guidance as to how to submit applications for rehabilitation subsidies, while Switzerland does not.

#### 4.13 Could you summarise the different public subsidies and tax benefits made available in your country by each level of government?

In the case of **Germany**, both the Federal Government and the regional governments are in charge of housing and urban development policies.

In **Austria**, the key element is the system of housing subsidies offered at regional level. Taxation, however, falls within the remit of the federal authorities. Different types of tax benefits are available for rehabilitation projects.

In **Belgium**, a reduced 6% VAT rate is applicable for rehabilitation projects in buildings of a certain age. Moreover, depending on factors like the location of the property, the income of the owners and the types of work required, these projects may benefit from subsidies ranging between 30% and 70% of the real cost.

In the case of **Cyprus**, rehabilitation is not a priority at the present time. Nevertheless, the country is making an effort to centralise all its housing initiatives within the remit of the Ministry of the Interior to promote increased coordination.

The **Croatian Government** provides young households who buy their first home or who rehabilitate their existing home with a subsidy equal to 15% of the expenses incurred up to 100 € / year.

**Estonia** offers no public financial support.

In the case of **Finland**, the Government supports both home ownership and rental tenure. Subsidised interests, guarantees and grants are available to promote construction, rehabilitation or acquisition of housing from the Housing Finance and Development Centre (ARA). Home ownership is also encouraged through rebates on the interest paid for mortgage loans. Households can also obtain tax relief for part of the labour costs paid for rehabilitating their homes.

As regards **France**, the Central Government sets out national housing policy, determines national taxation, establishes the conditions for exemption from local taxes and grants national subsidies.

In the case of **Greece**, rehabilitation programmes for a certain area are implemented with funds contributed by the Urban Master Plan Surveillance and Promotion Agency, by the Fund for the Enforcement of Regulatory Plans and by community-based initiatives.

In **Hungary**, the State grants subsidies to housing cooperatives or condominiums (up to 33% of the costs). Local governments may provide an additional subsidy of up to 33% of the total cost. Low-interest loans are available to defray the remaining costs.

In **Ireland** the maximum amount of grant aid under the Housing Adaptation Grant scheme for People with a Disability is €30,000. The maximum grant payable under the Mobility Aids Grant Scheme is €6,000. The Housing Aid for Older People grant carries a maximum of €10,500.

In the case of **Latvia**, maximum aid intensity is 50% of total subsidisable costs in cases of upgrading of the insulation of residential apartment buildings.

**Lithuania** has a law whereby the State provides citizens with assistance in acquiring or renting a dwelling and in modernising multi-family buildings. The said law contemplates several kinds of support: subsidised loans and 100% compensation for low-income households. The interest rate on loans granted for dwelling modernisation is fixed and cannot exceed 3% over the whole repayment period, which may be of up to 20 years.

In **Norway**, the Housing Bank is the institution tasked with granting housing-related subsidies and loans, either directly or through local authorities.

In the case of Portugal, the structure of public financing is defined for each specific programme, combining the responsibilities of the Central Government (which provides subsidies and loans) with those of the local governments and the private initiative, which makes its own investments.

In the **Czech Republic**, the level of financial support granted depends on the government agency that grants it.

In the case of **Slovakia**, all existing support instruments are funded by the National Budget and are administered directly by the Ministry of Construction and Regional Development of Slovakia.

Finally, in **Switzerland** dwelling rehabilitation subsidies involve, first of all, subsidised-interest loans for public utility developments (cooperatives, trusts, etc); these loans are granted for up to 30.000 CHF per housing unit with 20-year repayment period. In addition, energy rehabilitation subsidies consist in a non-refundable loan that covers the energy rehabilitation costs of existing residential and commercial buildings. Funds for this programme are generated by a tax on CO2 emissions. Finally, property owners may get tax relief for rehabilitation costs.

#### **4.14 Could you provide a brief description of how different levels of government interact in your country to promote rehabilitation of dwellings and/or buildings?**

In the case of **Austria**, agreements are in place between the provinces and the State aimed at improving the renewal rate. However, a few obstacles still exist, particularly in the field of the property rental legislation.

In the case of **Bulgaria**, the State creates the necessary legal, financial, economic and institutional framework. It coordinates activities in the housing sector and provides methodological assistance to the other players in the residential building renovation process.

In the case of **Estonia**, concomitant to State-sponsored initiatives, there exist parallel measures which are administered by regional and local authorities.

In **Finland**, both the Central Government and the local administrations provide housing support schemes.

In the case of **Greece**, management of their housing programmes is in the hands of the local governments. Single restructuring projects are started by an initiative of either the Ministry of Environment or a local government body. Proposals must be approved by the Minister of the Environment and notified to the relevant local government council. When the rehabilitation project affects a listed site an authorisation from the Ministry of Culture is required.

In **Hungary**, housing cooperatives and condominiums are more willing to apply for the subsidies for housing rehabilitation when local governments top up the subsidies made available by the Central Government. .

In the case of **Ireland**, the central government through the Department of the Environment, Heritage and Local Government (DEHLG) establishes the country's social housing policy and distributes most of the resources available to the local authorities, who implement the DEHLG's policies in specific rehabilitation projects.

The **Latvian Council** of Ministers Works in conjunction with local governments about all issues affecting the interests of all local governments.

In **Malta**, public policy regarding rehabilitation projects is managed by the National Housing Authority, an agency within the Ministry of Education, Employment and Family

Affairs. Guidelines and permits are controlled by the Environmental and Urban Planning Authority and measures for accessibility are dictated by the Commission for Disabled Persons. Local authorities are usually involved with matters such as the protection of the environment surrounding residential buildings and roads.

In the case of **Norway**, subsidies for housing rehabilitation are managed by the Housing Bank (Husbanken) and by other public administrations. In addition, conferences, seminars and meetings are organized where public administrations, local authorities and private companies, contractors and landowners can come together and exchange ideas and information about the rehabilitation of dwellings and buildings .

In **Switzerland**, the Federal Government is responsible for housing support. In this endeavour, it works in close cooperation with public utility developers' associations. The "Bâtiment" Programme, intended to promote energy efficiency, is funded by the Federal Government through a tax on CO2 but implemented by the different cantons. Moreover, some cantons provide subsidies to supplement basic programmes. There has been much talk in the country about a "one stop shop" for all subsidies, but these proposals have not as yet materialized.

## 5 Role of architecture

### 5.1 Existence of government departments specifically devoted to architecture

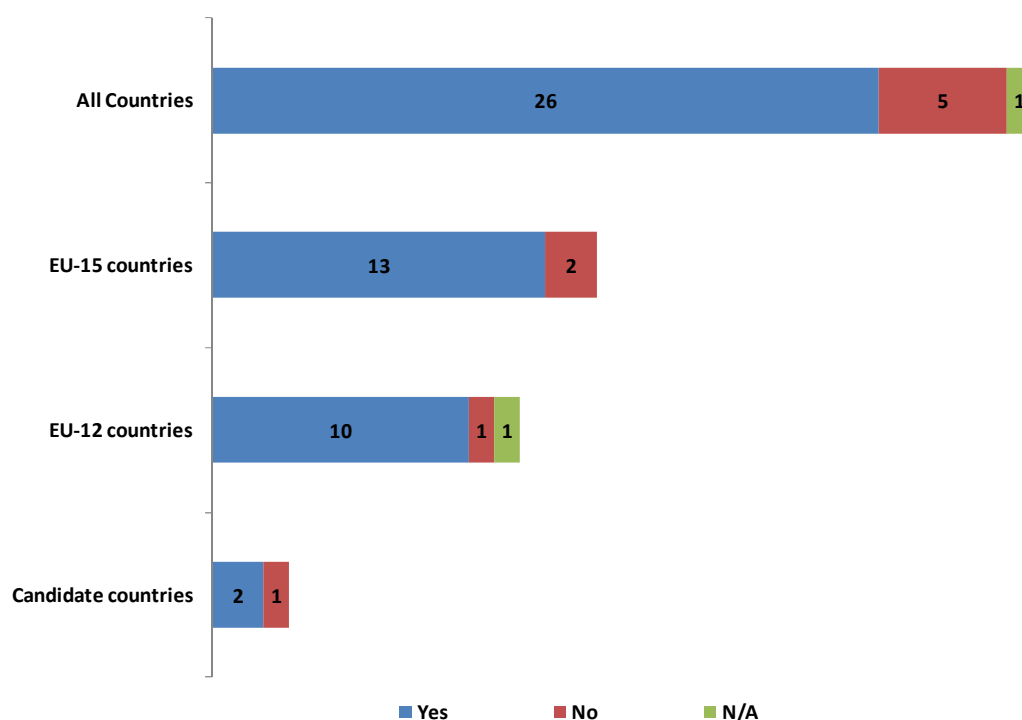
Agencies with competences over architecture may be public or private and may deal with both technical/ urban planning matters or cultural matters.

Finland, France, the United Kingdom and Sweden in the EU and Norway outside it possess public agencies (at national, regional in the case of the United Kingdom and local levels) that regulate housing from the technical and also cultural standpoint (France: Ministry of Culture, Finland: Ministry of Education –National Board of Antiquities, Finnish Council for Arts and Architecture-; the United Kingdom- England: Department of Culture, Media and Sport and Sweden: National Heritage Council). To these public agencies one must add the architects' associations. In Norway this function is scattered across multiple agencies that encompass all aspects of architecture. For example, general matters fall within the remit of the Ministry of Culture but more technical ones within that of the local governments.

Six countries only have private bodies (Austria, the Czech Republic, Slovakia, Latvia, Malta and Romania) such as architect associations, while four countries lack them (Cyprus, Luxembourg, Portugal and Sweden)

In the majority of countries there are both public and private entities that deal with architectural matters, often from the urban planning point of view. In some countries the competent public body operates within the Ministry of Culture (France).

Fig.5.1. Is there in your country an entity (public or private.) that deals with (or regulates) architecture-related matters?





## **A- All Countries**

In the majority (82%) of countries there is an entity that deals with (or regulates) architecture-related matters.

It must be pointed out that agencies with competences over architecture may be public or private and may be involved with both technical/urban planning or cultural matters. In the majority of countries there are public and private agencies that deal with architectural matters, generally from the urban planning point of view. In some countries the competent public agency operates within the Ministry of Culture (France).

As may be expected, in the majority of countries architecture falls within the remit of ministries related to public works, development and housing. Nonetheless, interestingly in six countries it is the Ministry of the Environment that is the competent authority (Croatia, Lithuania, Greece, Ireland, Portugal and Sweden). In Cyprus it is the Ministry of the Interior.

## **B- EU-15 Countries**

Thirteen EU-15 countries (87%) have this kind of entity, except for Italy and Luxembourg. Luxembourg, Portugal and Sweden do not have any public entities tasked with this matter whereas Austria only has private entities for this remit.

## **C- EU-12 Countries**

The proportion of countries that have this kind of agency in the EU-12 group is similar to that among the EU-15 countries: ten EU-12 countries (84%) have an agency that deals with architectural matters. The exception is Estonia.

Five EU-12 Member States only have private entities that do this job (the Czech Republic, Slovakia, Latvia and Romania); these are basically architect associations. Cyprus does not have any kind of private agency that plays this role.

## **D- Candidate countries**

The Former Yugoslav Republic of Macedonia and Croatia have agencies that deal with architecture-related matters.

## **E- Norway and Switzerland**

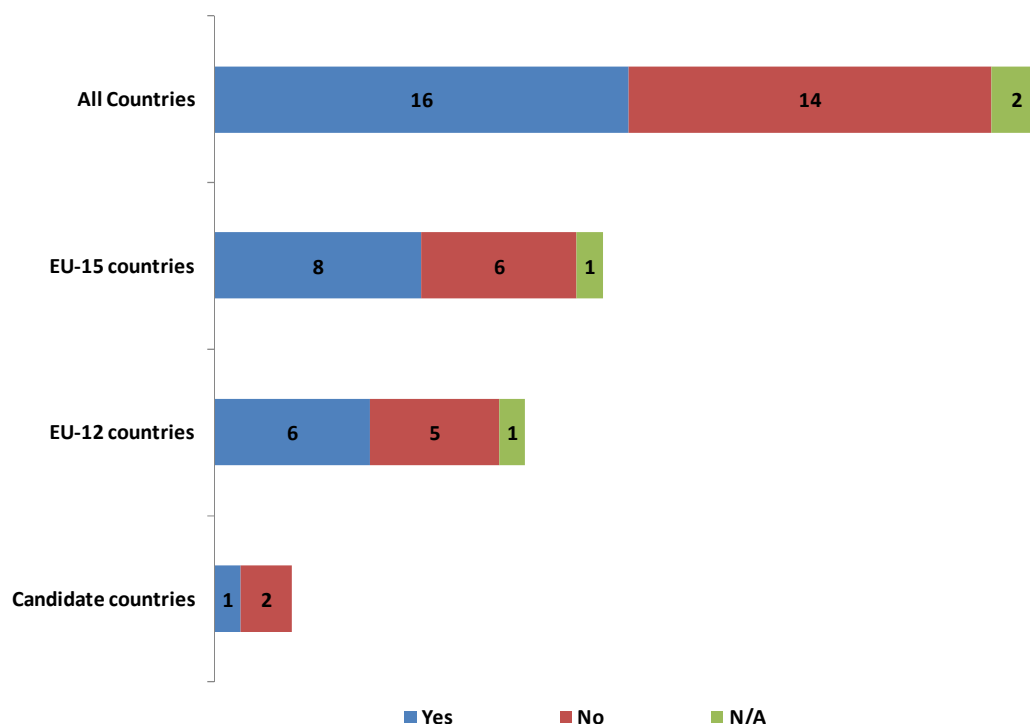
Only Switzerland has this kind of department, namely the authorities that grant construction permits and professional associations.

## **5.2 Government department tasked with regulating architectural policy**

As may be expected, in the majority of countries architecture falls within the remit of ministries related to public works, development and housing. Nonetheless, interestingly in six countries it is the Ministry of the Environment that is the competent authority (Croatia, Lithuania, Greece, Ireland, Portugal and Sweden). In Cyprus it is the Ministry of the Interior and in Malta de Ministry of Rural Resources and Development..

## 5.3 Existence of a specific architectural policy, and 5.4 If such a policy exists, what are its main features?

Fig.5.3. Does your country have an architectural policy?



### A- All Countries

Half of the countries surveyed (50%) have some kind of architectural policy. Among the countries that do have an architectural policy, some of them have an advanced level of development such as Austria, Denmark, Finland, Ireland and Norway. In a nutshell, the most salient features of the different countries' architectural policies are as follows:

- Approach to quality understood not only from an aesthetic point of view but also construed as including functionality and interaction with the surrounding environment. For example, the United Kingdom stresses "Quality of Place", whereas Ireland sets out the aim of "promoting awareness and understanding of the contribution of good design to the daily life and well being of society as a whole."
- Sustainability, including the enforcement of specific energy saving measures and the use of renewable energies.
- Conservation of the cultural heritage
- Industry: Mention should be made of the fact that some countries with more highly developed architectural policies stress the importance of conceiving architecture as an industry with a high export potential, not just of services but also of the image of a country.
- Architectural policy (and the agency responsible for it) tends to have a nationwide scope, although generally local traits also coexist.
- All intervening parties, from clients to builders, share the responsibility for achieving architectural quality.

Among the countries that lack an architectural policy, at least five (three from the EU-12 group, one from the EU-15 group and a candidate country) stated that they were in the process of developing one or, at the very least, their willingness to develop one.

It was quite remarkable to observe that three countries with thriving construction sectors such as France, Germany and Spain do not have an architectural policy.

Several countries adopt a case-by-case policy, which is applied when construction permits are granted (usually by local authorities).

Lastly, in Hungarian architectural policy the role of the architect is of paramount importance.

#### B- EU-15 Countries

Fifty-four percent of EU-15 countries have some sort of architectural policy: Austria, Denmark, Spain, Finland, France, Greece, Ireland and the Netherlands.

#### C- EU-12 Countries

Half of EU-12 Member Countries have an architectural policy: Bulgaria, Cyprus, Hungary, Latvia, Lithuania and Malta.

#### D- Candidate countries

Only the Former Yugoslav Republic of Macedonia has an architectural policy, which rests on the following pillars: :

- "Spatial Plan of the Republic of Macedonia"
- 
- "National Housing Strategy of the Republic of Macedonia"

#### E- Norway and Switzerland

Norway has an architectural policy, while Switzerland has not. .

In the different countries, responsibilities over architectural policy are in the hand of the following agencies:

Country	Agency/institution
Austria	Architect associations
Belgium	Regional and local governments
Bulgaria	Ministry of Public Works and Regional Development. Local councils
Cyprus	Central Government
Denmark	Ministry of Culture. Local councils
Estonia	Local councils governed by National Law
Finland	Regional boards, local councils and the private sector, all coordinated by the Ministry of Education and the Ministry of the Environment
Former Yugoslav Republic of Macedonia	Central Government. Local councils.
France	Ministry of Culture and Communication. Decentralised governmental services (Regional Cultural Offices, Architecture and Heritage Services of the different <i>departments</i> )
Greece	Central Government (Ministry of the Environment, Energy and Climate Change). Local councils
Hungary	Central Government (Ministry of Economy and National Development)
Ireland	Central government (Department of the Environment, Heritage and Local Government). Local councils
Italy	Local councils
Latvia	Local councils governed by Law.
Lithuania	Central Government (Ministry of the Environment). Local councils.
Luxembourg	Local councils (supervised by Ministry of the Interior; Central Government for historical heritage)
Malta	Malta Environment and Planning Authority
Slovenia	Central Government
Spain	Autonomous Regions. Local councils
Sweden	Local councils

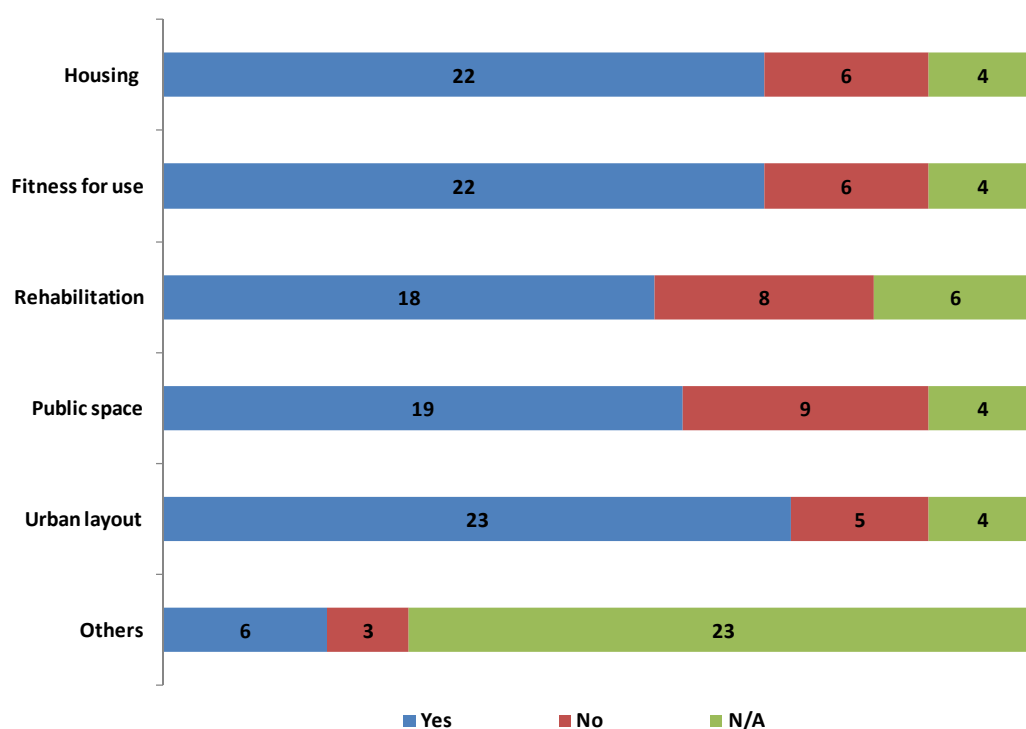
## 5.6 Existence of regulations that rule on the quality of architecture

### A- All Countries

The majority of countries have regulations that rule on the different aspects of architectural quality mentioned below, with positive answers ranging between 56% for less pervasive aspects and 72% for the more pervasive ones.

“Fitness for use”, “urban layout” and “housing” appear as the most highly regulated aspects of architecture, whereas “rehabilitation” and “public space” is the least regulated one.

Fig.5.6. Are there in your country any regulations that govern architectural quality which may be applied to one or several of the following aspects?: All Countries

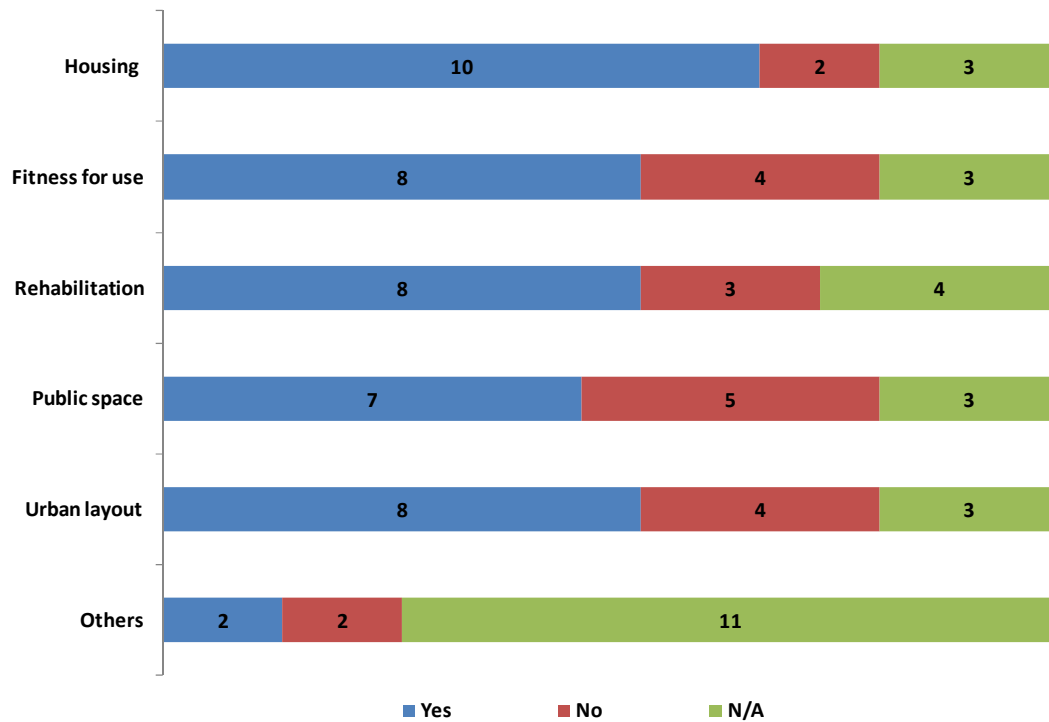


Even if the majority of countries have regulations that regulate architectural quality, these often refer to technical and functional rather than to aesthetic aspects. Mention should be made to the fact that the historical heritage is generally subjected to architectural norms. In Ireland, specific regulations are in place for the architectural heritage, residential buildings, childcare facilities, retail outlets, school, social infrastructures, etc.

## B- EU-15 Countries

In the EU-15 group, “housing” is quite heavily regulated, with 67% of EU-15 countries having regulations in that respect. On the other hand, the “public space” is the least regulated architectural aspect, with only 47% of countries having regulations related to it.

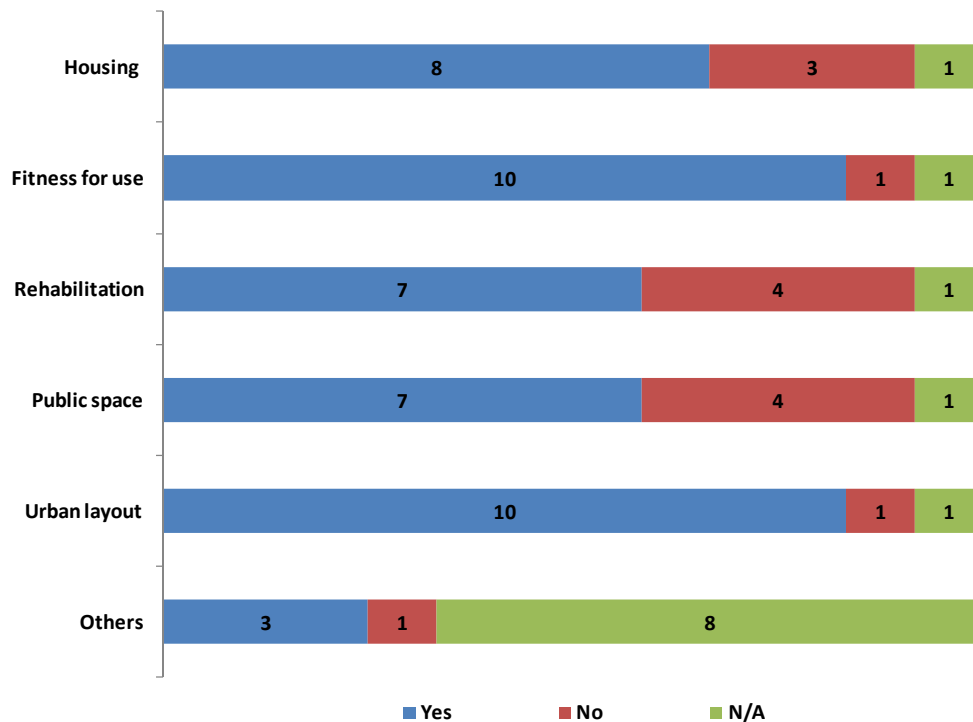
Fig.5.6. Are there in your country any regulations that govern architectural quality which may be applied to one or several of the following aspects? EU-15 Countries



### C- EU-12 Countries

In the EU-12 group, architectural quality is more heavily regulated than in the EU-15 Member States. The majority of countries have regulations that rule on all the aspects of architectural quality indicated, with positive answers ranging between 58% for the less pervasive aspects (*“rehabilitation”* and *“public space”*) and 83% for the most pervasive ones (*“fitness for use”* and *“urban layout”*).

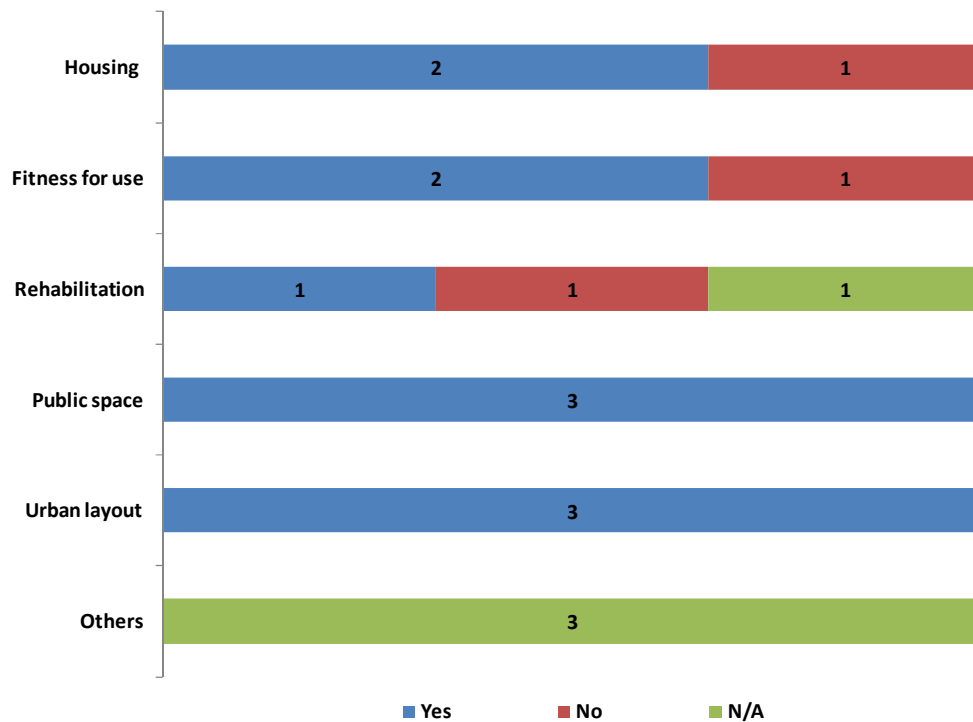
**Fig.5.6. Are there in your country any regulations that govern architectural quality which may be applied to one or several of the following aspects?: EU-12 Countries**



### D- Candidate countries

In the candidate countries, “urban layout” and “public space” are the two most heavily regulated aspects, which contrasts with the situation in the European Union, where the latter is the one subjected to least regulation. Moreover, similarly to EU countries, “rehabilitation” is the least regulated aspect.

**Fig.5.6. Are there in your country any regulations that govern architectural quality which may be applied to one or several of the following aspects? Candidate countries**



### E- Norway and Switzerland

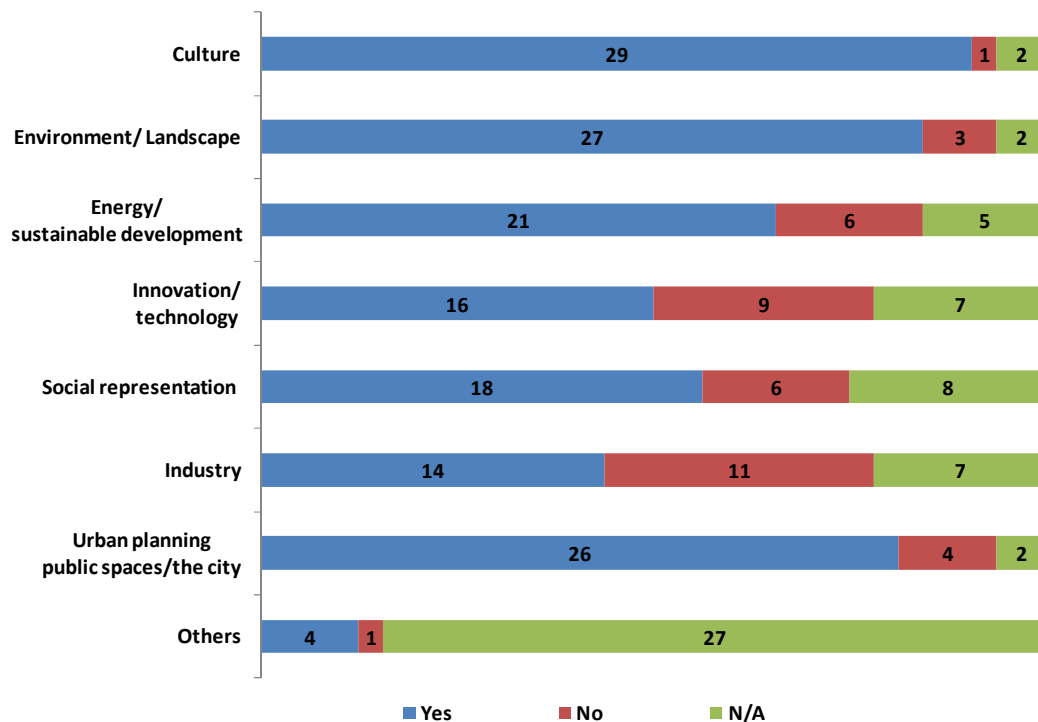
In Norway and Switzerland all architectural aspects are regulated by quality regulations

## 5.7 Connotations of architecture

### A- All Countries

Architecture tends to be associated mainly with “*culture*” with 91% of countries mentioning this element. However, only a minority of countries (44%) associates it with “*industry*.”

Fig.5.7. In your country architecture is mainly associated with ...: All Countries



The countries’ responses reveal that the development of architecture in society is a continuous process, which starts at an initial phase where associations are established with the historical heritage, goes through a functional stage and culminates in a comprehensive approach along the lines of the “Baukultur,” which characterizes architecture in Finland and Norway.

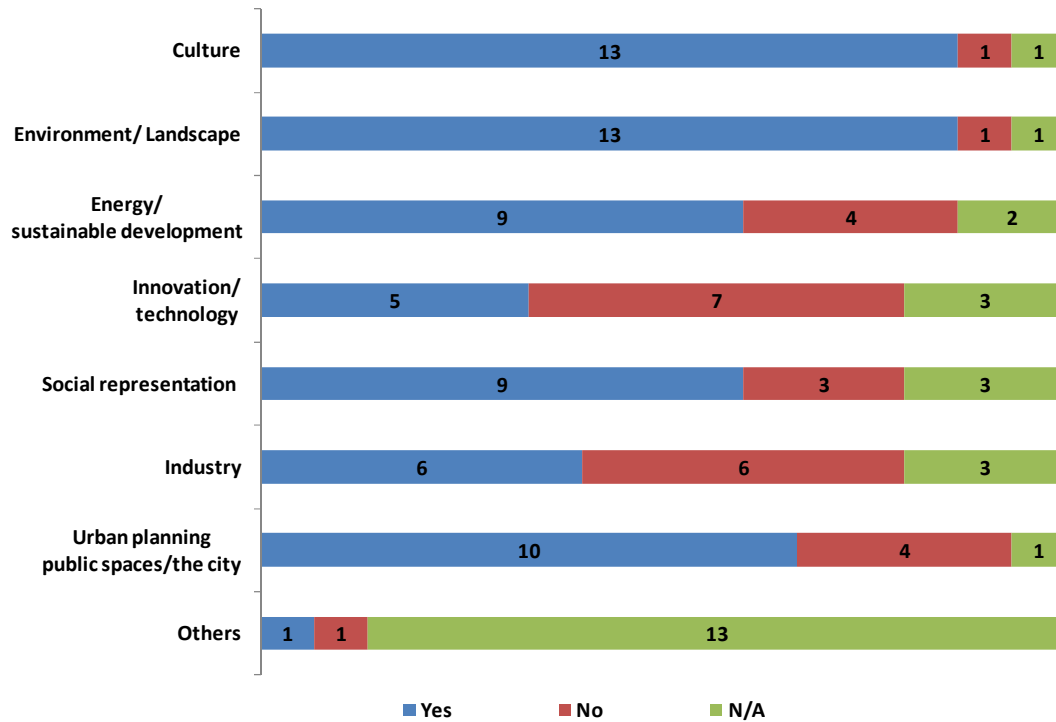
The relationship between architecture and the environment/landscape is generally established by the legislation, which makes it compulsory to integrate buildings with their environment thus complying both with an environmental and a visual mandate. In some cases participation of a landscapist is required for the development of a project.



## B- EU-15 Countries

The same associations are found in EU-15 countries. Indeed, countries in this group tend to associate architecture with “culture” and “environment/landscape” with over 87% affirmative answers, and less so to “innovation/technology” (33%).

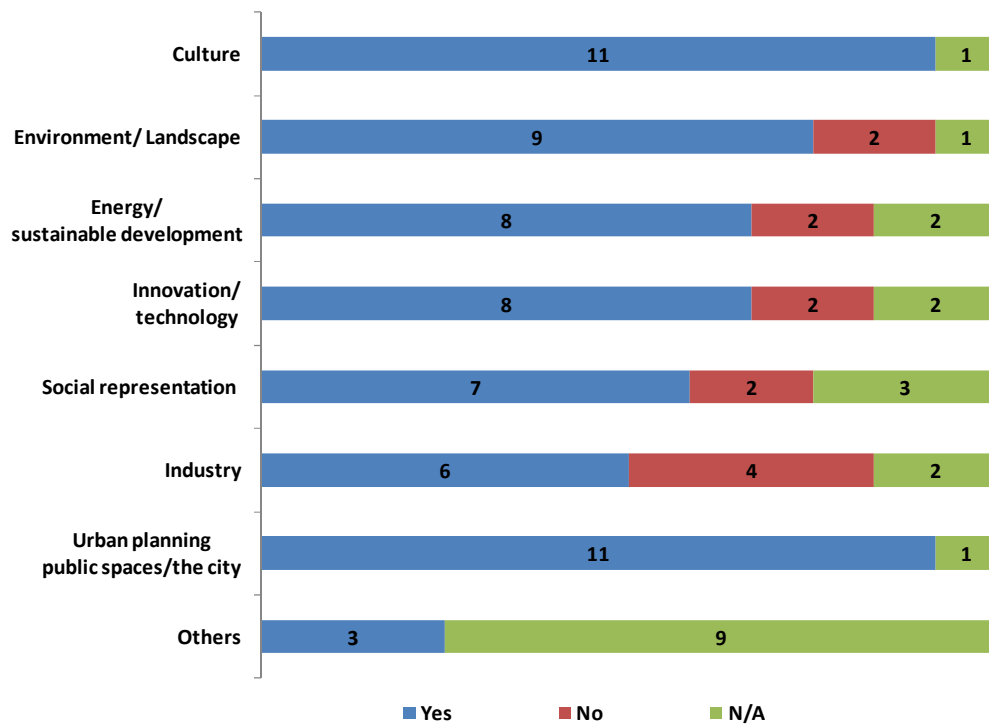
Fig.5.7. . In your country architecture is mainly associated with ...: EU-15 Countries



### C- EU-12 Countries

Similarly to the EU-15 group, these countries share a consensus on “culture” and on “urban planning/public spaces/the city”: over 92% of countries associate architecture with these two concepts. Once again, “industry” is the less conspicuous association, with only 50% of positive answers.

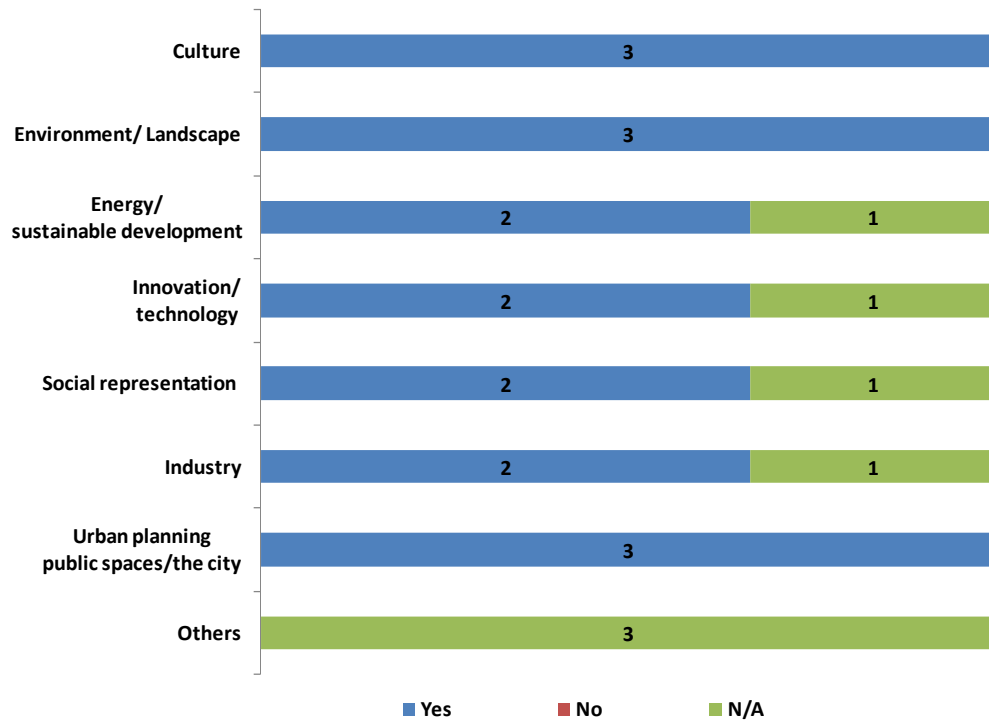
Fig.5.7. . In your country architecture is mainly associated with ...: EU-12 Countries



## D- Candidate countries

All candidate countries associate architecture with “culture”, “environment/landscape”, and “urban planning/public spaces/the city”, and two of them with the other concepts proposed.

Fig.5.7. . In your country architecture is mainly associated with ...: Candidate countries



## E- Norway and Switzerland

In Norway architecture is associated with “culture”, “environment/landscape”, “Energy/sustainable development” and “urban planning/public spaces/the city”. Switzerland for its part associates architecture will all the concepts proposed, except for “social representation” and “industry.”

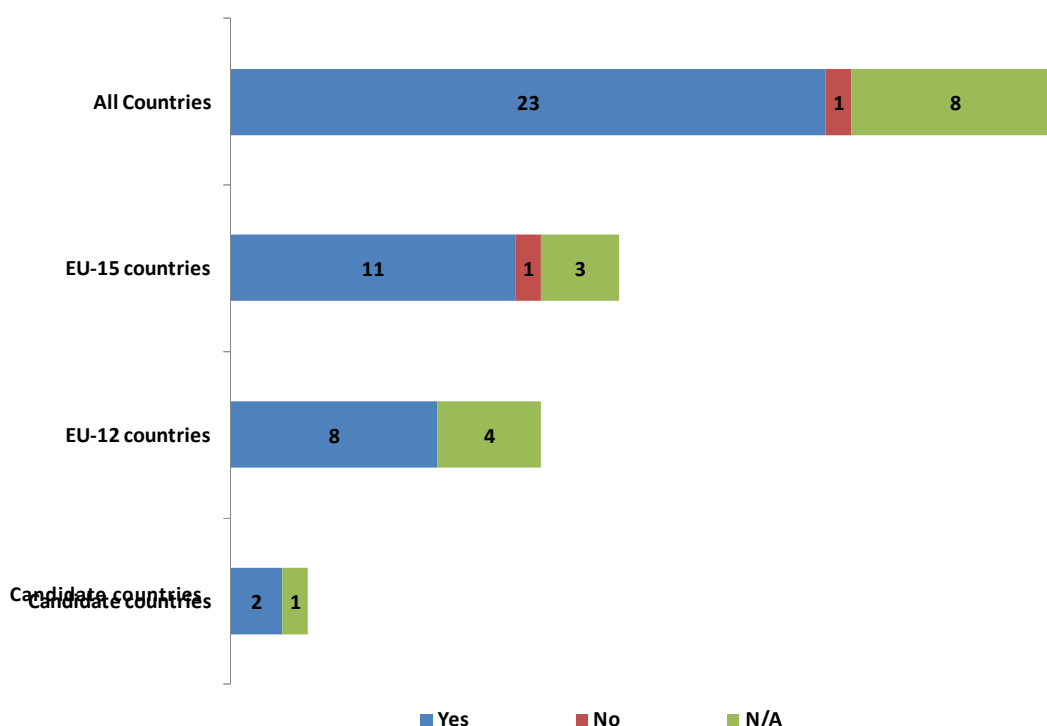
## 5.7.a Relationship between architecture and the environment/landscape

The relationship between architecture and the environment/landscape is generally established by the legislation, which makes it compulsory to integrate buildings with their environment thus complying both with an environmental and a visual mandate. In some cases participation of a landscapist is required for the development of a project.

## 5.7 .b. Influence of architecture on conservation / enhancement of the urban milieu

Even if it is generally agreed that architecture influences the preservation and enhancement of the urban milieu, there are no specific examples of this.

Fig.5.7.b. Does architecture in your country influence the conservation/enhancement of the urban milieu, regarding the latter as landscape?



### A- All Countries

Of the 27 countries that tend to associate architecture with “environment/landscape”, 23 consider that it also influences the preservation/enhancement of the urban milieu. Even if it is generally accepted that architecture influences the preservation and enhancement of the urban milieu, no specific examples of this exist.

### B- EU-15 Countries

Of the 13 EU-15 countries that associate architecture with “environment/landscape”, eleven agree that architecture influences the preservation/enhancement of the urban milieu: Germany, Austria, Belgium, Spain, Finland, France, Greece, Ireland, Italy, the United Kingdom and the Netherlands.

### **C. EU-12 Countries**

Eight EU-12 countries that associate architecture with “environment/landscape” agree that the former influences the preservation/enhancement of the urban milieu.

### **D. Candidate countries**

Of the three countries for which architecture is associated with “environment/landscape,” two agree that it influences the preservation/enhancement of the urban milieu. Turkey does not provide an answer to this question.

### **E. Norway and Switzerland**

Norway and Switzerland also believe that architecture influences the preservation/enhancement of the urban milieu.

## **5.8 Consideration of the architectural qualities of existing constructions**

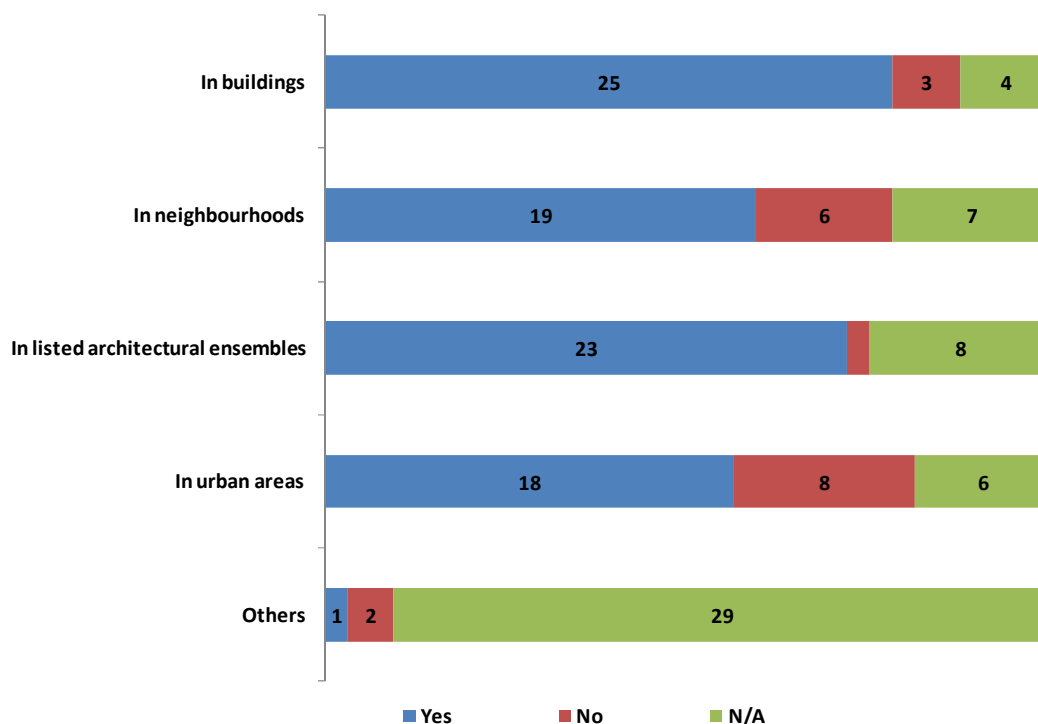
In most countries, any new construction must be in line with the architectural characteristics of the surrounding area. In the case of Denmark, granting of housing subsidies may be related to the extent to which the features of the pre-existing architecture have been taken into account.

## 5.8.a. Quality architectural characteristics of existing constructions

### A- All Countries

The majority of countries participating in the survey usually take into account the architectural characteristics of existing constructions, with positive answers ranging between 56% and 78%. It is in buildings that the quality of existing constructions is taken more seriously into account.

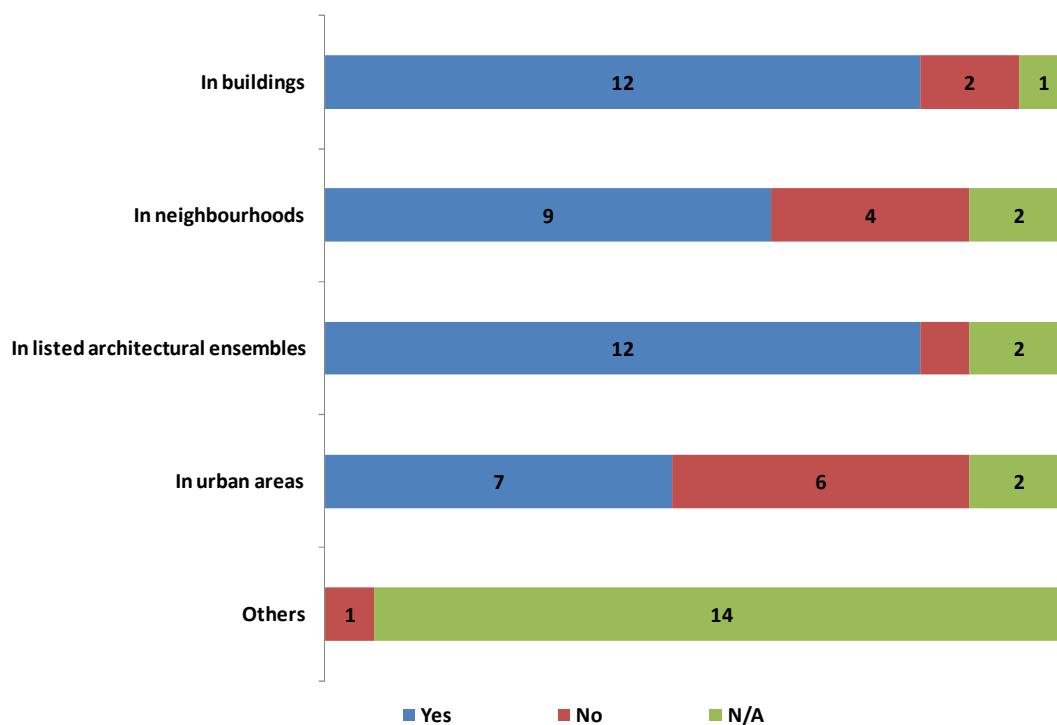
Fig. 5.8.a. Are the quality architectural characteristics of existing constructions taken into account in your country?: All Countries



## B- EU-15 Countries

In the EU-15 group, listed architectural ensembles feature most prominently in the countries' answers (80% positive answers), followed by neighbourhoods and urban areas (60% and 47% positive answers respectively).

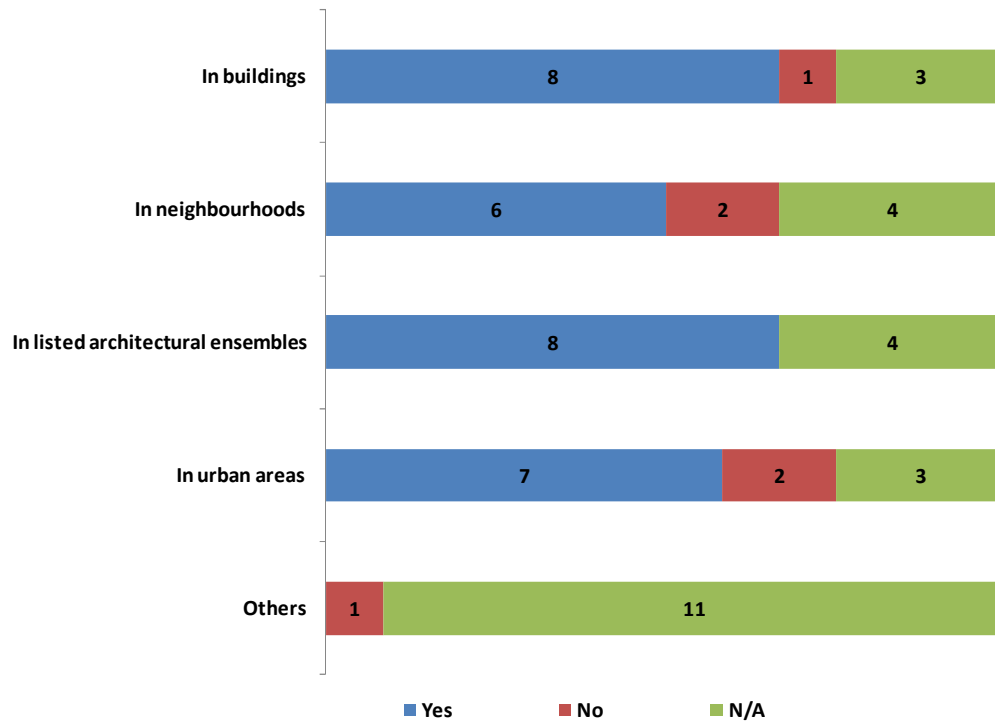
Fig. 5.8.a. ¿ Are the quality architectural characteristics of existing constructions taken into account in your country?: EU-15 Countries



### C- EU-12 Countries

The same tendency can be observed in EU-12 countries: eight of them (67%) take into account the architectural characteristics of existing constructions for buildings and listed architectural ensembles, seven (59%) take them into account for urban areas and six (50%) in neighbourhoods.

**Fig. 5.8.a. Are the quality architectural characteristics of existing constructions taken into account in your country?: EU-12 Countries**

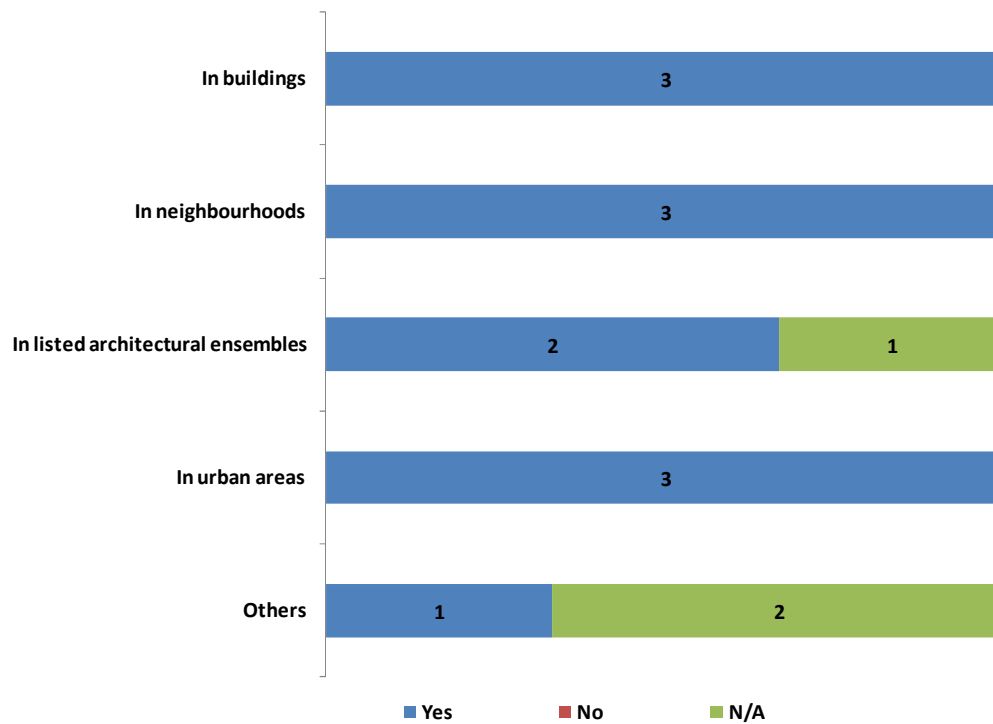




## D- Candidate countries

All candidate countries take into account the architectural characteristics of existing constructions for buildings, neighbourhoods and urban areas. Two of the three countries (67%) take them into consideration for architectural ensembles.

Fig. 5.8.a. Are the quality architectural characteristics of existing constructions taken into account in your country?: Candidate countries



## E- Norway and Switzerland

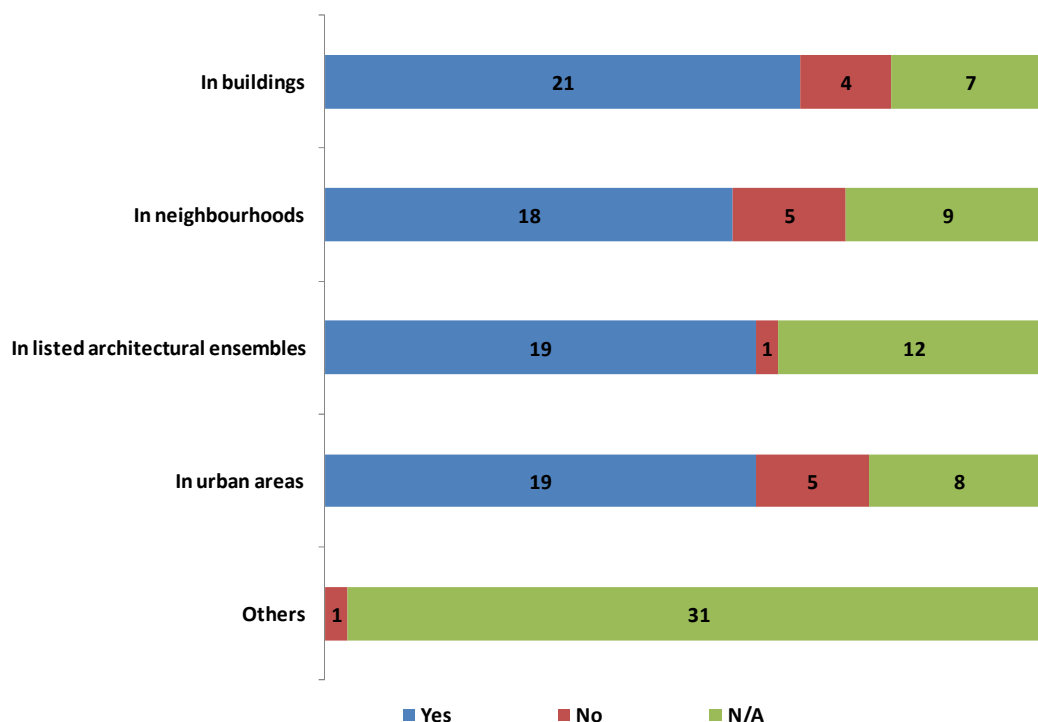
Norway takes into account the architectural characteristics of existing constructions for all the instances proposed, whereas Switzerland only takes into account for buildings.

## 5.8.b Promotion of quality architectural characteristics of existing constructions

### A- All Countries

The majority of countries tend to promote the quality architectural characteristics of existing constructions when they are initially scarce or absent, with positive answers ranging between 56% (corresponding to “neighbourhoods”, “listed architectural ensembles” and “urban areas”) and 66% (“buildings”).

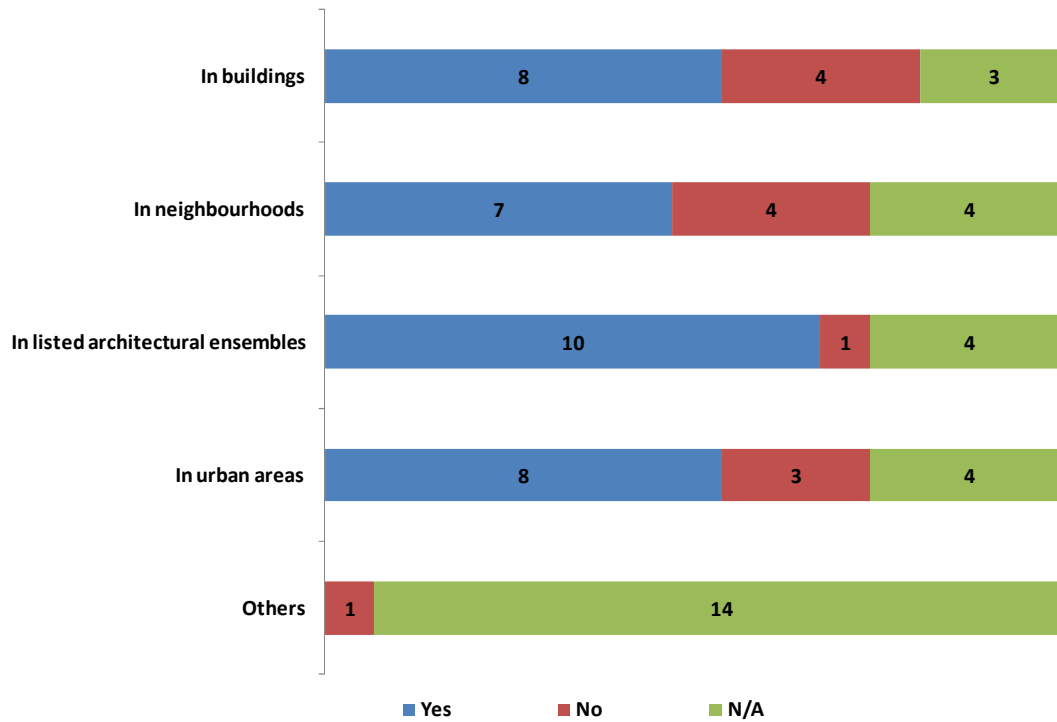
Fig. 5.8.b. If initially scarce or absent, are the quality architectural characteristics of existing constructions promoted in your country?: All Countries



## B- EU-15 Countries

EU-15 Member States tend to be less keen on promoting the architectural characteristics of existing constructions, with positive answers ranging between 47% (“neighbourhoods”) and 67% (“listed architectural ensembles”).

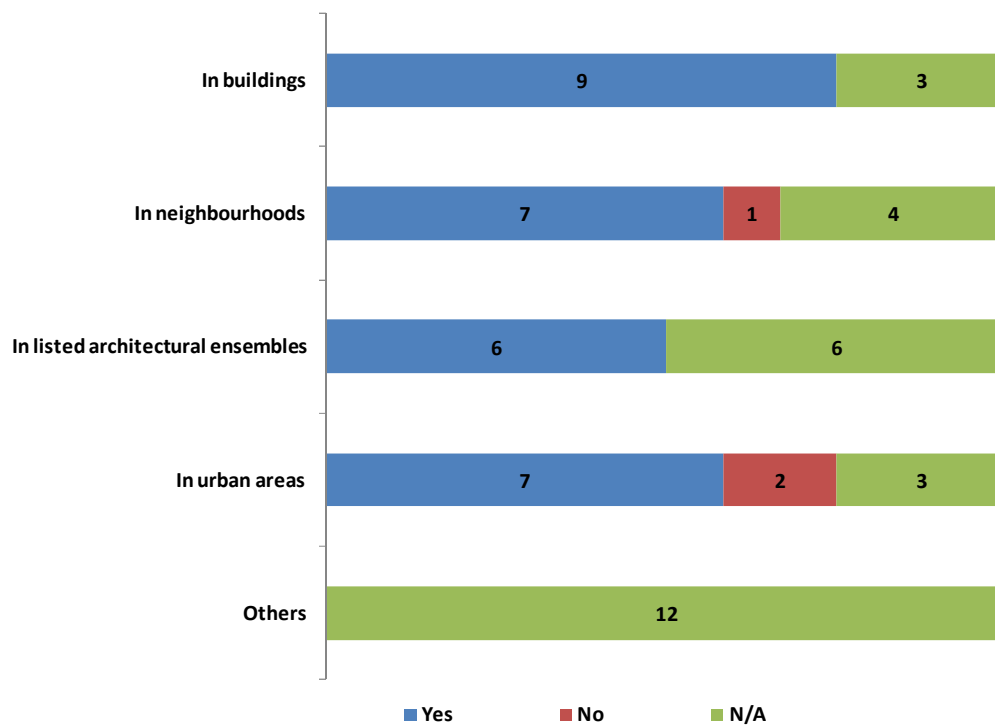
Fig. 5.8.b. If initially scarce or absent, are the quality architectural characteristics of existing constructions promoted in your country?: EU-15 Countries



### C- EU-12 Countries

Seventy-five percent of EU-12 countries declare that they do promote architectural quality characteristics in buildings, whereas 50% do so in listed architectural ensembles. In contrast with the situation in EU-15 countries, listed architectural ensembles are the least prominent category in the EU-12 group.

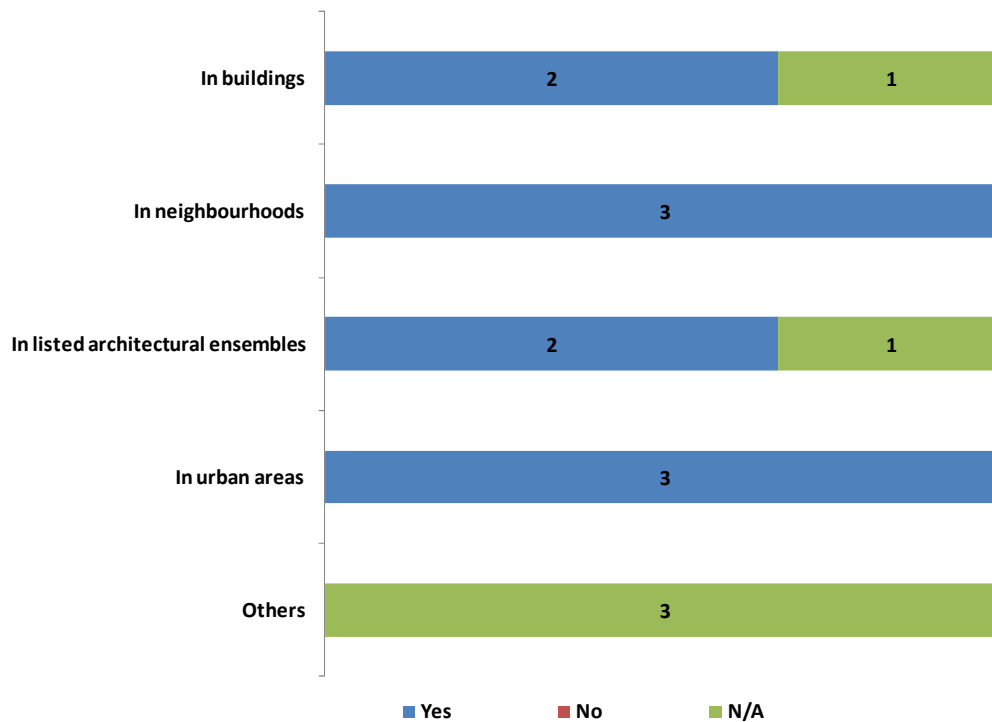
**Fig. 5.8.b. If initially scarce or absent, are the quality architectural characteristics of existing constructions promoted in your country?: EU-12 Countries**



## D- Candidate countries

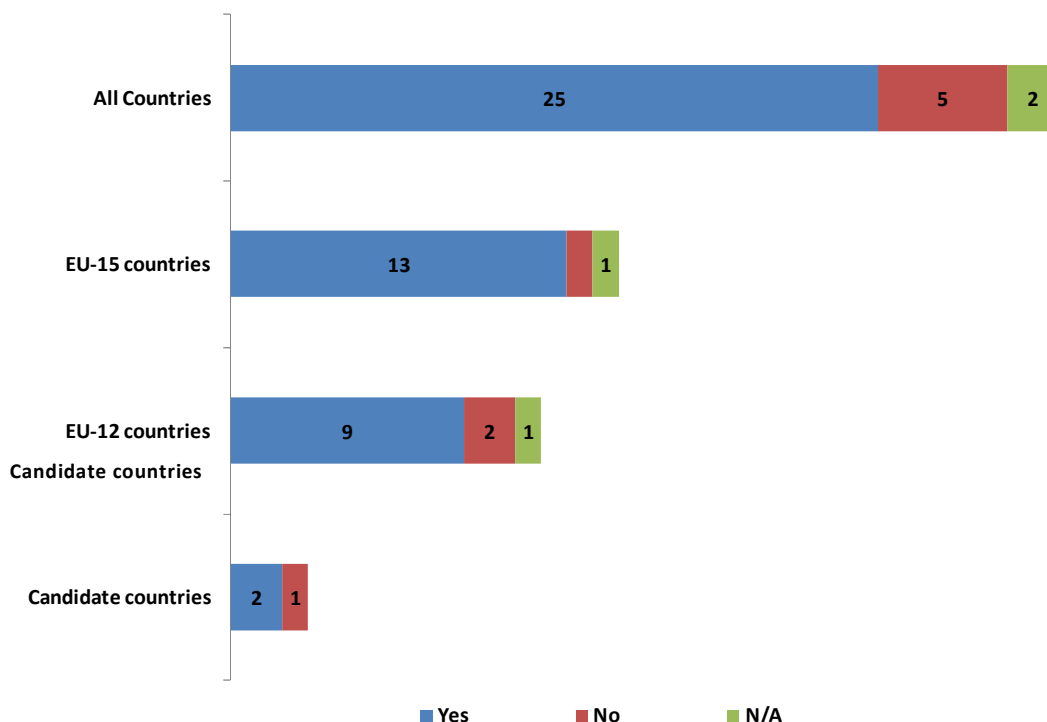
All the candidate countries state that they all promote such characteristics in neighbourhoods and urban areas; two of them also encourage them in buildings and listed architectural ensembles.

Fig. 5.8.b. If initially scarce or absent, are the quality architectural characteristics of existing constructions promoted in your country?: Candidate countries



## 5.9 Architectural quality of communal and public spaces

Fig. 5.9. Is the architectural quality of communal and public spaces prioritised in your country when carrying out comprehensive rehabilitation projects in neighbourhoods, listed architectural ensembles and urban areas?



### A- All Countries

Most of the countries surveyed prioritise the architectural quality of communal and public spaces.

Generally speaking, enhancement of public spaces is a goal shared by most of the countries surveyed, with local administrations being usually responsible for this task.

Ireland is the country that best expresses this priority: "Urban design is the art of making places for people. It includes the way places work and matters such as community safety, as well as how they look. It concerns the connections between people and places, movement and urban form, nature and the built fabric, and the processes for ensuring successful villages, towns and cities."

### B- EU-15 Countries

Nine out of ten EU-15 countries also prioritise the architectural quality of communal and public spaces, while France has not answered this question.

### C- EU-12 Countries

Seven in ten EU-12 countries prioritise the architectural quality of communal and public spaces. The Czech Republic and Slovakia are the exception.

### D- Candidate countries

Of the three candidate countries, two prioritise the architectural quality of communal and public spaces: Croatia and the Former Yugoslav Republic of Macedonia.

## E- Norway and Switzerland

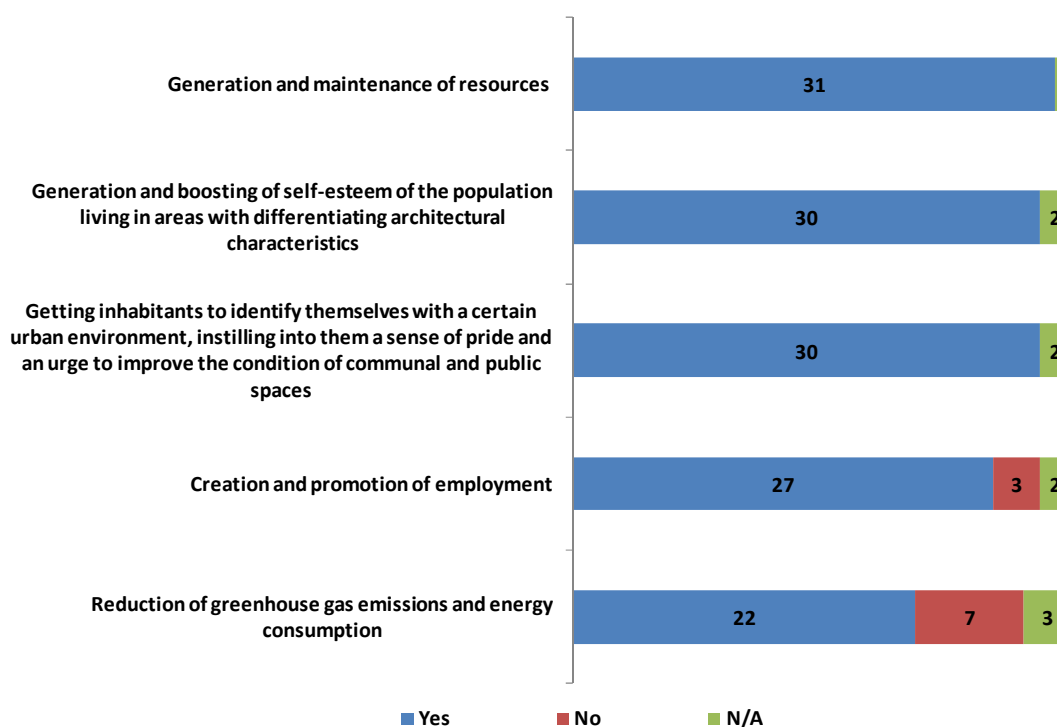
Norway prioritises the architectural quality of communal and public spaces, whereas Switzerland declares that it only prioritises it for the design of building entrance halls.

## 5.10 Contribution of high-quality architecture

The broad consensus on the positive impact of architecture is confirmed by comments such as: “creating opportunities in the construction of high-quality buildings strengthens employment and competitiveness in all the different areas of the market” (Finland); and “We believe that high standards of architectural design can contribute to all these aspects and there is evidence to support this” (United Kingdom).

### A- All Countries

Fig. 5.10. Can high-quality architecture contribute to ...?: All Countries

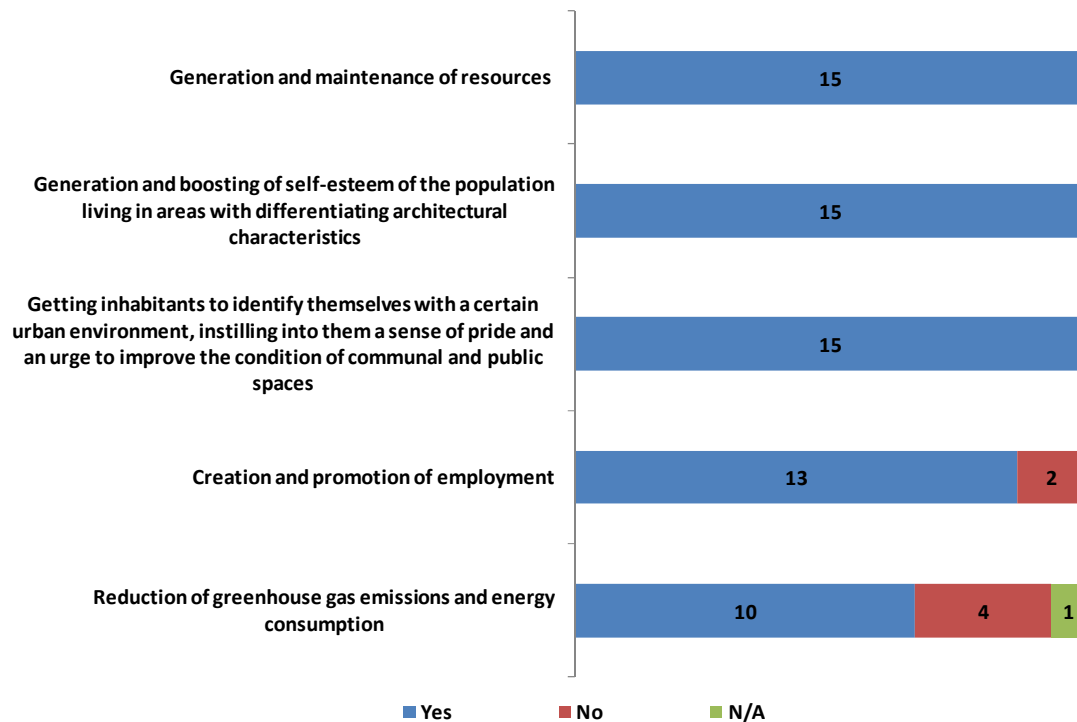


A generalised consensus is observed about the contribution of architecture, with positive answers ranging between 69% and 97%.

Ninety-seven percent of countries agree that high-quality architecture may contribute to “generation and maintenance of resources” and 69% claim that it can lead to the “reduction of greenhouse gas emissions and energy consumption.”

## B- EU-15 Countries

Fig. 5.10. Can high-quality architecture contribute to ...?: EU-15 Countries



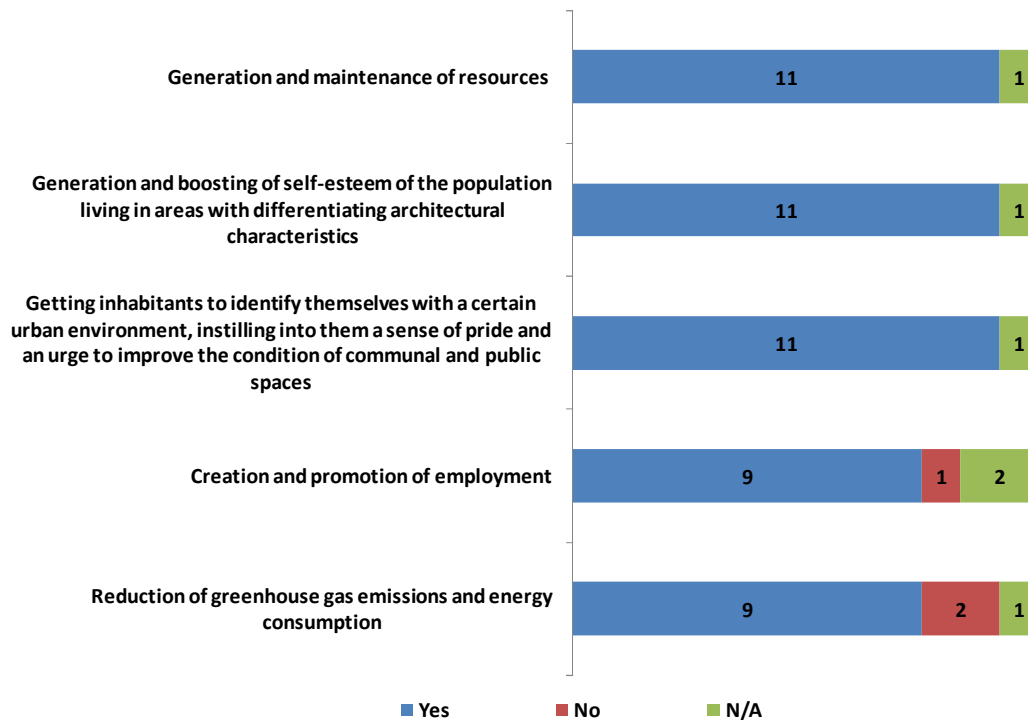
As regards EU-15 countries:

- 100% agree with the first three criteria (“resource generation”, “citizen self-esteem”, and “maintenance of communal or public spaces”).
- 87% agree with generation/improvement of employment. Sweden and the Netherlands do not agree.
- 67% agree with “reduction of greenhouse gas emissions and energy consumption.” Germany, Belgium, France and the Netherlands do not agree.



### C- EU-12 Countries

Fig. 5.10. Can high-quality architecture contribute to ...?: EU-12 Countries

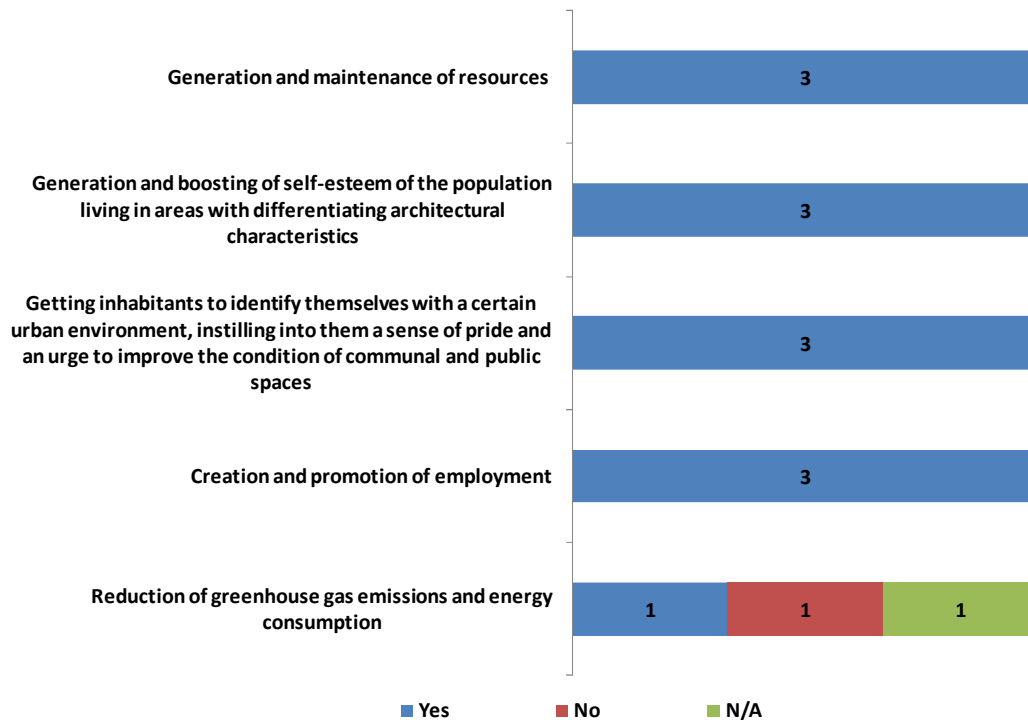


EU-12 countries answered along the same lines as the EU-15 group:

- 92% agree with the first three criteria (“resource generation”, “citizen self-esteem”, and “maintenance of communal and public spaces”).
- 75% agree with “generación/improvement of employment.” Slovakia does not agree.
- 75% with “reduction of greenhouse gas emissions and energy consumption.” Estonia and Latvia do not agree.

## D- Candidate countries

Fig. 5.10. Can high-quality architecture contribute to ...?: Candidate countries



Candidate countries agree with 100% of the criteria, except for then “reduction of greenhouse gas emissions and energy consumption,” criterion where only one of the countries was in agreement.

## E- Norway and Switzerland

Norway agrees with all the criteria. Switzerland agrees with all but “citizen self-esteem” and “maintenance of communal and public spaces,” for which it gives no feedback.

## 5.11 Value of investing in the enhancement of architectural quality

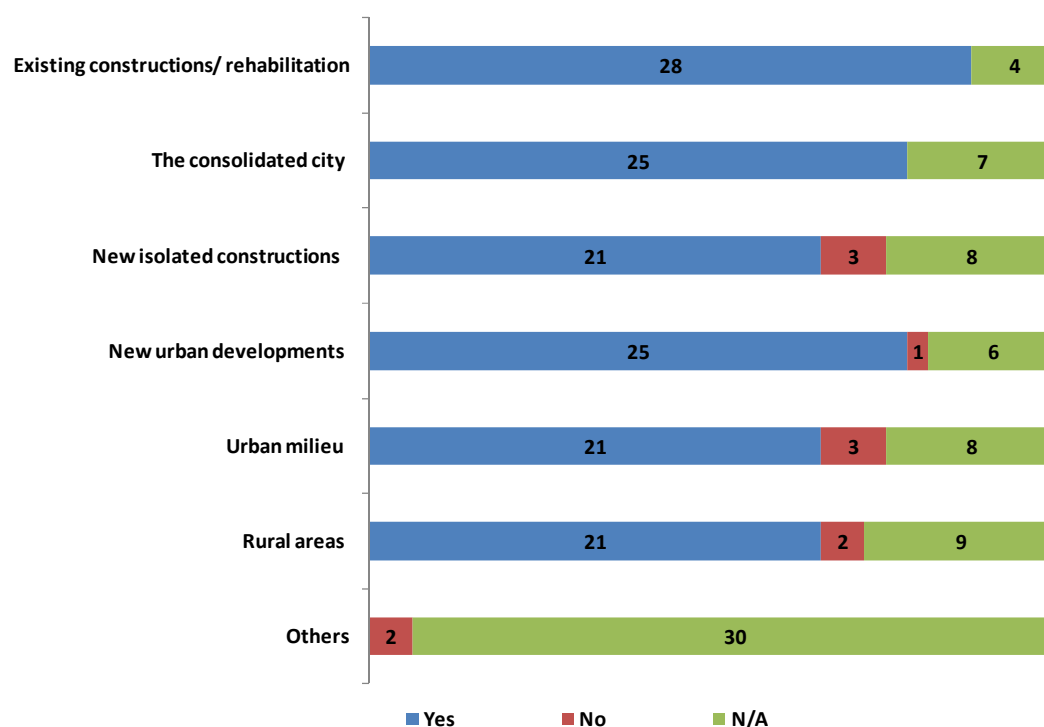
In addition to underscoring that a large amount of countries consider it advantageous to invest in the enhancement of architectural quality, it is worth pointing out that the reason for this attitude can be attributed to several factors. For example, Cyprus considers that an assessment of the potential benefits needs to be carried out before any investment is made. For its part, Finland mentions that two-thirds of the country's fixed assets are invested in real estate and to make things more complicated, 15% of the country's population works in the construction sector. The Finns claim that high-quality architecture makes a direct contribution to the national wealth and international competitiveness.

Following a different line of thought, the United Kingdom claims that "bad planning and design and careless maintenance encourage crime, contribute to poor health, undermine community cohesion, deter investment, spoil the environment and over the long term costs more" (than sound planning and design).

Some countries are more concerned about specific matters such as rehabilitation of the existing housing stock and industrial urban areas in the case of Italy, rehabilitation of the existing housing stock to achieve more sustainable cities in Spain and improving physical accessibility and energy performance in Switzerland.

### A- All Countries

Fig.5.11. Do you consider that it would be advantageous for your country to invest material means and human effort in enhancing the architectural quality of...? All Countries

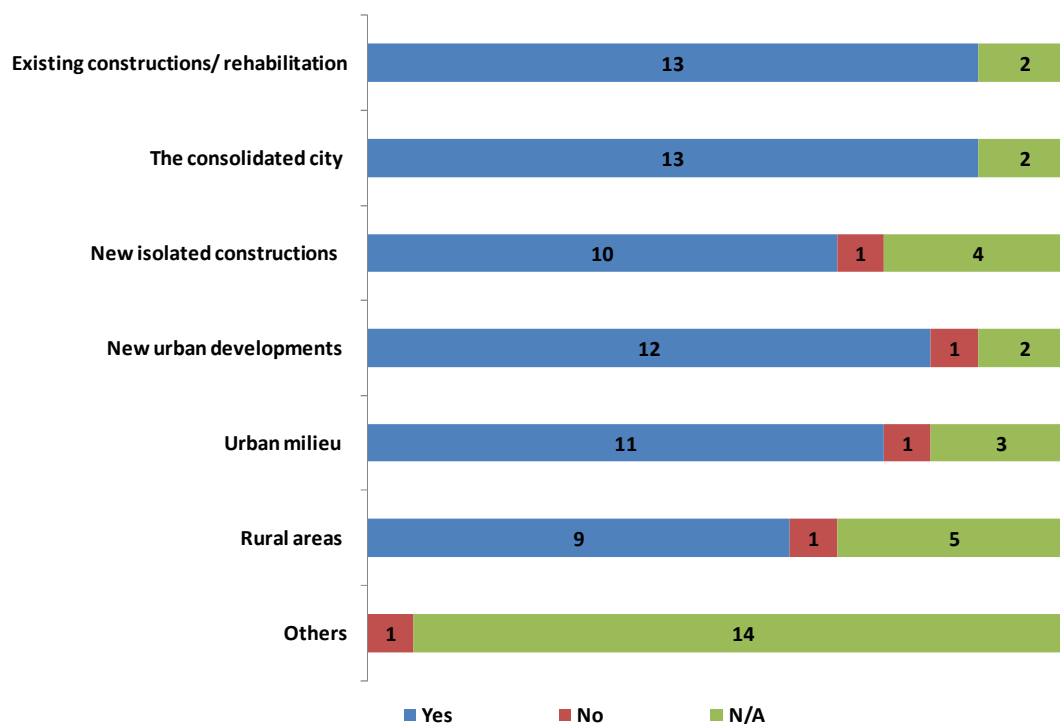


The majority of countries consider it advantageous to invest material means and human effort, with positive answers ranging between 66% ("urban milieu", "rural areas" and "new isolated constructions") and 88% ("existing constructions/rehabilitation").

## B- EU-15 Countries

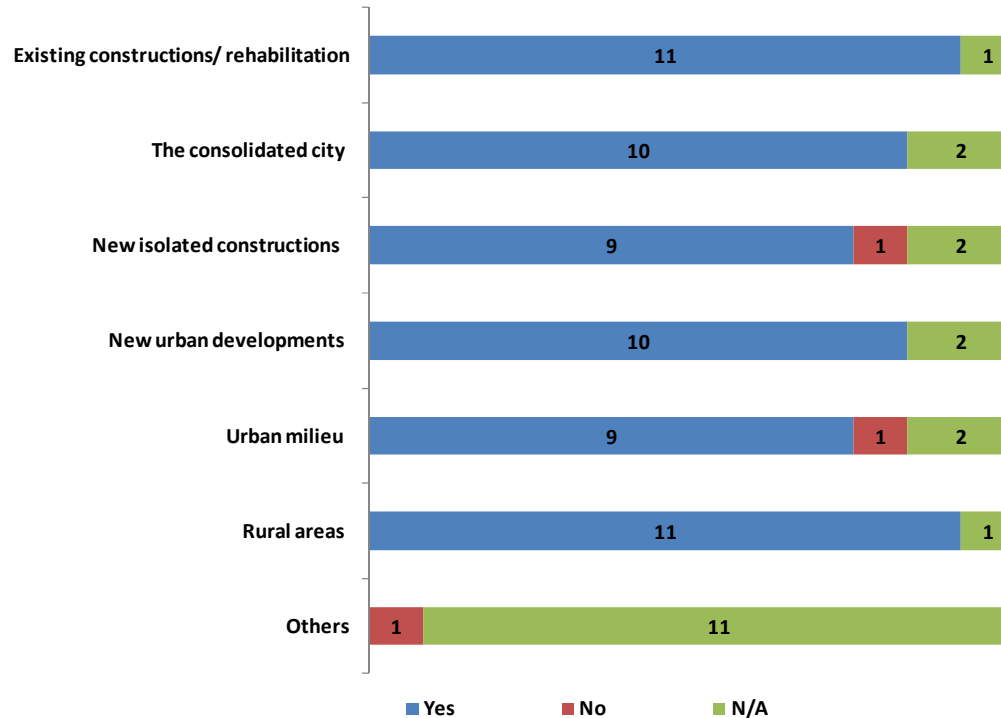
The answers of EU-15 countries follow the same trend as those of the whole group of countries surveyed, answers ranging between 60% for the less popular criteria (“rural areas” and “new isolated constructions”) and 87% for the most popular ones EU-15 countries find it particularly advantageous to invest in “existing constructions/rehabilitation” and “the consolidated city.”

**Fig.5.11. Do you consider that it would be advantageous for your country to invest material means and human effort in enhancing the architectural quality of...? EU-15 Countries**



### C- EU-12 Countries

Fig.5.11. Do you consider that it would be advantageous for your country to invest material means and human effort in enhancing the architectural quality of...? EU-12 Countries

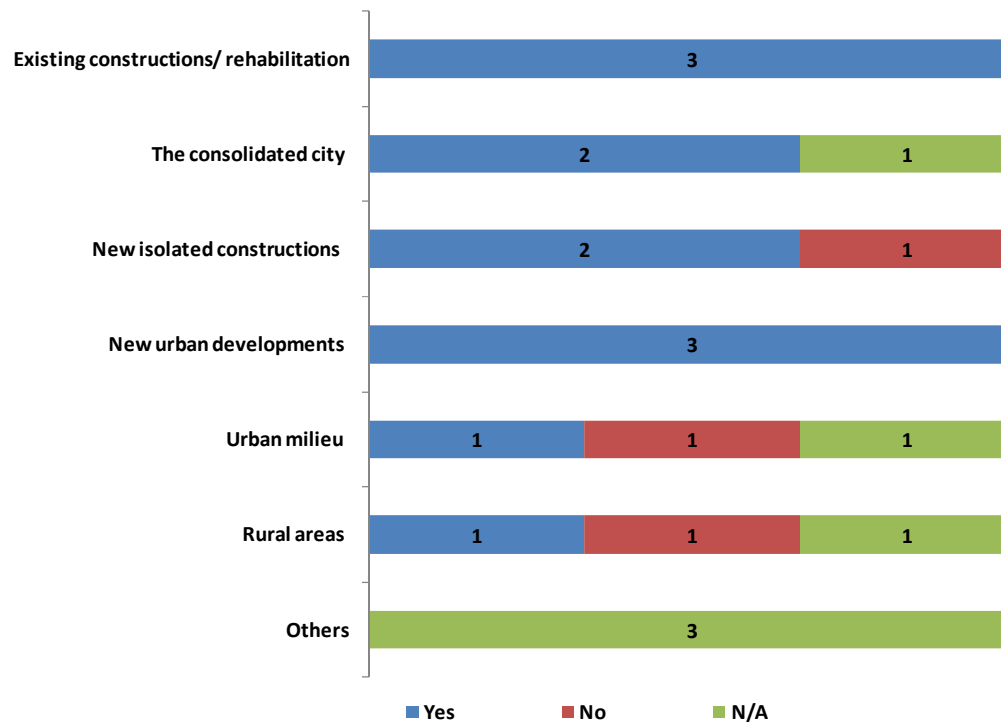


Among EU-12 countries, consensus about the advisability of investing in the enhancement of architectural quality is greater than for EU-15 Member States:

- 92% consider it advantageous to invest in “existing constructions/rehabilitation” and “rural areas”.
- 83% in “the consolidated city” and “new urban developments”
- 75% in “new isolated constructions”, and the “urban milieu.”

## D- Candidate countries

Fig.5.11. Do you consider that it would be advantageous for your country to invest material means and human effort in enhancing the architectural quality of...? Candidate countries



All candidate countries consider it advantageous to invest in “existing constructions/rehabilitation”, and “new urban developments”.

- Two countries out of three in “the consolidated city” and “new isolated constructions”.
- One out of three in the “urban milieu” and “rural areas”.

## E- Norway and Switzerland

Switzerland only considers it advantageous to invest in “existing constructions”. Norway does not express its opinion since it claims that the answer depends on what is understood as “advantageous” at an economic, cultural and environmental level.

## 5.12 Denotation of architecture

In countries where the term architecture is taken to denote “any type of construction” (Austria, Cyprus, Denmark, Spain, Lithuania and Portugal), it also denotes “works carried out to construct a city or a dwelling.” In Spain, there is a slight difference since architecture for “unique works” is considered superior to architecture for housing in general.

With respect to the other countries where architecture denotes “any type of construction,” Germany emphasises the concept of “Baukultur”, while Italy specifies that, although architecture in fact denotes “any type of construction;” there is in the country a tendency to pay greater attention to the architectural quality of large buildings and public infrastructures. Finally, Switzerland places the dividing line between constructions that require a building permit and those that do not (toolsheds, small storerooms, etc.).

### A- All Countries

Fig.5.12. What does the term architecture generally denote in your country?. A- All Countries



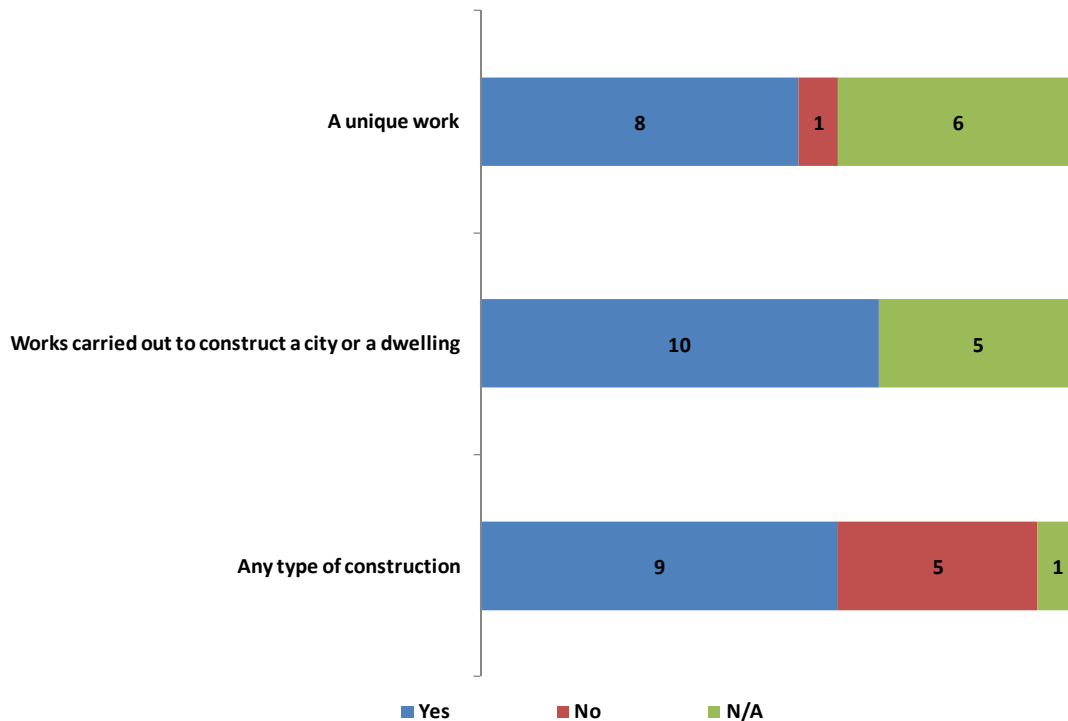
The majority of countries consider architecture to denote:

- “any kind of construction” (66% of answers)
- 
- “Works carried out to construct a city or a dwelling” (63% of answers)

A minority of countries (44%) consider architecture to denote only “a unique work.”

## B- EU-15 Countries

Fig.5.12. What does the term architecture generally denote in your country?. EU-15 Countries

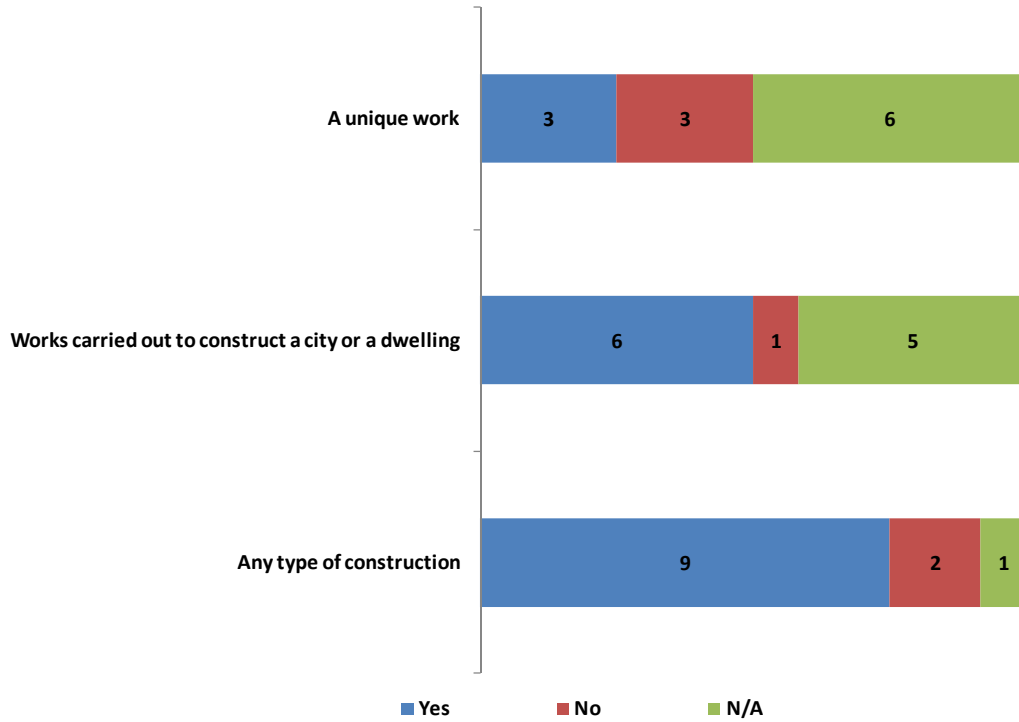


For 67% of EU-15 countries architecture also denotes “works carried out to construct a city or a dwelling”; for 60% it denotes “any type of construction” and for 54% it denotes “a unique work.”



### C- EU-12 Countries

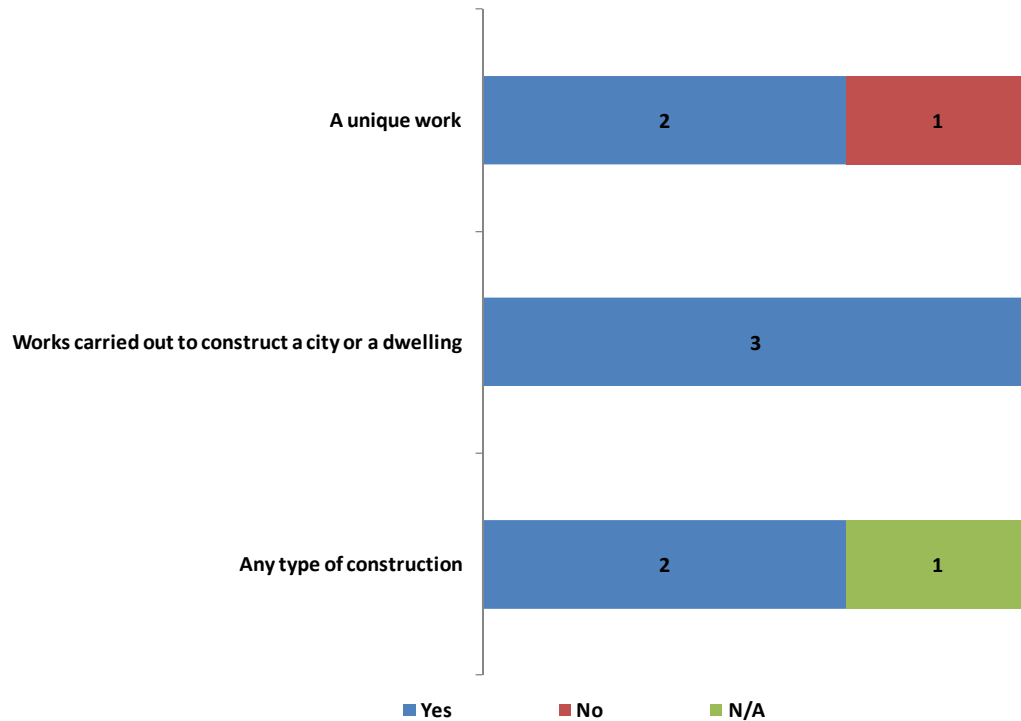
Fig.5.12. What does the term architecture generally denote in your country?. EU-12 Countries



In 75% of the EU-12 countries the term architecture denotes “any kind of construction,” in 50% it denotes “works carried out in order to construct a city or a dwelling,” and in 25% the term only denotes “a unique work.”

## D- Candidate countries

Fig.5.12. What does the term architecture generally denote in your country?. Candidate countries



For all candidate countries, the term architecture denotes “Works carried out to construct a city or a dwelling,” and for two countries out of three it denotes “a unique work” and “any kind of construction.”

## E- Norway and Switzerland

In Norway, the term architecture is taken to denote “a unique work” and “works undertaken to construct a city or a dwelling.” In Switzerland, architecture denotes “any kind of construction.”

### **5.13 Promotion of architectural quality in construction/rehabilitation works**

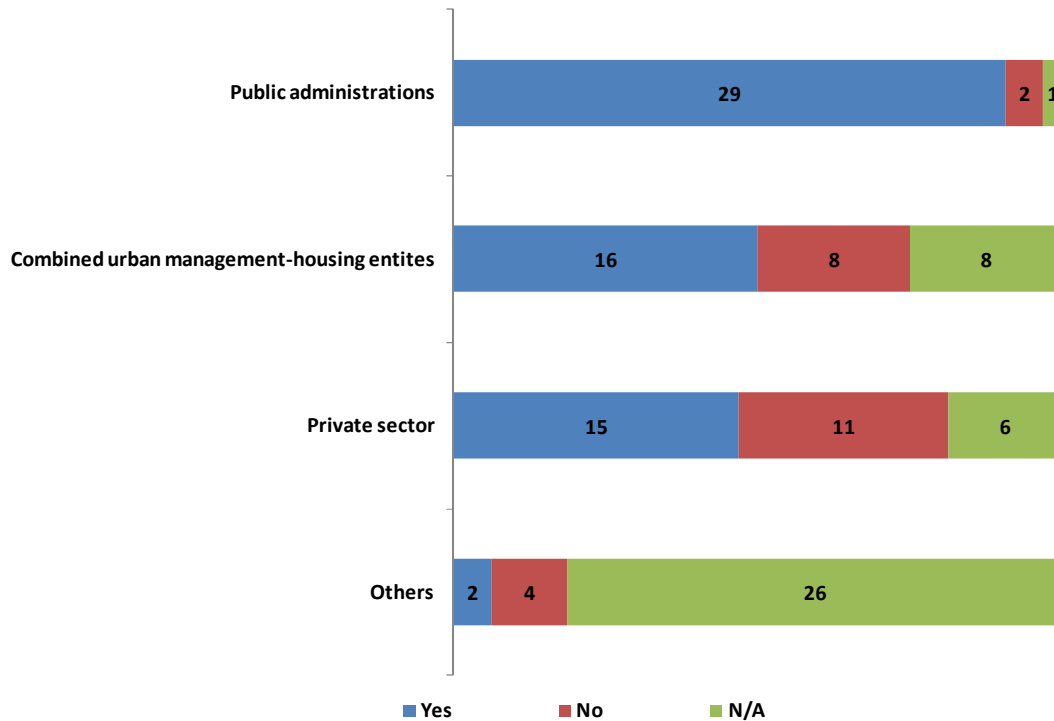
Although a vast majority of countries promote architectural quality when the initiative corresponds to the Public Administration, only 11 countries promote architecture regardless of whose initiative a given project may be. Five of these belong to the EU-15 group, three are EU-12 countries and, significantly, the remaining three are the candidate countries.

Of the eleven countries that do nothing to improve architectural quality when the initiative corresponds to the private sector, eight belong to the EU-15 group, which may reflect that a higher relative income level makes unnecessary to incentivize the private sector. There are two common mechanisms: architectural competitions and the inclusion of specific requirements in public tenders. For example, when awarding a tender, Ireland gives a weighting of 70% to quality aspects and of 30% to price.

Eleven countries organise architectural awards, while around ten apply the legislation to enforce architectural quality. Many countries apply more than one mechanism, particularly Austria, which in addition to an granting an architectural award for developers, controls quality by attaching great importance to planning, economy, ecology, and social aspects when making its decisions on the granting of subsidies for housing construction.

## A- All Countries

Fig.5.13. ¿ Does your country use any specific mechanisms (such as competitions) to promote architectural quality in construction/rehabilitation projects undertaken by ... ? All Countries

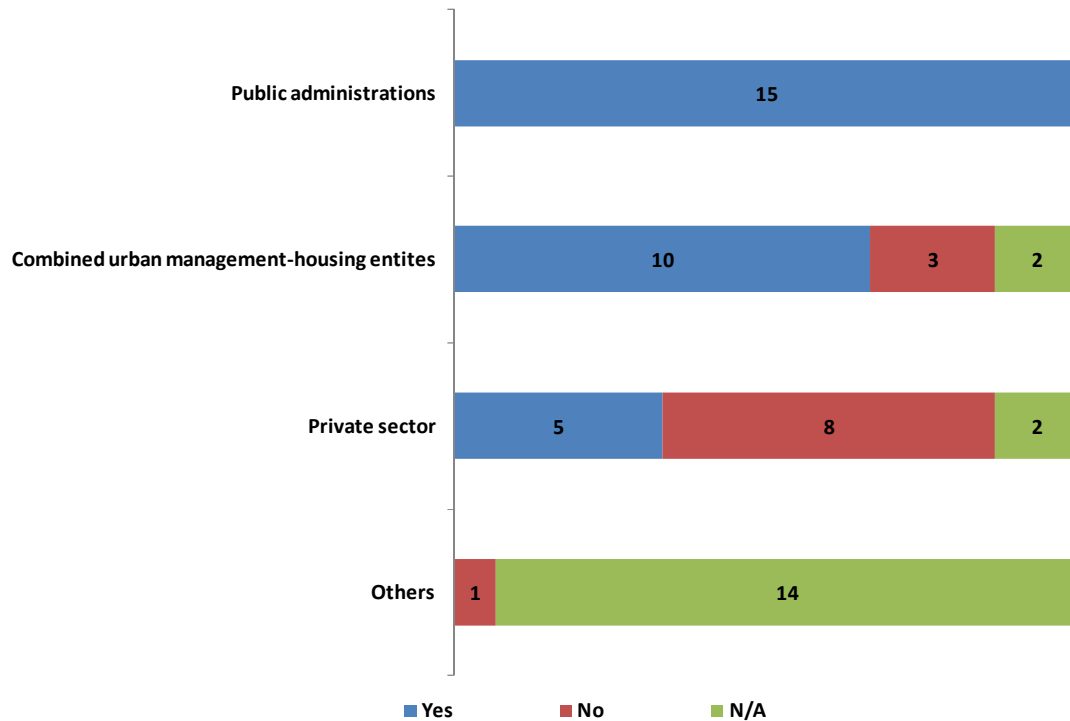


Countries promote architectural quality in construction/rehabilitation projects undertaken by:

- public administrations, in 91% of cases.
- combined urban management – housing entities, in 50% of cases
- private sector, in 47% of cases.

## B- EU-15 Countries

Fig.5.13. Does your country use any specific mechanisms (such as competitions) to promote architectural quality in construction/rehabilitation projects undertaken by ... ? EU-15 Countries



All EU-15 countries promote architectural quality in projects undertaken by their public administrations; 67% do so for projects carried out combined urban management – housing entities and only a minority (33%) do so for projects funded by the private sector.

### C- EU-12 Countries

Fig.5.13. Does your country use any specific mechanisms (such as competitions) to promote architectural quality in construction/rehabilitation projects undertaken by ... ? EU-12 Countries



EU-12 countries promote architectural quality in construction/rehabilitation projects carried out by:

- “public administrations,” in 75% of cases
- “the private sector,” in 50% of cases
- “combined urban management – housing entities,” in 25% of cases.

## D- Candidate countries

Fig.5.13. Does your country use any specific mechanisms (such as competitions) to promote architectural quality in construction/rehabilitation projects undertaken by ... Candidate countries



All candidate countries promote architectural quality in projects carried out by all three types of entities. .

## E- Norway and Switzerland

In Norway, architectural quality is promoted through the “public administrations,” and in Switzerland through the “public administrations” and the “private sector.”

## 5.14 Established citizen participation mechanisms

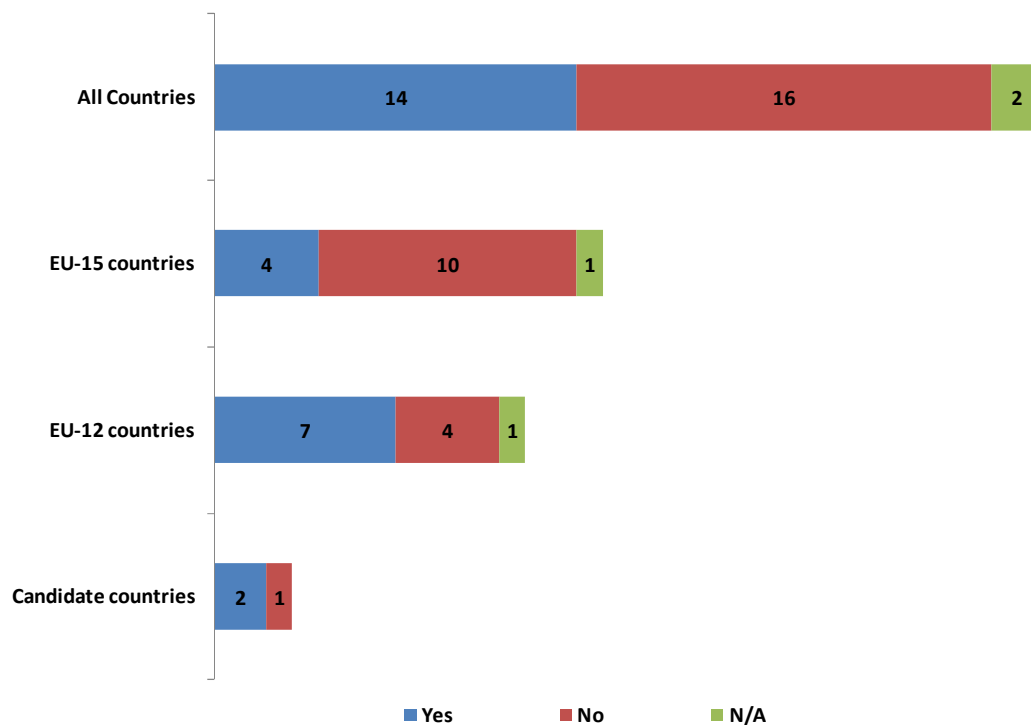
The 14 countries that encourage citizen participation do so through different mechanisms. Some of them allow citizen participation in the formulation of overall architectural policy, while others promote citizen participation for specific works or plans. For example, in the case of Sweden it is mandatory for local authorities to hold a public consultation process on specific local plans.

Among the seven EU-12 countries that encourage citizen participation, some do so through public debates, whereas in Bulgaria and Hungary participation is indirect through advisory councils made up by representatives of society.

Two candidate countries, Croatia and the Former Yugoslav Republic of Macedonia allow public debates and inspection of the relevant documentation by citizens. In Switzerland, citizens may participate through popular initiative.

Of the 16 countries that do not have any citizen participation mechanism only Romania is in the process of developing one. For its part, the United Kingdom has an indirect mechanism in place, whereby the planning application process entails consultation and democratic control through the local planning authority, part of a democratically elected local council.

Fig.5.14. Is there any citizen participation mechanism in your country designed to shape architectural policy?



#### 1. All Countries

Of the 16 countries that do have an architectural policy, the majority (56%) has participation mechanisms in place whereby citizens can have a say in the shaping of such policy. Interestingly, seven countries without an architectural policy have citizen participation mechanisms to shape it. .

#### 2. EU-15 Countries

Of the eight EU-15 Member States with an architectural policy, half possess citizen participation mechanisms to define it.

#### 3. EU-12 Countries

In the EU-12 group, citizen participation mechanisms exist in five of the six countries that have an architectural policy and in two that do not, with a total of 58% of countries in the group offering their citizens a say in the shaping of architectural policy.

#### 4. Candidate countries

Croatia and the Former Yugoslav Republic of Macedonia have participation mechanisms whereby citizens can have a say in the shaping of architectural policy.

#### 5. Norway and Switzerland

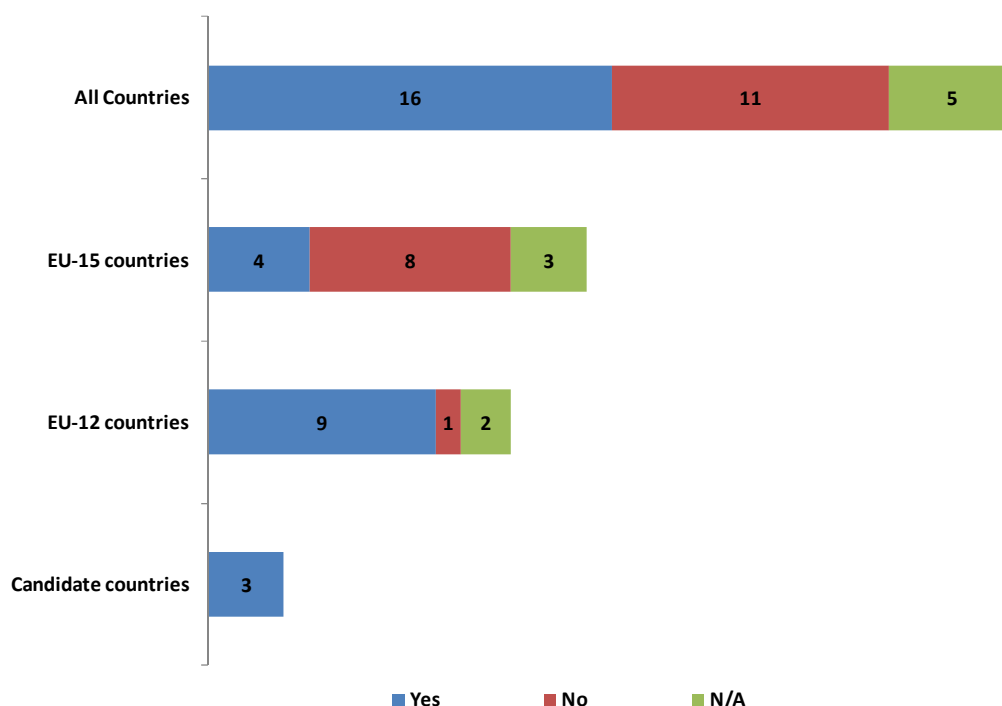
In Switzerland, citizen participation exists through popular initiatives.



## 5.16 Common EU guidelines

The answers provided by the countries recognise and value diversity as an European characteristic that must be preserved. From this standpoint, those who would welcome EU guidelines point out at the same time that such guidelines must be flexible enough to accommodate the particular characteristics of each country. On the other hand, those who are against such guidelines (mostly EU-15 countries) point to diversity as a factor that precludes a common direction. In short, it could be said that a potential directive should focus on the processes that might allow the enhancement of architectural quality rather than prescribe a specific architectural direction.

Fig.5.16. Would your country welcome the introduction of common EU guidelines for architectural policy?



### A- All Countries

Only half of participating countries would welcome the establishment of common guidelines for architectural policy.

### B- EU-15 Countries

In the EU-15 group, only a minority of countries (27%) would favour this idea: Spain, Finland, Greece and Ireland.

### C- EU-12 Countries

In contrast with the views of the EU-15 group, the great majority (75%) of EU-12 countries consider this a useful idea. Only Estonia takes a negative stance, although the comments by Malta, which does not state its position, would seem to suggest it disagrees.

### D- Candidate countries

All three candidate countries would welcome the introduction of common guidelines.

### E- Norway and Switzerland

Neither of the two countries approves of this idea.

## 5.17 Specific experiences

### Germany:

In 2000 the German Government launched an initiative called "Initiative Architektur und Baukultur" to promote high quality architecture and make both institutions and individuals aware of the need to contribute to a well constructed environment. After several preliminary steps were taken (reports to the Parliament on Baukultur, awards, events and research work), in 2007 a Law was passed that created a Federal Foundation for Baukultur. Since then, the strategy of the German Federal Government has been to promote and stimulate rather than regulate, since the legislative responsibility lies with the different regions.

### Austria:

Austria organises a Property Developers Competition in Vienna ("Bauträgerwettbewerbe"). Information in English about this initiative is available on:  
([http://www.bestpractices.at/main.php?page=vienna/best\\_practices/administration/property\\_developers\\_competition&lang=de](http://www.bestpractices.at/main.php?page=vienna/best_practices/administration/property_developers_competition&lang=de))  
([http://www.bestpractices.at/main.php?page=vienna/best\\_practices/administration/property\\_developers\\_competition&lang=en](http://www.bestpractices.at/main.php?page=vienna/best_practices/administration/property_developers_competition&lang=en))

They also have a quality control procedure for screening applications for housing subsidies, whereby different planning, economic, ecologic and social aspects are analysed ([www.wohnfonds.wien.at](http://www.wohnfonds.wien.at))

### Belgium:

All three Belgian regions have a "Master Architect" or "Head Architect" (Brussels and Flanders call him/her "Bouwmeester"), whose remit is to promote high-quality architecture.

### Finland:

Finnish architectural policy:  
<http://www.apoli.fi/prime103.aspx>

### Ireland:

Architectural policy of the Irish Government (2009-2015): Towards a Sustainable Future, Delivering Quality within the built Environment.

On 8 October 2009, Mr. John Gormley, T.D, Minister for the Environment, Heritage and Local Government launched the official publication of the new Government Policy on Architecture 2009-2015: Towards a Sustainable Future, Delivering Quality within the built Environment.

#### A Policy Framework

The new Government Policy on Architecture 2009-2015 provides the appropriate framework for the implementation of Architectural policy over the next 7 years. It addresses issues that have arisen in the years since the publication of the first policy on architecture by placing more emphasis on sustainable development of the environment and urban design, continuing to encourage and support high quality modern architecture, incorporating architectural heritage in a holistic, integrated manner and developing actions which respond to and promote awareness in these areas.

The policy complements and supports the Government's wider economic strategy "Building Ireland's Smart Economy: A Framework for Sustainable Economic Renewal" in areas such as research, green enterprise and the development of efficient and sustainable technologies for the built environment. Within the Policy there are various actions that support initiatives on job creation, enterprise and the export of Irish skills abroad.

The Policy consists of six Chapters and is structured around 15 key statements and contains 45 actions to be implemented over the lifetime of the policy, primarily, by a range

of Government Departments and State Agencies. DEHLG will take the lead role in the implementation of more than half of the actions and will have the primary responsibility for the implementation of a number of these actions as well as having responsibility for co-ordination of the implementation of the 45 actions contained in the Policy.

#### Promoting Quality

In this context, the objectives of this policy on architecture and the built environment seeks to promote awareness and understanding of the contribution of good design to the daily life and well being of society as a whole. High quality design, whether in the details of the buildings we work in, or in the spaces and places that we share socially, should not be viewed as a luxury, achievable on a one-off basis. The realization of good architecture is fundamentally about much more than individual buildings. It must also concern itself with the realization of an acceptable human environment for all.

It is envisaged that the specific actions of the Government Policy on Architecture 2009-2015 will address areas such as a strategy for architecture and the need for evidence and research capacity, including the need to lead by example. One of the main objectives is to develop the demand for quality in architecture and urban design within the wider environment. The policy recognizes the place of architecture in society as an expression of cultural, aesthetic and social values, both past and present, and the challenges and expectations of the future in shaping a sustainable quality environment. It is the intention that this policy will foster an awareness of improving quality within the built environment both economically, socially and environmentally.

#### **Lithuania:**

Every year since 2007, the Ministry of the Environment in conjunction with other partners has organised an event called the International Urban Forum, which holds debates and presentations as well as exhibitions of the most representative works in the fields of architecture and urban planning.

#### **Former Yugoslav Republic of Macedonia:**

The FYRM organises architectural biennales and architectural competitions. The schools of architecture and public works also organize workshops and on architecture and urban planning. Architect and engineer associations also have their own activities. There are also public debates on architecture, historical and cultural heritage protection, new construction products, etc.

#### **Portugal:**

In Portugal, the INH (Instituto Nacional da Habitação) Awards, subsequently superseded by the IHRU (Instituto da Habitação e da Reabilitação Urbana) Awards, are two good examples of the development of architectural promotion policies in Portugal. The Portuguese Architects' Association is a member of the IHRU Advisory Board.

#### **United Kingdom:**

The Commission for Architecture and the Built Environment-(CABE) (<http://www.cabe.org.uk/>) was created in 1999 to promote good standards of architecture, urban design and public space. CABE renders services to public sector clients. CABE's design review process provides advice on specific significant schemes as they come through the planning application process.

## Annex I: Country Summary Reports

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The present annex contains a summary of each of the answers provided by each one of the 32 countries that participated in the survey.

The answers submitted by each participating country have been summarized following the same structure of the questionnaire for ease of reference. In all cases, an attempt was made to respect the integrity of the answers provided, leaving no room for interpretation. To guarantee that these Summary Reports constitute a faithful representation of each country's position, a preliminary version was sent to the different countries asking them to point out any aspects that required clarification or which did not accurately reflect the situation in the country in question.

Countries have been grouped into the following categories:

EU Member States

EU Candidate Countries: Former Yugoslav Republic of Macedonia, Croatia and Turkey

Guest countries: Norway and Switzerland

Within each group, countries have been ordered in accordance with the ISO 3166-1 country codes.

## 1 AUSTRIA

<b>Country code</b>	AT	<b>GDP (PPP)</b>	122.5
<b>Area (sq. km)</b>	83,871	<b>Unemployment</b>	5.0%
<b>Population</b>	8,355,260	<b>HDI</b>	0.955
<b>Population density</b>	99.6	<b>Urban population</b>	66.5%
<b>Construction sector/GDP</b>	7.50%		
Form of government: Federal republic. Parliamentary democracy. Decentralised.			

### 1. Rehabilitation: general overview

The Austrian Housing Authorities agree with:

- all aspects of the definition proposed for *housing rehabilitation*.
- all aspects of the definition proposed for *building rehabilitation*, except for the items *guarantee its safety and weathertightness* and *improve its architectural aspects*, and the overall concept.
- In Austria, *safety and weathertightness* are not normally a problem in buildings, not even prior to their rehabilitation. Architecture can be a complex issue since thermal insulation can often spoil the original architecture, which means that architectural design is not always enhanced by the refurbishing works. Nonetheless, some improvement *is* observed since architects are becoming increasingly involved with rehabilitation projects.
- the items dwelling and building rehabilitation, citizen participation, installation of centralized air-conditioning and hot water networks fed with renewable energy, and with the development of equipment and facilities, as far as rehabilitation of urban areas is concerned.

Town-planning in Vienna for example seems to be undergoing a change in paradigm. In the 470s, the purpose of town-planning was decongestion. Densely built up areas of the city had to be partially demolished. Since the 90s, Vienna has been subject to considerable growth. Opposition is currently mounting against existing town-planning policies that require demolition of private residential buildings. At any rate, demolition of existing buildings – even those devoted to rental purposes – is becoming very difficult. Attempts to favour demolition rather than refurbishing have so far met with no success.

All three tiers of government in Austria (central, regional and local) have competencies over rehabilitation policies.

Regulations are in place that govern the scope and concept of rehabilitation.

In Austria there are several statutory provisions that state that rehabilitation is to have an “all-inclusive character”.

<sup>4</sup> Sources:

Spanish National Statistics Office (Area, sq. km)

EUROSTAT: Population (2009); Construction sector/GDP (2008); GDP (PPP) EU-27 (2008); Unemployment (2009).

UNITED NATIONS: Urban population (2006) ; HDI (2007).

Integrated urban rehabilitation: these are special Central Government standards that identify urban areas specifically targeted for renovation. Refurbishing projects in these areas benefit from a certain number of incentives. A special kind of renovation scheme called Blocksanierung is under way in Vienna, which combines subsidies for individual building refurbishment with interventions in the public space and business development.

The regulations on housing stock rehabilitation are applicable to dwellings, buildings and urban areas.

Subsidy programmes offered by regional governments, for example in Vienna:

- [http://www.ris.bka.gv.at/Dokumente/LrW/LRWI\\_B630\\_000/LRWI\\_B630\\_000.pdf](http://www.ris.bka.gv.at/Dokumente/LrW/LRWI_B630_000/LRWI_B630_000.pdf)

Rehabilitation covers the following aspects:

- Town-planning: subsidy options.
- Architecture: in some areas there are incentives designed to promote the involvement of architects.
- Finance: strict requirements for financing schemes.
- Tax: incentives through different kind of depreciation options.
- Energy: strong incentives to attain ambitious energy goals.
- Adaptation to the needs of elderly/disabled persons/accessibility: significant incentives are in place to this end.

In addition, there are specific provisions for:

- Historical city centres: protection of architectural ensembles, subsidies for renovation of listed monuments
- Rural areas: there are regulations that allocate special subsidies to single-parent households, for example.

Summary of the purpose of the rehabilitation regulations and the items they cover: it is difficult to make an accurate summary since competencies are shared between the Federal Government and the Provinces.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Housing units	<1%	<1%	1%

Number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Buildings	<1%	<1%	1%

Rehabilitation of buildings and housing units in Austria, carried out with the aim of meeting the housing needs of their owners or tenants, cannot benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Owners/investors can transfer investment costs to tenants. However, even if a legal procedure does exist to this effect (for example Article 18 of the Austrian Tenancy Law), it is rather complicated to enforce in practice. Owners of social housing receive specific amounts for rehabilitation, which explains why this renovation has met with greater success in this sector.

### 3. Job creation

Austria considers that rehabilitation may contribute to the maintenance and/or generation of employment. In this connexion, they have introduced fiscal and/or financial measures aimed to promote rehabilitation with a view to supporting economic activity and the maintenance and/or generation of employment.

It is estimated that the measures introduced have led to the creation of over 7,000 direct jobs in 2009.

As regards the relationship between housing stock rehabilitation and the creation and/or maintenance of employment:

- In Austria, it has been shown that rehabilitation can create more jobs than construction of new buildings or civil engineering.
- The effects of residential construction on employment are about 50% higher than in the exports sector, and 25% higher than in the private consumption sector. An investment of 100 million euro in rehabilitation can generate up to 1,400 jobs throughout the country's economy (direct as well as indirect jobs) according to a study of the Austrian Institute Of Economic Research (WIFO) published in 2008.

Austria considers that the availability of professionals and specialized labour in the country is in line with the needs of the Austrian rehabilitation sector.

The Austrian educational system (both university education and vocational training) offers instruction that is especially geared to the rehabilitation sector.

Specific experiences related to the rehabilitation of the housing stock and the creation and/or maintenance of employment that can be regarded as best practices: Austria boasts a programme of subsidies for rehabilitation and maintenance. Each province has its own system and advances its ecological criteria by means of low-energy consumption dwellings and of "passive homes," i.e. housing units that comply with minimum energy-consumption standards). For example, some provincial authorities reward fulfilment such standards (implementation of passive home technologies combined with installation of an alternative source of energy) by granting loans twice as large as those available for projects complying only with the minimal requirements. In the Austrian limited profit rental housing sector as well as in the public housing market of Vienna, around two-thirds of the existing housing stock has been subjected to thermal renovation, thereby halving these buildings' energy consumption in the last few years. The new priorities for the whole of the housing stock will be generalized erection of low-energy consumption dwellings and the introduction of "passive home" standards in the rehabilitation of the existing housing stock.

Best practices in Austria: "Renovation Cheque" Programme (Sanierungsscheck in German).

In April 2009, the Austrian government launched an anti-crisis programme of measures that included a 100 million euro package to promote thermal renovation and energy-efficiency in the private housing stock; half the money was assigned to residential buildings and the other half to non-residential ones.

These subsidies were granted to perform thermal renovation works for a maximum of 5,000 euro per family. Around 11,000 people benefited from these subsidies in the first 2 months and a half. Estimations show that, in addition to this, a total of 650-800 million euro was spent on work related to the renovation.

These public measures were particularly beneficial for SMEs and constituted a major step forward in the country's efforts to reduce CO2 emissions, in accordance with the provisions of the Kyoto protocol.

The "Renovation Cheque" made it possible to maintain 7,000 jobs in the construction sector, preventing an increase of the unemployment figures in this industry.

In a nutshell, recent housing policy in Austria is based on direct subsidies, particularly geared to the renovation of the housing stock, with special emphasis being laid on energy

savings. This has curtailed the amount of money available for the construction of new dwellings, which poses a serious problem since Austria is bound to face an increased demand of new housing in the next few years.

#### 4. Financing and Concert between Government and the Private Sector

Austria has not so far taken advantage– or intends to take advantage in the immediate future – of the possibility made available by modification of EC Regulation 1080/2006, whereby it is now possible to use ERDF funds to finance energy efficiency improvement and the introduction of renewable energy in existing housing units.

Role that must be assigned to housing-related expenditure when regulating the structural funds that will be used to finance regional housing policy in Member States as of 2014, once the 2007-2013 period comes to an end: according to Austria there should be a greater amount of participation so that such funds can potentially be used for housing rehabilitation.

In Austria, housing rehabilitation enjoys tax benefits only at a state level.

There are other public subsidies for housing rehabilitation:

- at state and regional levels: non refundable loans and loans on special conditions (low interest rates or other special conditions)
- at a regional level: subsidies and loans.
- Fiscal benefits addressed to rehabilitation of buildings exist only at state level.
- There are other public subsidies conceived for building rehabilitation:
- at state and regional levels: non refundable loans and loans on special conditions (low interest rates or other special conditions)
- at a regional level: subsidies and loans.

Specific public subsidies are available for rehabilitating dwellings and/or buildings so that they can be adapted to the needs of elderly and/or disabled persons.

Public subsidies and benefits are available for rehabilitating dwellings and/or buildings inhabited by low-income families.

There exist public counselling organizations that centralise information on the conditions that must be met to qualify for being granted a housing rehabilitation subsidy: regional government subsidy departments, savings banks.

There exist public institutions at a regional level that process applications by companies and private individuals wishing to obtain housing rehabilitation subsidies.

Summary of public subsidies and fiscal benefits available at the different levels of government: the most important thing is the range of housing subsidies offered by the regional authorities. Tax issues are the prerogative of the federal administration. There are several fiscal incentives for housing rehabilitation.

Summary of the interaction between the different levels of government to promote rehabilitation of dwellings and/or buildings: this is a political priority. The State has concluded agreements with the different provinces to increase the rehabilitation rate. However, a few significant hurdles remain, for example, as regards tenancy law. In general, the rehabilitation rate on the rise, but not at the required speed.



## 5. Role of Architecture

There are organizations whose purpose is to regulate issues related to architecture and/or to represent the interests of architects.

There are also a set of guidelines on architectural policy: "Österreichischer Baukulturreport". <http://www.baukulturreport.at/>

There are regulations that establish architectural standards in terms of dwellings, their fitness for use, rehabilitation and urban layout.

Austrians tend to associate architecture mainly with culture, the environment/landscape, energy/ sustainable development, industry and urban planning/ public spaces/ the city.

Relationship between architecture and the environment/landscape: deep meaning of "passive homes" in Austria.

Austria considers that architecture influences the presentation/upgrading of the urban milieu.

Austria sets store by the existing architectural quality of buildings, neighbourhoods, listed sites and urban areas.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of existing buildings, neighbourhoods, listed sites and urban areas.

Austria attaches great significance to the architectural quality of communal and public spaces.

In Austria, high-quality architecture can help generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs foster employment and reduce greenhouse gas emissions and energy consumption.

Austria considers it profitable to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban areas, rural areas.

Austrians consider words related to the construction of a city or a dwelling to be also part of architecture.

The quality of architecture is promoted in the building/rehabilitation work undertaken by: the different levels of government, organizations in charge of both urban planning and housing and private enterprise.

Mechanisms used to promote architectural quality in building/rehabilitation projects undertaken in Austria: best practice is perhaps best embodied by the "Bauträgerwettbewerbe" (competition of real estate developers in Vienna). All housing subsidies are subjected to a quality assurance process, which involves planning, financial, ecologic and social issues. <http://www.wohnfonds.wien.at/>

There is no established citizen participation mechanism to design potential architectural policies.

Austria would not consider the introduction of EU guidelines setting out EU architectural policy useful.

Specific experiences relative to the promotion of architecture: Bauträgerwettbewerbe competition (see above).

## 2 BELGIUM<sup>5</sup>



<b>Country code</b>	BE	<b>GDP (PPP)</b>	115.1
<b>Area (sq. km)</b>	30,828	<b>Unemployment</b>	7.9%
<b>Population</b>	10,750,000	<b>HDI</b>	0.953
<b>Population density</b>	352.1	<b>Urban population</b>	97.3%
<b>Construction sector/GDP</b>	5.30%		
Form of government: Federal Constitutional Monarchy. Parliamentary democracy. Decentralised.			

### 1. Rehabilitation: general overview

The Belgian housing authorities agree with all aspects of the definition proposed for housing rehabilitation, building rehabilitation and urban area rehabilitation, except for item “Installation of centralized air-conditioning and hot water networks fed with renewable energy” in the Urban Areas section.

All three levels of government have competencies over rehabilitation: The Central Government, regional governments and local governments.

There are only Regional regulations in place that govern the scope and concept of rehabilitation. Nonetheless, there are official guidelines that state that rehabilitation is to have an “all-inclusive character.”

- Neighbourhood Contract – regional decree of 7 October 1993 (published 3. February 1994)
- Regional Planning Regulation (RRU) – regional decree of 21 November 2006.
- Regional Land Use Plan (PRAS) – regional decree of 3 May 2009

Regulations on housing stock rehabilitation are addressed to dwellings, buildings and urban areas. The contents of these regulations can be found on:

- [www.rru.irisnet.be](http://www.rru.irisnet.be)
- [www.monument.irisnet.be](http://www.monument.irisnet.be)
- [www.quartiers.irisnet.be](http://www.quartiers.irisnet.be)
- [www.slr.irisnet.be](http://www.slr.irisnet.be)
- [www.codedulogement.be](http://www.codedulogement.be)
- [www.cil-wic.be](http://www.cil-wic.be)

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<sup>5</sup> The answers provided correspond to the region of Brussels (except a note on the actions undertaken by the government of the Wallonia for rehabilitation Wallonia, see below).

Aspects covered by rehabilitation include:

- Town-planning aspects:
  - Regulation on planning permits (Brussels Town Planning Code, A.M du 09.04.2004 [COBAT]) (Department of Town Planning)
  - Planning policy documents: “Regional Land Use Plan (PRAS)”, “Areas of Cultural, Historical, Aesthetic or Embellishment Interest” (ZICHEE)” and “Special Land Use Plan (PPAS)” [Department of Planning Studies].
  - Planning regulations: “Regional Planning Regulation (RRU)” and “Municipal Regulations for Urban Planning (RCU)”.
- Architectural aspects
  - Regulation on permits for planning (Cobat) [Department of Town Planning and Department of Monuments and Historical Sites]: size, alignment, height-depth, appropriate fitting out of sites and buildings, architectural quality, respect for the country’s heritage, integration of a site into its environment.
- Financial aspects
  - The Region subsidises a certain percentage of private and public initiatives depending on their perimeter, income levels and types of works planned, both for housing and heritage interventions.
- Tax-related aspects
  - Exemption from payment of property tax for listed buildings.
- Energy-related aspects
  - Implementation of energy efficiency schemes and energy audits in buildings.
- Adaptation to the needs of disabled persons/accessibility.

## 2. Fulfilment of Housing Needs

Estimation of the number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Housing units			1770 (1) 568 (2)

(1) Subsidies for rehabilitation (Department for Territorial Planning and Housing, [AATL]): Subsidies for façade rehabilitation (2008)

(2) Refurbishment of the public housing stock (2008)

Rehabilitation of buildings and housing units in Belgium, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces. In what follows we list some of the interventions undertaken by virtue of the "Neighbourhood Contracts" in the Brussels-Capital region.

- *Section 1: construction of modest housing (on a par with social housing)*. This includes construction or reconstruction of housing units by the Local Government or the CPAS (Public Welfare Centre) on premises they currently own or they will own (through potential expropriations). Housing units thus created will be regarded as public ownership. The purpose is to increase the rental stock available to households who require better living conditions but whose income is insufficient to

secure a decent dwelling on the free housing market. Priority is given to households affected by refurbishing operations (*tiroir* operations).

- *Section 2: construction of conventional housing (medium-range dwellings)*. Either the local government or the CPAS (Public Welfare Centre) acquire (normally through expropriation) a building or a plot of land in order to prepare it to be transferred to some public or private investor at a price that may be under its market price. In turn, the investor is given three years to build conventional housing units that must within the reach of households whose income cannot exceed a certain amount. The purpose of these schemes is to lighten the burden households have to face to find appropriate housing, to foster private investment in certain neighbourhoods and promote the blending of different social groups in the area.
- *Section 3: collaboration between the public and the private sectors*. Either the local government or the CPAS (Public Welfare Centre) rent up to 75% of a building constructed by a private investor, with the lease staying mandatorily under 40 years. Such dwellings are then let out under the same conditions as social housing. Dwellings that stay in the investor's hands are not subject to any condition. The goal is to promote private investment in disadvantaged neighbourhoods, guaranteeing the investor a minimum profit.
- *Section 4: transactions linked to the creation or rehabilitation of public spaces*. Repair of construction of sidewalks, redevelopment of squares, roundabouts, enhancement of accessibility to schools and dwellings, improvement of street lighting, etc.
- *Section 5: socio-economic revitalization of neighbourhoods*. This involves in the first place creation or consolidation of infrastructures and equipment to be made available to the inhabitants of a neighbourhood in order to improve collective life: multi-purpose hall that can serve the purpose of a meeting point, a function room, a sports area or a playground for children and adolescents. In addition, activities are contemplated that may contribute to the social and economic enhancement of the neighbourhood through support of social initiatives. A wide range of projects is possible here that goes far beyond the physical improvement of the neighbourhood, such as vocational training, development of inter-generational cohesion, health-promotion initiatives related to the quality of the milieu, etc.

Owners/investors are not allowed to transfer rehabilitation costs to tenants.

### 3. Job Creation

Belgium considers that rehabilitation can contribute to the maintenance and/or generation of employment.

Specific experiences related to the rehabilitation of the housing stock and the creation and/or maintenance of employment that may be considered best practices:

Different projects are under way aimed at promoting socio-professional integration in the housing rehabilitation sector, in the framework of the "Neighbourhood Contracts".

Project X is a pilot project that has been under way since 2004 as part of the activities undertaken by the "Régie de Quartier" of the city of Brussels and the CPAS. The purpose is to conduct rehabilitation works to make privately occupied dwellings in those neighbourhoods comply with the relevant health and safety standards. The idea is for the public sector to take on the management of such housing units so that whenever possible dwellers can stay in their homes under the same financial conditions. The works were carried out by CPAS members.

#### 4. Financing and Concert between Government and the Private Sector

Tax benefits are in place in Belgium for housing rehabilitation at state (reduced VAT rate at 6%) and regional levels.

In addition, non-refundable loans are available, albeit only at a regional level (SDRB, SLRB, Aid for dwelling rehabilitation and façade refurbishing), as well as subsidies and other loans (SLRB).

As regards building rehabilitation, there are:

- tax benefits at state (reduced VAT rate at 6%).
- non-refundable loans (SDRB, SLRB, aid for dwelling rehabilitation and façade refurbishing, aid for restoring heritage elements on buildings' façades), low-interest loans (mortgage loans from the Housing Fund), as well as subsidies and other loans (SLRB), all of this only at a regional level.

Public subsidies are in place to promote housing and/or building rehabilitation:

- to adapt housing to the needs of disabled persons: regional subsidies to adapt dwellings to the needs of disabled persons.

Summary of public subsidies and tax benefits offered by each level of government:

- Central government: 6% VAT if the building is older than a certain amount of years.
- Building rehabilitation subsidy: according to area, owners' income and of the type of rehabilitation work necessary, these subsidies range between 30% and 70% of the actual cost.
- Façade refurbishing subsidy: according to area, owner's income and the type of refurbishing work required, these subsidies range between 30% and 75% of the actual cost.
- Aid for restoring heritage elements on buildings' façades: available from 1st half 2010.

#### 5. Role of Architecture

The following are the institutions that deal with and regulate all matters related to architecture:

- Department for Territorial Planning and Housing (AATL)
- Council Town-planning Services / Bouwmeester / "Master builder"
- Private: architects, engineering/technical unit, schools.

Accountable to the Ministry of the Brussels-Capital Region.

Provisions are in place that regulate the quality of architecture. These are applicable to the following aspects: dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

Belgians tend to associate architecture mainly with social representation and town-planning/public spaces/the city.

Belgium attaches great significance to the architectural quality of communal and public spaces.

In Belgium, high-quality architecture can help generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; create an identity for a certain urban environment instilling into its inhabitants a sense of belonging and an urge to improve the condition of communal or public spaces; and create jobs and foster employment.

It is considered profitable to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new urban developments, the rural milieu.

Architectural quality is promoted through the construction/rehabilitation action undertaken by government through the "Bouwmeester".

Specific experiences, examples of the development of policies to promote architecture: "Bouwmeester" (Master builder).

## **ADDENDUM TO THE INFORMATION ON THE DIFFERENT MEASURES TAKEN BY THE GOVERNMENT OF BRUSSELS IN THE FIELD OF REHABILITATION.**

### Introduction

In 2003 the Brussels-Capital Region adopted a Housing Code, which introduced a specifically regional approach in terms of rehabilitation and/or hygiene criteria.

### Relevant facts:

- Enforcement of the right to adequate housing derived from Art. 23 of the Belgian Constitution.
- Consideration of a dwelling as a person's residence and as the place for their self-fulfilment.
- Application of social cohesion policies that may have implications for rehabilitation and participation.
- Application of rules related to hygiene, security and equipment. These rules set new standards in terms of minimum dwelling size.
- The roles of the different players involved with housing policy.
- Creation of a Housing Inspection Department within the Ministry of the Brussels-Capital Region.
- Introduction of a legal framework making it possible for local governments and other public agencies to take the place of private landlords who fail to comply with their obligation to maintain their property and ensure it is in good state of repair. After carrying out the necessary refurbishment works, the authorities are required to place the property back on the rental market.

It must be mentioned that the rehabilitation measures included in the Housing Code are in line with the global policy of the Brussels-Capital Region, as set out in the Regional Development Plan (two consecutive Plans and a Regional Sustainable Development Plan that is currently in the pipeline).

The Regional Housing Plans establish general goals for the different players, especially as far as rehabilitation is concerned. Previous Regional Housing Plans set a target amount of dwellings to be rehabilitated and of vacant housing units (either abandoned or put to other uses) to be placed back on the rental market.

In a nutshell, apart from the Housing Code and the Regional Housing Plan, these are other important texts that constitute the very core of the rehabilitation policy of the Brussels-Capital Region.

Mention should be made of:

- An Ordinance of 18 July 2002 on the Right of First Refusal
- An Order of the Government of the Brussels-Capital Region of 21 November 2006 on the Regional Urban Planning Regulation, applicable to the whole territory of the Brussels-Capital Region.

Note: Citizen information services are available which are tasked with making public all governmental measures. One of these is the *Centre d'Information sur le Logement* (Housing Information Centre).

Collaboration of the Regional Government with other administrations with respect to the funding of rehabilitation policy

Although financing of the Rehabilitation Policy falls within the remit of the Regional Government, new shared funding schemes have emerged in the last few years.

Main facts:

Cooperation with regional services:

- Investments linked to the stabilisation of social housing estates connected to an employment policy, through the assignment of "Subsidised Contract Workers."
- Cooperation with federal services:
- Being the capital city of the country, the Brussels-Capital Region receives specific income flows from the Federal Government. These funds are governed by a cooperation agreement by the name of "Beliris Agreement." According to this, the Region is entitled to annual subsidies for, among others, upgrading the environment around social housing and promoting their integration into the urban fabric.

Recent measures

The new regional government, which took office in July 2009), introduced new measures within the framework of the Housing Code, especially in the field of rehabilitation.

Key facts:

- Emphasis on the rehabilitation of the social housing stock, with the Regional Government covering at least 50% of the cost involved.
- Development of a policy geared to the construction of social housing as well as to the construction of dwellings for middle-income families. Encouragement of public-private partnerships (Housing Plan).
- Development of measures aimed at enhancing energy performance in the housing stock:
  - Recent decision of the Regional Government that new constructions must comply with "passive" standards;
  - Recent decision of the Regional Government to rehabilitate public housing in accordance with the "low energy" standard;
  - Decision of the Regional Government to promote construction of "exemplary buildings" and sustainable neighbourhoods" with respect to public, private and commercial property. The idea is to encourage construction or rehabilitation work that is aimed at enhancing energy performance and reducing CO2 emissions. For some building projects in Brussels the aim is to draw as close as possible to a "zero energy" construction objective;
  - Implementation of a scheme to analyse the energy performance of the Brussels' social housing stock in order to reduce the energy bill paid by social tenants;
  - Improvement of the regional energy subsidy schemes.
- Development of tax incentives related to the government's social and environmental objectives (see Regional Policy Declaration).
- Introduction of measures aimed at turning abandoned property into social housing
- Speeding up of procedures conducive to expropriation of vacant or unfit residential or commercial property.

- Intensification of the fight against degradation in urban areas through rehabilitation (“Neighbourhood Contracts”).
- Support of certain initiatives intended to promote tenancy at sufferance in certain vacant buildings (under certain basic safety and hygiene conditions).
- Promotion of rehabilitation works in the old urban centres of the Region within the framework of a sustainable development policy.
- Development of an “Employment-Environment Alliance” aimed at coupling employment and the environment in construction and rehabilitation initiatives. These measures are especially relevant to:
  - Training for the so-called “green” jobs
  - Investors
  - Rehabilitation of public housing
  - Certification
  - Specifications

## NOTE ON THE ACTIONS OF THE GOVERNMENT OF THE WALLOON REGION FOR REHABILITATION

### Housing Rehabilitation in the Walloon Region: general overview

In 1998, the Walloon Region adopted a **Housing Code**. This Code aims at implementing Article 23 of the Belgian Constitution which recognizes since 1994 the right to decent housing. The Code has various objectives :

- implementing the right to a decent housing as a place for living, emancipation, and personal development for the individual and the family,
- supporting social cohesion through incentives for the renovation of the housing stock and diversification and expansion of the housing supply in the dwelling centers;
- promoting a local approach to housing policy;
- ensure the salubrity of dwellings;
- make housing units available in priority to households with a modest income and in a precarious situation.

The main matters dealt with in the Housing Code are :

- Establishment of minimum salubrity criteria
  - All dwellings on the territory of the Walloon Region must meet minimum salubrity standards. Moreover, rental of small dwellings requires the landlord to obtain a rental permit.
- Definition of allowances to individuals
  - purchase grants for persons who acquire a dwelling in the public sector;
  - building grants for first dwelling;
  - dwelling adaptation grants for disabled persons;
  - **rehabilitation** grants for owners or tenants ;
  - demolition grants for insalubrious housing;
  - relocation and rental grants for persons who leave an insalubrious or inadapted dwelling



- Definition and organization of the missions of the various actors of the regional housing policy
  - **Housing Administration.** Its mission consists essentially in managing grants to individuals (a.o. for rehabilitation) and subsidies to legal bodies. It is also in charge of monitoring the suitability of dwellings and the LOCAL approach to the housing policy.
  - **The Walloon Housing Corporation** (Société wallonne du Logement) and the public housing corporations. Their mission consists in building and managing social housing units as well as granting to certain population groups (as identified according to their income) « social » mortgage loans for the purchase, building or rehabilitation of a dwelling.
  - **The Walloon Social Credit Corporation** (Société Wallonne de Crédit Social). Their mission consists in granting « social » mortgage loans for the purchase, building or rehabilitation of a dwelling.
  - **The Family Housing Fund of Wallonia** (Fonds du Logement des familles nombreuses de Wallonie). The mission of this fund is to grant mortgage loans at social rates to large families with modest incomes for the purchase, building or rehabilitation of a dwelling and to build dwellings for large families with modest incomes.
  - The local authorities (municipalities)
  - **The organizations with a social purpose** : social real estate agencies, social neighbourhood organizations, associations for the promotion of housing...

And other matters : establishment of a procedure for the requisition of unoccupied buildings; implementation of a local approach to housing policy (see hereafter); creation of an Advisory Council on housing policy (High Council on Housing)...

### Instruments ensuring the right to suitable housing

Several instruments ensure in the Walloon Region the right to suitable housing :

- Rehabilitation of the social housing stock
  - For several years, the Walloon Region has been prioritizing the rehabilitation and renovation of the existing social housing stock. The Regional Government sets the amount for investments that the Region commits itself to finance in order to achieve the various objectives of its social housing policy as well as the budget allocation for new buildings and renovation.
- Establishment of suitability criteria :
  - The Walloon Government has established minimum suitability criteria that dwellings in the Walloon Region must meet. The housing administration visits dwellings in order to monitor compliance with these criteria. The number of requests for inspections varies between 1.200 and 1.500 per year.
- Rental permit
  - Collective housing estates and small individual dwellings (less than 28 sq. m. of dwelling surface) are submitted to dwelling permits. These dwellings must meet minimum criteria to be put up for rent : salubrity, dwelling surface, number of rooms, inviolability and respect for privacy. The owner must apply for the permit. About 1000 permits are issued every year.
- Housing rehabilitation allowance
  - Every person that undertakes works to improve his/her dwelling (eliminate an unsuitability factor) may benefit from a rehabilitation grant. This allowance is granted to lessees and owners.

Estimation of the number of housing units that have undergone rehabilitation with government assistance in the Walloon Region:

Year	2005	2006	2007	2008	2009
Housing units	17315	18632	16662	15718	15024

Grants are increased if the renovated housing is located in specific area's:

- ZIP (zones d'initiative privilégiée) – area's of privileged initiative ;
- perimeters of urban renovation;
- Protected areas as far as town planning is concerned ;
- RGBSR (General regulation on buildings in rural area's) ;
- Protected areas.

Since 2008, some rehabilitation works are only taken in consideration if these works are associated with efficient insulation of the housing (roof, walls, windows...).

Regulations on grants concerning rehabilitation are:

- Decree of the Walloon Government of January 21st, 1999 establishing a grant for rehabilitation of improvable housing
- Ministerial Decree of February 22nd, 1999, establishing technical conditions concerning housings receiving a grant for rehabilitation in the framework of the Walloon Government of January 21st, 1999 establishing a grant for rehabilitation of improvable housing.

The contents of these regulations (including the Housing Code) can be found on:

- [www.wallex.wallonie.be](http://www.wallex.wallonie.be)
- <http://mrw.wallonie.be/dgatlp/DGATLP/Pages/DGATLP/>

As in the Brussels Region, aspects covered by rehabilitation include town-planning aspects and Regulation on planning permits (Walloon Town Planning Code [CWATUPE] <sup>6</sup>, which includes size, alignment, height-depth, appropriate fitting out of sites and buildings, architectural quality, respect for the country's heritage, integration of a site into its environment and – most but not least, regulations on energy performance and energy certification of the buildings). The Departments of Town Planning and Energy and Sustainable Buildings are in charge of those aspects.

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<sup>6</sup> See : <http://wallex.wallonie.be/index.php?doc=1423>

### 3 BULGARIA



<b>Country code</b>	BG	<b>GDP (PPP)</b>	41.3
<b>Area (sq. km)</b>	110,970	<b>Unemployment</b>	6.7%
<b>Population</b>	7,606,551	<b>HDI</b>	0.840
<b>Population density</b>	68.5	<b>Urban population</b>	70.2%
<b>Construction sector/GDP</b>	8.60%		
Form of government: Republic. Centralised.			

#### 1. Rehabilitation: general overview

The Bulgarian housing authorities agree with all aspects of the definition proposed for housing rehabilitation, building rehabilitation and urban area rehabilitation.

Both the central government and the local government possess competencies over rehabilitation.

Regulations are in place that govern the scope and concept of rehabilitation.

In Bulgaria there are several statutory provisions that state that rehabilitation is to have an "all inclusive character." The specific requirements for rehabilitation of residential buildings are as follows:

- Structural robustness, including building earthquake resistance (in accordance with relevant regulations).
- Removal of any leaks in the ceiling, internal or external cracks, water supply, water treatment and electrical heating systems.
- Enhancement of energy efficiency through the reduction of heat loss through surrounding elements and structures (implementation of energy saving measures); supply of reliable and efficient heating systems through installation of new devices, equipment repair, provision of individual radiators and thermal energy consumption meters that allow individual temperature adjustment. External window frames will be replaced, which will lead to an improvement in soundproofing.

Practical application of renewable energy sources.

- Reliable and efficient operation of water supply systems (high quality drinking water, instant Access to hot water).
- Building fire safety (in accordance with relevant regulations)

Accessible urban milieu.

- Improvement of the internal and external aesthetic features of residential buildings so that they blend in with their surroundings.

Regulations for housing stock rehabilitation is focused on buildings

- National Programme for Renovation of Residential Buildings in the Republic of Bulgaria.
- Condominium Ownership Management Act
- Territory Planning Act.
- Local Taxes and Fees Act

Aspects covered by rehabilitation are as follows:

- Town planning aspects: access to the urban milieu.
- Architectural aspects: internal and external aesthetic features of residential buildings and their harmonization with their surroundings.
- Financial aspects: the State supports residential buildings owners included in the rehabilitation programme with direct subsidies of up to 20% of the total cost of rehabilitation and of the technical services (technical inspection, "Building Passport", repeatable design solutions and consultation services).
- Tax-related aspects: tax relief for residential building owners further to completion of building renovation works, in accordance with Article 24, section 1.18 and 1.19 of the Regulation on Local Taxes and Rates – Tax relief for real estate property over a certain period, depending on the type of Energy Performance Certificate obtained.
- Energy-related aspects: increase of the energy efficiency level by means of reduction of heat loss through surrounding elements and structures (implementation of energy saving measures); supply of reliable and efficient heating systems through installation of new devices, equipment repair, provision of individual radiators and thermal energy consumption meters that allow individual temperature adjustment.
- Adaptation to the needs of disabled persons/accessibility, in compliance with the Law for the Protection, Rehabilitation and Social Integration of Disabled Persons and Decree 6 of 26 November 2003 for the construction of an accessible urban milieu in urban territories.

There are no specific provisions in place for rehabilitation of historical town centres or rural areas.

## 2. Fulfilment of Housing Needs

Estimation of the number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
<b>Housing units</b>			580

Estimation of the number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
<b>Buildings</b>			28

Rehabilitation of buildings and housing units in Bulgaria, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces: municipalities are under an obligation to restructure residential areas and create regulated properties in the places where residential buildings set for rehabilitation are located.

Owners/investors cannot transfer investment costs to tenants.

## 3. Job Creation

Bulgaria considers that la rehabilitation can make a contribution to the maintenance and/or generation of employment.

In fact, the Bulgarian authorities have introduced fiscal and/or financial rehabilitation-related measures to promote economic activity and the maintenance and/or generation of employment. Nevertheless, they have not made an estimation of the number of direct jobs created by such measures.

Bulgaria considers that availability of specialized professionals and labour in the country is able to meet the needs of the rehabilitation sector.

Bulgaria's educational system and vocational training programmes offer tuition geared specifically to the rehabilitation at all levels (both university education and vocational training).

#### 4. Financing and Concert between Government and the Private Sector

Bulgaria is using ERDF funds to subsidise housing-related expenditure: the government-approved Regional Development Programme establishes the following activities to support housing policy:

- Renovation of common areas of multi-family residential buildings: repair of structural elements (ceiling, façade, external window frames, stairwells, external and internal corridors, entrance doors, lifts, vertical technical installations).
- Provide modern social housing targeted to vulnerable social groups (minorities, socially disadvantaged population) and other groups in a similar situation through the refurbishment of buildings and by changing the designation of existing buildings owned by public authorities and non-profit-making organizations.
- Audits of energy consumption and introduction of the energy-efficiency measures mentioned above into all the residential building projects (e.g., thermal insulation, window-frame replacement, local installations, connexion with heating and gas supply systems and use of alternative energy sources).

Potential beneficiaries are: public authorities or non-profit making organizations and associations of owners of multi-family residential buildings.

Potential candidates must be based in one of the 86 municipalities specified.

Bulgaria intends to take advantage of the possibilities made available by CE Regulation 1080/2006 to use ERDF funds to finance energy efficiency improvement and the introduction of renewable energies in existing housing units.

In Bulgaria, tax benefits for housing rehabilitation are only available at the state level.

In addition, low-interest loans are available for housing rehabilitation (only at state level).

Tax benefits are in place (only at a regional level) for building rehabilitation.

In addition, non-refundable loans and low-interest loans are in place (only at the state level) to assist inhabitants with building rehabilitation.

There are no public subsidies for housing and/or building rehabilitation:

- To adapt them to the needs of elderly and/or disabled persons.
- To adapt them for use by low-income families.

The Bulgarian Ministry of Regional Development and Public Works acts as a housing counselling institution that centralises the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies.

There are public institutions that centralise the processing of applications made by businesses and individuals aimed at obtaining housing rehabilitation subsidies: applications for residential buildings rehabilitation projects are submitted through municipalities to the Ministry of Regional Development and Public Works.

Summary of the public subsidies and tax benefits offered by the different levels of government: refer to the mechanisms described above in the section dealing with financial and tax-related aspects.

Interaction between the different levels of government to promote housing and/or building rehabilitation.

- The state drafts the relevant regulations, promotes the necessary legal framework and the financial, economic and institutional measures, coordinates the activities of the different stakeholders and supplies methodological assistance to all participants in the residential building renewal process.
- The local governments:
  - develop, approve and implement their own policies to address housing issues (in accordance with the policies promoted by the state).
  - develop and implement investment programmes geared to residential building rehabilitation.
  - participate in the restructuring of residential areas and in the creation of regulated property in the areas where buildings set to be rehabilitated are located.
  - collaborate in the creation of different public-private partnerships.
  - organise educational and informative activities targeted to residential owners.

## 5. Role of Architecture

Different organizations exist that deal with (and/or regulate) matters related to architecture:

The State, through the Ministry of Regional Development and Public Works, lays down the basic requirements in terms of territorial planning and regional policy.

Such organisations as the Architects' Union, the Architectural Chamber and the Engineers' Chamber play a fundamental role.

The National Council of Experts for Territorial Planning and Regional Policy was formed by the Ministry of Regional Development and Public Works.

There is a specific architectural policy, which falls within the responsibility of the local governments.

The main features of Bulgaria's architectural policy include:

- Establishment of the basic quality requirements for the architectural environment through laws and regulations.
- Assessment of the appropriateness of investment projects.
- Restrictive measures aimed at environmental preservation.
- Several public debates.

Organisations responsible for establishing architectural policy: Council of Experts of the Ministry of Regional Development and Public Works.

Standards are in place that regulate architectural quality. There are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

Bulgarians tend to associate architecture mainly with culture, the environment/landscape, energy/sustainable development, innovation/technology, social representation, industry and town-planning/public spaces/the city.

In Bulgaria, it is considered that architecture exerts an influence on the preservation/upgrading of the urban milieu, where the latter is regarded as landscape. Restrictive measures have been introduced for the preservation of public green spaces. Periodic ecological assessments are carried out for territorial plans and for construction in order to evaluate the effects buildings have on the environment.

In Bulgaria, the architectural characteristics of the existing elements in buildings, neighbourhoods and urban areas are taken into account.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings, neighbourhoods, and urban areas.

Bulgaria attaches great significance to the architectural quality of communal and public spaces.

In Bulgaria, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; create an identity for a certain urban environment instilling into its inhabitants a sense of belonging and an urge to improve the condition of communal or public spaces; create/foster employment and reduce greenhouse gas emissions and energy consumption.

Bulgaria considers it profitable to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rural milieu and rural areas.

Architecture is considered to be about unique works related to the construction of dwellings/buildings and about all types of construction in general.

Architectural quality is promoted in all the construction/rehabilitation projects undertaken by: the government, private initiative (sector organisations), and regional and local administrations.

Specific mechanisms for the promotion of architectural quality:

- Conclusions of the Council of Experts
- Public competitions
- Public debates

In Bulgaria, citizen participation mechanisms are in place to shape architectural policy:

Participation of civil society organisation representatives in the Council of Experts

Public debates on territorial plans and architectural projects.

Bulgaria would welcome the introduction of EU guidelines setting out EU architectural policy.



## 4 CYPRUS

<b>Country code</b>	CY	<b>GDP (PPP)</b>	95.8
<b>Area (sq. km)</b>	9,251	<b>Unemployment</b>	5.3%
<b>Population</b>	796,875	<b>HDI</b>	0.914
<b>Population density</b>	86.1	<b>Urban population</b>	69.3%
<b>Construction sector/GDP</b>	9.20%		
Form of government: Republic. Presidential Democracy. Centralised.			

### 1. Rehabilitation: general overview

Cyprus housing authorities agree with all aspects of the definition proposed for rehabilitation, except for the items installation of centralized air-conditioning and hot water networks fed with renewable energy and establishment of centralised hot water networks fed with renewable energies.

Both the central government and local administrations possess competencies over rehabilitation.

There are no standards in place that regulate the scope or the concept of rehabilitation: although some regulations exist that define what the minimum acceptable living standards are, there are no clearly defined provisions specific to housing and building rehabilitation. There are nevertheless specific plans for some well-defined areas (the Nicosia city centre, governmental agreements for refugees) that promote rehabilitation. However, these are specific regulations that cannot be generalized to other areas.

There are no regulations that state that rehabilitation must have an “all-inclusive character”: in the specific plans referred to above, which take into account economic and social considerations, the rehabilitation aspect is regarded as a tool to promote specific goals such as getting the population to remain in a certain area and as an incentive to achieve those goals.

The “all-inclusive” nature of rehabilitation can be of assistance in securing European funds or national public subsidies: as stated above, rehabilitation is considered to be a tool to achieve the specific goals defined in each plan as well as part and parcel of each one of the different plans. However, there is no specific regulation that says that rehabilitation is compulsory or that it must be “all inclusive,” which means that there is no integration requirement with respect to European funding.

Regulations for the rehabilitation of the housing stock are targeted at dwellings. The different provisions mentioned above can be found in the following internet sites:

- <http://www.moi.gov.cy/moi/tph>
- <http://moi.gov.cy>
- <http://www.mcit.gov.cy>
- <http://www.nicosia.org.cy/>

The aspects encompassed by the rehabilitation regulations are as follows:

- Town planning aspects.
- Architectural aspects.
- Energy-related aspects: there are regulations/programmes in place whose purpose is to promote the enhancement of energy efficiency in buildings. These fall within the responsibility of the Ministry of Trade, Industry and Tourism.
- Adaptation to the needs of elderly and/or disabled persons/accessibility: there are regulations/programmes related to the upgrade of buildings so that elderly and/or



disabled persons can remain with their families rather than be accommodated in an old people's home. These programmes are managed by the Ministry of the Interior.

There are specific provisions for the rehabilitation of historical town centres: in the case of Nicosia, within the framework of the Nicosia Master Plan, financial relief programmes have been designed for families and businesses in historic town centres to help them refurbish their homes or offices, thereby encouraging them to remain in those areas.

Specific regulations are in place for the rehabilitation of rural areas: the main regulations relevant to the development of rural areas are contained in a set of policy declarations, which are currently under review. As regards rehabilitation in rural areas, the main goal is to preserve the rural nature of these places. Nonetheless, few instruments exist (financial or otherwise) to achieve this goal, exception made of incentives targeted at listed buildings.

Summary of the purpose of the rehabilitation regulations and the areas it covers: rehabilitation plays a secondary role in the existing development plans. Great emphasis is placed on new buildings and construction of homes for newly-formed couples and low-income families. Furthermore, the most important addresses of housing policy are refugees, who were forced to abandon their place of residence as a result of the Turkish invasion of 1974, and their descendants. In order to accommodate all these refugees, the government built a series of refugee settlements, which it still manages. These settlements are currently undergoing a process of renovation and rehabilitation.

## 2. Fulfilment of Housing Needs

Estimation of the number of housing units that have undergone rehabilitation with government assistance: these estimations refer to the number of housing units and residential buildings that the Government has rehabilitated as part of the Housing Rehabilitation Programme for Refugees.

Year	2000	2005	2008
Housing units		905	1,035

Estimation of the number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Buildings		815	752

Rehabilitation of buildings and housing units in Cyprus, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces: the general public are entitled to participate in the current debates leading to the drawing up of official development plans and many people are availing themselves of that possibility. In addition, members of the public can legally intervene in the process if their interests are interfered with.

Owners/investors are not allowed to transfer investment costs to tenants.

### 3. Job Creation

Cyprus considers that rehabilitation can make a contribution to the maintenance and/or generation of employment, even if the professional community believes that rehabilitation carried out to create jobs is not, generally speaking, a political goal.

Cyprus has not introduced fiscal and/or financial measures aimed at promoting rehabilitation with a view to supporting economic activity and the maintenance and/or generation of employment.

Cyprus considers that the availability of specialized professionals and labour in the country is sufficient to meet the needs of the rehabilitation sector: the construction industry in Cyprus is highly dynamic, being essentially focused on the construction of new dwellings and buildings. Changing the current orientation of housing policy (in terms of competencies) from construction to rehabilitation is considered feasible.

The Cypriot educational and vocational training systems offer specific tuition for the rehabilitation sector at all levels, except at intermediate-level university education: there are a series of higher education institutions that offer training in the field of rehabilitation.

### 4. Financing and Concert between Government and the Private Sector

Cyprus has not used ERDF funds to subsidise housing-related expenditures.

Cyprus does not intend to take advantage of the possibility made available by CE Regulation 1080/2006 to use ERDF funds to finance energy efficiency improvement and the introduction of renewable energies in existing housing units. However, the government is willing to consider such a possibility.

Role that must be assigned to housing-related expenditure in the distribution of structural funds devoted to financing regional policies of Member States from 2014: although the Cypriot government is willing to consider this issue in earnest, there are currently no specific plans in that regard. However, the Government intends to attach considerable importance to this issue once their effect on specific goals has been established.

In Cyprus, tax benefits for housing rehabilitation exist only at state level: the only fiscal incentives available are those related to listed buildings.

Furthermore, non-refundable loans for housing rehabilitation are only available at state level.

Tax benefits for building rehabilitation are only available at state level.

Furthermore, non-refundable loans for building rehabilitation exist only at state level.

Public subsidies are available to rehabilitate dwellings and/or buildings to adapt them to the needs of elderly persons: as mentioned above, a scheme is in place whose aim is to help families and elderly persons upgrade their homes and to make it possible for families to accommodate their elderly dependents.

Public subsidies are in place to rehabilitate dwellings and/or buildings to adapt them to the needs of disabled persons: the Ministry of the Interior manages a fund aimed at assisting households and disabled persons refurbish their homes and upgrade their quality of life. Cases are considered on a one-to-one basis. Applicants must comply with a series of specific criteria.

Cyprus does not make public subsidies for housing and/or building rehabilitation available to low-income families: the Ministry of the Interior manages a fund aimed at assisting low-income families and individuals upgrade and maintain their dwellings. Cases are considered on a one-to-one basis. Applicants must comply with a series of specific criteria.

There are no public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies: apart from the Ministry of the Interior, there is no other specific institution.

Cyprus has no public institutions that centralize the processing of applications made by businesses and individuals aimed at obtaining housing rehabilitation subsidies. However, an attempt is made to centralize the administration of all housing-related programmes (not just rehabilitation). It is managed by the Ministry of the Interior.

Interaction between the different levels of government to promote housing and/or building rehabilitation: as mentioned above, rehabilitation is not currently a priority in Cyprus. Nonetheless, attempts are made to centralise all housing-related efforts in the Ministry of Interior to guarantee optimal coordination.

## 5. Role of Architecture

Different organizations exist that deal with (and/or regulate) matters related to architecture: overall, the institution that regulates matters related to architecture is the Department of Town-planning and Housing, accountable to the Ministry of the Interior.

There is a specific architectural policy: in general, the various development plans include a section devoted to the architecture and the aesthetic quality of the construction environment. Moreover, there are additional monitoring mechanisms for special areas and listed buildings.

Main characteristics of the architectural policy: architectural policy mainly covers monitoring of the aesthetic aspects of a building. However, in the case of listed buildings the purpose is to preserve the architectural and historical value of a building. In especially significant areas, the purpose is to preserve the nature of the existing environment.

Agencies in charge of drafting architectural policy: as mentioned above architectural policy is formulated as part of development plans which are in turn managed by the central government.

There are regulations in place designed to monitor architectural quality. These cover all aspects to do with dwellings and their fitness for use as well as the urban layout. However, each development plan includes principles for which the specific proposals are individually considered.

Cypriots tend to associate architecture mainly with culture, the environment/landscape, energy/sustainable development and town-planning/public spaces/the city.

Relationship between rehabilitation and the environment/landscape: in the context of local schemes and the policy declaration and in the development control process, much attention is paid to quality of the environment/landscape in cases where it can be affected by the development proposed. Moreover, depending on the specific characteristics of the proposed development, this could be a requirement for high-quality landscape architecture.

Architecture is believed to influence the preservation/upgrading of the urban milieu, the latter being regarded as landscape. Architecture in the broadest sense of the Word exerts a considerable effect on the urban landscape and can therefore be used as a tool to preserve or even improve its quality.

Cyprus takes into account the architectural characteristics of existing buildings and listed sites.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings, neighbourhoods, and listed sites: this is particularly relevant for listed buildings but also for special areas. In these cases, an attempt is made to enhance architectural characteristics during the process of development control.

Cyprus attaches great significance to the architectural quality of communal and public spaces: in the rehabilitated areas and streets, existing architectural qualities are taken into account and enhanced wherever possible.

In Cyprus, high-quality architecture can help generate and preserve resources, generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics, generate/create an identity for a certain urban environment instilling into its inhabitants a sense of belonging and an urge to improve the condition of communal or public spaces, create/foster employment and reduce greenhouse gas emissions and energy consumption. There is consensus that high-quality architecture can exert a positive impact on different factors, but this needs to be set against the costs that are usually associated with the above mentioned priorities.

Cyprus considers it profitable to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban milieu and the rural environment. Investment material resources and human effort to upgrade architectural quality can have several potentially positive effects. Nonetheless, this needs to be carefully considered so that the level of resources allocated is proportional to the benefits obtained.

It is generally considered that architecture also includes works related to the construction of cities and dwellings.

Architectural quality is promoted in the construction/rehabilitation action undertaken by: government, mixed organizations devoted to urban management and housing policy and private initiative.

Specific mechanisms used to promote architectural quality: in general, the development control process governs architectural quality throughout a certain development. Moreover, architectural competitions are used by the public and private sectors to guarantee the highest possible standards of architectural quality achievable within a certain budget and a limited period of time.

Cyprus has established citizen participation mechanisms to suggest potential architectural policies. During the development plan consultation process, the general public has a right to make comments on or raise objections to any of the architectural policies proposed. The drafting of development plans for different areas makes it possible for the public to participate and make comments on and raise objections to the different architectural policies proposed for the different areas.

Cyprus would consider the introduction of EU guidelines setting out EU architectural policy useful. However, these guidelines must be flexible enough to be applied to all member countries; they must also take into account the economic and environmental specificities not only of the different member states but also of the different areas within one member state.

## 5 CZECH REPUBLIC



Country code	CZ	GDP (PPP)	80.3
Area (sq. km)	78,866	Unemployment	6.8%
Population	10,467,542	HDI	0.903
Population density	132.7	Urban population	73.5%
Construction sector/GDP	6.60%		
Form of government: Republic. Parliamentary democracy. Centralised.			

### 1. Rehabilitation: general overview.

The concept *housing rehabilitation* of the Czech Republic is in line with all the different components of the definition proposed: fitness for use, energy efficiency, environmental protection, use of renewable energies and physical dwelling accessibility.

There is also full agreement with the definition proposed in the case of the *building rehabilitation* concept: upgrading of the buildings' structural conditions, enhancement of energy efficiency, upgrading of environmental protection, improved use of renewable energies, safety assurance and weathertightness and enhancement of architectural aspects.

As regards rehabilitation in urban areas, the concept of rehabilitation of Czech Republic is almost fully in line with the different components of the definition proposed (rehabilitation of buildings and dwellings, planning, redevelopment and universal accessibility, establishment of centralized hot water systems fed by renewable energies, area planning or redevelopment, creation of facilities and equipment and improvement of accessibility to public spaces). The disagreement refers to the items installation of a *centralized air-conditioning network fed by renewable energies* and *building demolition and replacement*.

As regards the *installation of a centralized air-conditioning network fed by renewable energies* concept, most residential buildings located in urban areas in the Czech Republic are connected to a centralized hot water source, with the installation of centralized air-conditioning networks not being standard in residential buildings.

As far as the *demolition and replacement of buildings* concept is concerned, these measures are taken only in exceptional cases, as they are not necessary most of the time.

Competences over rehabilitation correspond to the Central Government, the regional governments and the local governments.

The Central Administration deals with legislation, programmes and measures, the regional administrations manage the regional operational programmes and local governments are in charge of implementing the specific projects.

The purpose of regulations on rehabilitation are the dwellings, buildings and urban areas. Moreover, these regulations stipulate that rehabilitation must have an "all-inclusive" character.

The following programmes are an example of the Czech concept of “all-inclusive” rehabilitation:

- New Panel Scheme: This programme is intended to fund repairs and refurbishing work in apartment buildings and is financed by the State Fund for Housing Development.
- The purpose of this programme is rehabilitation of whole buildings, not only in order to address any structural flaws but also to conduct extensive refurbishing works so that its service life can be extended and its fitness for use enhanced.
- Integrated Operational Programme (2007-2013), administrated by the Ministry of Regional Development and Housing

Certain interventions have been scheduled in order to upgrade derelict housing units. These interventions are to include:

- Revitalization of public spaces
- Regeneration of apartment buildings
- Pilot projects aimed at resolving the problems of Roma communities at risk of social exclusion.
- In cities over 20,000 inhabitants, interventions under this scheme must be part of the Integrated Urban Development Plan.
- Green Savings Programme, administered by the State Environmental Fund.  
This programme is aimed at upgrading insulation in prefabricated dwellings and installing renewable energy-fed heating systems. This scheme is funded by the selling of carbon emission rights in accordance with the Kyoto Protocol.  
Information on this programme is available on:  
<http://www.zelenausporam.cz/sekce/582/about-the-green-savings-programme/>
- Regeneration of the prefabricated housing stock, administered by the Ministry of Regional Development.  
Gradual renovation of prefabricated dwellings, construction of technical and transport infrastructures, modification of public spaces, etc.
- Urban Conservation Area Regeneration Plan, administered by the Ministry of Culture
- Programme for the Protection of Urban and Landscape Conservation Areas, administered by the Ministry of Culture.
- Support to conversion of old military precincts into municipal facilities, administered by the Ministry of Regional Development  
The Annexes contain additional information on these programmes (in some cases the information dates back to 2008, but no significant changes have taken place since) and on:
- Support to the construction of social housing.

The main aspects covered by the rehabilitation regulations are as follows:

- Town planning aspects: the goal in supporting rehabilitation of prefabricated building settlements is revitalization of the public space in certain areas.
- Architectural aspects: every time a project participates or if the project affects a certain conservation area or a historical monument.
- Financial aspects: both private and public funds normally have a role to play in any rehabilitation project.
- Energy-related aspects: minimum standards must be applied in accordance with the Directive on Energy Performance of Buildings, the New Panel Scheme or the Green Savings Programme.
- Adaptation to the needs of elderly persons/accessibility: the “Communities without barriers” programme is intended to comply with the stipulations of the National Development Programme called “Mobility for all.” Subsidies are awarded to projects designed to remove physical barriers from buildings run by local governments and from old people’s homes (for persons who are at a disadvantage in terms of Access to housing).

- Adaptation to the needs of disabled persons/accessibility: there is a sub-programme that supports the construction of subsidized flats, which establishes the terms and conditions for the granting of state subsidies for building and refurbishing low-cost rental accommodation. These flats may be used – without further structural modifications – by disabled persons.

Historical town centres: The support programme for rural areas (the "Village of the Year" competition) is intended to support regeneration and development of rural areas. It contemplates the involvement of inhabitants of rural areas, citizen associations and trade unions in the regeneration of their villages, in accordance with local traditions (eg. Regeneration and maintenance of rural development, thorough modification of public spaces, regeneration or planting of new lawn and support of the involvement of children and youths and of the Roma population in the activities of the community.

The Programme for the Protection of Urban and Landscape Conservation Areas, introduced in 1997, grants subsidies to promote regeneration and conservation of cultural monuments, such as monuments that epitomize popular architecture (eg. estates, hermitages, shrines, roads, etc.) as well as the reconstruction and preservation of village churches, stately fortresses, dwellings located within conservation areas.

As a summary of the existing regulations in the Czech Republic, a governmental decision of 2001 introduced low-interest loans, which must be made available to cities and villages for repair and refurbishing work to be accomplished in the relevant dwellings. Local governments can grant loans for the same purpose to owners of existing housing units in their respective territories (taking into consideration the lack of funds in the current year, no new applications for loans intended for refurbishing have been approved).

## 2. Fulfilment of Housing Needs

Estimation of the number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Housing units	1,600	9,032	91,000

In the past, the Czech Energy Agency funded several housing reconstruction projects, which has given the country many insights into what procedures, techniques, methods and materials are required to make their buildings more energy-efficient.

Rehabilitation work can also benefit from public subsidies for interventions in planning, redevelopment or provision of equipment in public spaces.

In the Czech Republic, owners/los investors may partially transfer investment costs to tenants, if an agreement is reached between both parties.

### 3. Job Creation

According to the Czech Republic rehabilitation contributes to the maintenance and/or generation of employment.

Consequently, rehabilitation measures have been incorporated to economic stimulus schemes. The number of direct jobs generated as a result of the measures introduced was 20,000 in 2008 and 14,000 in 2009.

The availability of specialized professionals is sufficient to meet the current needs of the rehabilitation sector.

Both the Czech university and vocational training systems provide training that is specifically geared to the rehabilitation sector. This training is offered both in advanced and intermediate degree programmes.

Further information on specific experiences related with rehabilitation and the creation and/or maintenance of employment that can be considered best practices, please refer to the following link: <http://www.uur.cz/default.asp?ID=1939>

### 4. Financing and Concert between Government and the Private Sector

The Czech Republic has used ERDF funding to subsidise housing-related expenditure in order to:

- enhance the environment in problematic housing areas. Interventions carried out to foster housing policies within the framework of the Operational Programme. This programme must be part of the integrated urban development plan for certain private residential areas in large cities.

Integrated Urban Development Plan to undertake the following kinds of interventions:

- Revitalization of public spaces.
- Dwelling regeneration.
- Pilot projects were focused on Roma communities at a risk of social exclusion.
- The Integrated Urban Development Plan can be applied separately to other projects, which will be cofinanced by the Operational Programme. There are 41 integrated urban development plans in the Czech Republic.

These measures have made it possible to refurbish 20,000 flats.

The enhancement of energy efficiency and the promotion of the use of renewable energies in existing housing units has resulted in heat consumption savings of up to 20% in prefabricated buildings.

As regards application of the possibilities made available by modification of CE regulation 1080/2006, all the funds have already been assigned to the corresponding operational programmes. Modifications were not allowed during the programming period.

As regards subsidies for housing and building rehabilitation, tax benefits and guarantees are in place at the level of the Central Administration. Non-refundable loans, low-interest loans and subsidized loans are also available at the level of the Central and local administrations.

There also exist public subsidies targeted to housing and/or building rehabilitation so that these can be adapted to the needs of elderly and/or disabled persons. Public subsidies are also available for housing and/or building rehabilitation for low-income families.

The Czech Republic has specific information centres that provide housing counselling services and centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies.



## 5. Role of Architecture

In the Czech Republic, the Czech Chamber of Architecture is the institution that deals with all matters related to architecture. Its website is: [http://www.cka.cc/en/cca/basic\\_information/basic\\_informarion040718.html](http://www.cka.cc/en/cca/basic_information/basic_informarion040718.html)

The Czech architectural policy is in the process of being defined.

The Czech Republic has standards that regulate architectural quality as regards dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

Czechs associate architecture chiefly with culture, the environment/landscape, energy/sustainable development, innovation/ technology, industry and town-planning/ public spaces/ the city.

The Czechs take into account and promote architectural quality in existing buildings, neighborhoods, listed sites and urban areas.

In the Czech Republic, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption.

The Czech Republic finds it advantageous to invest material means and human effort in: upgrading the architectural quality of existing buildings/ rehabilitation, the consolidated city, new isolated buildings, new urban developments, the urban milieu, rural areas.

The concept of architecture is considered to include any type of construction.

Architectural quality is promoted in all construction/ rehabilitation work undertaken by government, urban and housing development agencies and private initiative.

The Czech Republic would consider the introduction of EU guidelines setting out EU architectural policy useful.

## 6 GERMANY



<b>Country code</b>	DE	<b>GDP (PPP)</b>	115.6
<b>Area (sq. km)</b>	357,093	<b>Unemployment</b>	7.5%
<b>Population</b>	82,002,356	<b>HDI</b>	0.947
<b>Population density</b>	229.6	<b>Urban population</b>	73.4%
<b>Construction sector/GDP</b>	4.3%		
Form of government: Federal republic. Representative Parliamentary Democracy. Decentralised.			

### 1. Rehabilitation: general overview

In Germany, agreement exists with all aspects of the definition of rehabilitation proposed, except for the items establishment of centralized air-conditioning networks fed by renewable energies and establishment of central hot water systems fed by renewable energies. Also, no agreement exists with the proposed global concept of urban area rehabilitation. Germany considers that the definitions proposed are not entirely relevant to them as a country.

All three levels of government possess competencies over rehabilitation:

- The Federal Government as regards the town-planning legislation and various support programmes.
- Federal state governments in terms of the building legislation and various support programmes.
- Local governments for town-planning maps, planning regulations and support programmes.

Provisions are in place that regulate the scope and the concept of rehabilitation:

- Article 136 of the German Federal Building Code, which defines urban rehabilitation measures.
- Article 559 of the German Civil Code: definition of rehabilitation of rental housing.
- Regulations are in place that require that rehabilitation have an “integrated” character:

To make it easier for cities to cope with their new tasks and challenges, the Federal Government supports the creation of sustainable urban structures with urban development promotion programmes. To this end, the Federal Government guarantees the federal states (*‘Laender’*) financial assistance by virtue of Article 104a paragraph 4 of the German Constitution. This assistance is supplemented by funds contributed by the federal states and the local authorities. The funds from the Federal Government are transferred to the federal states by virtue of an administrative agreement for urban development (promotion of urban development administrative agreement). The prerequisite to secure these funds is an integrated urban development approach.

In Germany, in order to be awarded some kind of European subsidy or to secure funds from a national scheme, rehabilitation projects must in some cases have an “integrated” character, depending on the specific urban reconstruction programme. The main

requirement is that the project must have a comprehensive view of urban development regarding the social, economic and environmental dimensions.

Regulations for rehabilitation of the housing stock are targeted to dwellings, buildings and urban areas:

- Federal Building Code (e.g. planning law and urban rehabilitation regulations) <http://www.gesetze-im-internet.de/bundesrecht/bbaug/gesamt.pdf>
- Building regulations of the federal states (safety requirements of buildings)
- Energy Conservation Act
- <http://www.bmvbs.de/-,302.7567/Energieeinsparverordnung-EnEV.htm>
- Civil Code: <http://www.gesetze-im-internet.de/bundesrecht/bgb/gesamt.pdf>
- Income Tax Law <http://www.gesetze-im-internet.de/estg/index.html>
- German Constitution <http://www.gesetze-im-internet.de/bundesrecht/gg/gesamt.pdf>

Aspects covered by rehabilitation include:

- Town planning aspects
  - Federal Building Code: regulations related to the planning of urban land use and urban development measures.
  - Article 104 b of the German Constitution forms the basis for wide-ranging urban development promotion programmes (regulations for cooperation between the Federal Government and the federal states on promotion of urban renewal).
  - Extended depreciation is available for buildings in revitalization areas and urban development areas, as well as for historical buildings with cultural significance.
- Architectural aspects
  - Building regulations of the different federal states (e.g. safety aspects)
  - Municipal building regulations relative to building design (e.g. height, number of storeys)
- Financial aspects
  - Promotion based on income tax
    - ✓ Extended depreciation for (rental) buildings located in revitalization areas and in urban development areas, and for (rental) historical buildings with cultural significance
    - ✓ Deductible amount for owners residing in historical buildings and in buildings located in revitalization areas and in urban development areas.
    - ✓ Tax relief for private households who use the services of tradesmen. The maximum deduction for services of tradesmen used by private households is 1,200 euro.
    - ✓ Taxes are ploughed back into the energy rehabilitation of buildings.

Civil Code: according to section 559 of the German Civil Code the landlord can allocate up to 11% of the investment costs to the yearly rent if the investment improves the living conditions in the long run or results in a sustainable reduction of energy or water. If the investment is subsidized, the 11% have to be reduced accordingly.

Other regulations also have financial effects. For example, the Energy Conservation Act increases investment costs but, at the same time, results in a reduced energy expenditure.

Attainment of the goals mentioned above is promoted by various support programmes, such as the CO2 Building Rehabilitation Programme, the renewable energy incentive programme, the Urban Development Promotion Programme and a series of social housing programmes.

- Tax-related aspects: tax deductions and other tax-related benefits also have fiscal implications.
- Energy-related aspects
  - The Energy Conservation Act establishes a series of energy consumption levels that must be met by new buildings and by buildings undergoing major renovation work.
  - Tax deductions (see above)
  - Urban development promotion programmes, the CO2 Building Rehabilitation Programme, the renewable energy incentive programme and social housing programmes also include energy considerations.
- Adaptation to the needs of elderly and disabled persons/accessibility
  - A series of minimum technical standards must be met to be able to apply for subsidised interest-rate loans for rehabilitation of dwellings adapted to the needs of elderly persons.
  - In addition, the building regulations of the federal states where the project will be carried out need to be considered, as well as any technical standards that may be applicable (e.g. DIN 18040 standard).

Specific provisions are in place for the rehabilitation of historical town centres:

- Monument protection acts of the federal states.
- Urban development promotion programme aimed at protection of monuments, in accordance with Article 104 b of the German Constitution.

Rural areas: There is no specific regulation for the rehabilitation of rural areas. However, the German government is particularly interested in rural areas and will draft a specific programme for promoting them.

## 2. Fulfilment of Housing Needs

Numbers of dwellings and buildings that have undergone rehabilitation on public subsidies:

In 2001, the German Federal Government introduced the CO2 Building Rehabilitation Programme, a specific funding programme that has since then supported housing construction and rehabilitation to enhance energy efficiency in a growing number of buildings.

Funding is made available for renovation works expected to result in high individual efficiency levels (above those established in the Energy Conservation Act), as well as for partial and complete building rehabilitation works.

In addition, the federal states as well as regional and local administrations and utility companies offer promotional programmes aimed at upgrading the energy efficiency of whole buildings or of parts of them.

The table below, provided by the KfW Bankengruppe, contains the figures for the national housing promotion programmes funded by the CO2 Building Rehabilitation Programme. Funds were awarded for energy efficiency enhancement works and for the construction of new housing units.

Year	2001-2005	2006	2007	2008	2009
Housing units	345,000	320,000	200,000	280,000	620,000

The demand for finance has grown steadily over the years: from 2006 to 2009 energy efficiency enhancement work and the construction of around 1,420,000 dwellings (up to April 2010: around 2.055 million dwellings) were supported by the CO2 Building Rehabilitation Programme.

Furthermore, in 2009, over 20,000 housing units underwent rehabilitation works to be adapted to the needs of elderly persons, also supported with assistance of the Federal Government.

Rehabilitation of buildings and housing units in Germany, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces. This depends on the type of investment of each individual.

Owners/investors may partially transfer investment costs to tenants: in accordance with Article 559 of the German Civil Code the owner may transfer up to 11% of the investment costs provided that the investment leads to a long-standing enhancement of the property's living standards or that it results in sustainable savings of energy or water. If the investment has been subsidized, the 11% must be reduced accordingly.

### 3. Job Creation

Germany considers that rehabilitation contributes to maintenance and/or generation of employment. In fact, the country has introduced fiscal and/or financial measures to promote rehabilitation with a view to supporting economic activity and maintenance and/or generation of employment.

Number of direct jobs created as a result of the measures introduced: Germany introduced economic stimulus packages, which had direct repercussions on the creation and/or maintenance of employment:

- As part of the “Impetus Programme for Growth and Employment” (first economic stimulus package), the Federal Government increased the annual budget of the CO2 Building Rehabilitation Programme to approx. 1,500 million euro for the 2009-2011 period. Nonetheless, demand for financing was so high in 2009 that the programme had to be supplemented with an additional 750 million euro by lowering the annual budget of 2010 and 2011 to approx. 1,100 million euro. Estimations indicate that this programme created and/or safeguarded **300,000 jobs** per year in the construction industry and in the small-scale trade sector at regional and local level. Moreover, reduction of interest rates charged on loans granted to elderly persons for housing rehabilitation purposes has created or safeguarded up to **4,000 jobs** in 2009.
- The “Investments into the future by the communities and Federal States” programme introduced in February 2009, is an important measure of the second economic stimulus package. It is geared to investments in educational institutions (schools, nursery schools, gymnasiums, etc.), laying special emphasis on measures aimed at improving energy efficiency in buildings and promoting use of renewable energies. This programme will be applied for 2 years and is endowed with 13,300 million euro (75% of which contributed by the Federal Government). The impacts of these programmes on the labour market are also very significant. The evaluation of this programme is still under way.

Germany considers that availability of specialized professionals and labour in the country is not sufficient to meet the current needs of the rehabilitation sector: there is a generalized scarcity of construction engineers (not limited to the rehabilitation sector).

The German educational system (university education, vocational and professional training) provides tuition specifically geared to the rehabilitation sector.

#### 4. Financing and Concert between Government and the Private Sector

The German federal states, which have competences over allocation of ERDF funds, were not able, due to the completion of their operational programmes, to co-finance their housing policies through ERDF funds in this funding period.

In Germany, for the Federal Government housing is not one of the targets of the structural policies it wishes to support with ERDF funds. Therefore, as the EU has no competences over housing policy, the possibility to finance housing assistance through ERDF funds must not be extended further. Housing supply is a regional matter, which should be addressed at regional level.

In Germany, tax benefits for housing rehabilitation are in place at state, regional and local levels.

Other public subsidies are available for housing rehabilitation, at state and regional levels: grants, low-interest loans, subsidies and other loans.

Tax benefits are available for building rehabilitation at state, regional and local levels.

Other public subsidies for building rehabilitation include:

- at state, regional and local levels: grants
- at state and regional levels: low-interest loans, subsidies and other loans.

Public subsidies are in place to adapt dwellings and buildings to the needs of elderly and disabled persons.

- The support programme “Senior Friendly rehabilitation” of the Federal Government offers interest rate rebates to facilitate senior-friendly and disabled-friendly rehabilitation of the housing stock.
- In the framework of the German social housing system, the federal states also offer support to senior-friendly rehabilitation initiatives in the housing stock, the modernisation of nursing homes as well as the construction of new rental buildings for disabled persons. Social housing measures are mainly funded by the federal states which, will receive a fixed amount from the Federal Government until 2013 (518.2 million euro p. a.).
- In addition, tax deductions are available for senior-friendly renovation measures of private households (resident owners and tenants): 20% of a maximum of 6,000 euro of labour costs can be deducted from taxes.
- In the framework of nursing care insurance grants can be paid for structural modifications and technical assistance (maximum of 2,557 euro per measure).

Public subsidies are in place for the rehabilitation of dwellings and/or buildings occupied by low-income families: the social housing programmes of the German federal states offer rent-controlled housing to low-income households who have problems with housing access.

Dwellings are supplied by private investors who are compensated – by receiving a promotion – for letting those units out below the market price and for making the units available exclusively to low-income families. Eligible tenants may apply for a unit and sign the contract with their landlord independently. Nonetheless, the local government has the right to assign units in cases of families with specific problems relating to access to housing.

Under the terms of the reform of the German federal system in 2006, responsibility for the promotion of social housing was transferred to the federal states, together with a compensatory fund of 518.2 million euro per year until 2013.

There are no public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies: private counselling services are available for energy matters, which can be subsidised by federal support programmes.

There are no public institutions that centralise the processing of applications made by businesses and individuals aimed at obtaining housing rehabilitation subsidies. It is the KfW Bankengruppe (federal promotional bank) that processes applications for financial assistance filed under its own development programmes.

Summary of the public subsidies and tax benefits offered by the different levels of government: According to the German federal system, both the Federal Government and the federal states have competences over housing and urban development policies.

The Federal Government's remits cover:

- Tax benefits (for monument rehabilitation, for example). These, however, are cofinanced by the federal states and municipalities.
- Financial support programmes such as those schemes aimed at cutting CO2 emissions in buildings, the renewable energy incentive programme (providing financial support for investments in the use of renewable energies in residential buildings) or the programme for senior-friendly rehabilitation
- Housing benefits to guarantee an adequate supply of housing for low-income or no-income families.
- Housing benefit for low-income families (this financial burden is shared with the federal states).

The remits of the regional administrations cover:

- Additional financial support programmes
- Financial subsidies for investors to build social housing for families who cannot independently afford appropriate housing.
- Local governments are in charge of developing urban land use plans and may in some cases support social housing and energy savings investments.

## 5. Role of Architecture

Different organizations exist that deal with (and/or regulate) matters related to architecture: Federal Ministry for Transport, Construction and Urban Development.

There is no specific architectural policy in Germany.

There are no provisions that regulate architectural quality that may be applied to dwellings, their fitness for use, rehabilitation, public spaces and urban layout. The government monitors compliance with regional and local construction standards (for e.g. as regards safety), but there are no measures in place to control quality in building design.

In Germany architecture mainly relates to: culture, the environment/landscape, energy/sustainable development, innovation/technology, social representation, industry and town-planning/public spaces/the city.

Relationship between architecture and the environment/landscape: cooperation between architects and landscapists is common practice in Germany, depending on the size or the location of the project.

Architecture is considered to exert an influence on the preservation/upgrading of the urban environment.

The quality of existing features is taken into account in listed housing developments.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in listed housing developments.

Germany attaches great significance to the architectural quality of communal and public spaces.

In Germany, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment. Most of these questions were addressed in a study called "Baukultur as an impulse for growth," by architects from Gehl. This study was commissioned by the German Government during the German Presidency of the EU. Further information is available at:

[http://www.bmvbs.de/Anlage/original\\_992016/Baukultur-as-an-impulse-for-growth-Good-examples-for-European-Cities.pdf](http://www.bmvbs.de/Anlage/original_992016/Baukultur-as-an-impulse-for-growth-Good-examples-for-European-Cities.pdf).

Germany considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, and rural areas. The Federal Government mainly focuses on the revitalization of the building stock and of urban and rural areas.

In general architecture is associated with a unique piece of work, work related with the construction of dwellings or of a city, and with any type of construction in general. In Germany, architecture is closely related to Baukultur, which could be described as the creation and treatment of the built-up environment.

Architectural quality is promoted in construction/rehabilitation projects undertaken by the different levels of government: At a federal level, the public sector is obliged to organize architectural competitions for most projects (for buildings financed with government funds). Regional and local governments also tend to follow these guidelines, which were recently modified making their procedure simpler so that more competitions can be held in the future especially for private clients. Municipalities with a high sense of responsibility over their architectural landscape often appoint architectural advisory boards (these exist in over 50 municipalities). Awards for outstanding architectural work are a widely used mechanism from the federal and the local level.

There is no established citizen participation mechanism to outline architectural policy.

- Germany would not consider the introduction of EU guidelines setting out EU architectural policy useful.

Specific experiences regarding the promotion of architecture: in 2000, the German government introduced an initiative called "Initiative Architektur und Baukultur" to promote high-quality architecture as well as the awareness that anybody or anything can make a contribution to a well-constructed environment. After many efforts (reports to the Parliament, awards, events, research, etc.) in 2007 the Government established by law a federal Baukultur Foundation. Until now, the Federal Government's strategy has been based on promotion and motivation rather than regulation, since legislative competences for construction and architecture are in the hands of the regional governments.



## 7 DENMARK



<b>Country code</b>	DK	<b>GDP (PPP)</b>	120.1
<b>Area (sq. km)</b>	43,098	<b>Unemployment</b>	6.0%
<b>Population</b>	5,511,451	<b>HDI</b>	0.955
<b>Population density</b>	127.9	<b>Urban population</b>	85.9%
<b>Construction sector/GDP</b>	5.50%		
Form of government: Constitutional Monarchy. Parliamentary democracy. Centralised.			

### 1. Rehabilitation: general overview

The Danish housing authorities agree only partially with the definition proposed for rehabilitation of urban areas, particularly as regards the following elements in the definition:

“rehabilitation of buildings and housing units”, “citizen participation”, “building demolition and replacement”, “creation of facilities and equipment” y “and improvement of accessibility to public spaces”.

Denmark did not answer the questions on dwelling and building rehabilitation but explained that the goal of Danish regulations on urban development and urban renovation is to launch a privately-funded development schemes geared to transforming derelict urban areas into attractive places to live in. Danish urban development is based upon the involvement of private investors and on co-funded schemes. Local authorities can promote the following kinds of initiatives: building renovation, area renovation, upgrading of open spaces and terminal dilapidation declarations.

Both the Central and municipal governments possess competencies over rehabilitation.

Provisions are in place that regulate the scope and the concept of rehabilitation: regulations that govern urban renovation and urban development stipulate the procedures that must be followed to obtain governmental and municipal funds for the rehabilitation of dwellings and of derelict urban areas.

In Denmark, there are several regulations that state that rehabilitation projects need to have an “all-inclusive” nature: “all inclusive” rehabilitation is part of area renovation, which is one of the instruments of the regulation for urban rehabilitation and development.

“All-inclusive” rehabilitation as a requirement to secure any kind of European or national funding: European funds are not part of the legal framework established by the Danish Act on Urban Renewal and Urban Development. However, there have been instances where a Danish urban development project was funded by the European Union.

The regulations on housing stock rehabilitation are centered on dwellings and urban areas. Information on the specific regulations for urban renewal and development can be found on: <https://www.retsinformation.dk/Forms/R0710.aspx?id=123489>

Rehabilitation covers the following aspects:

- Town planning aspects:
  - Local authorities can apply for governmental funds to revamp degraded areas in both small and large cities, and in new residential areas that may be afflicted with serious social problems. In addition, subsidies may be allotted to old industrial precincts and to port areas. Fifty million Danish crowns is allocated every year for the renewal of such areas, on condition that the relevant municipal administration contributes at least twice that amount.
  - In urban areas, local governments may carry out works to upgrade the open spaces and thereby boost the residents' quality of life.
- Architectural aspects: municipal authorities are entitled to define the architectural requirements that must be met to obtain subsidies for building rehabilitation (Articles 11 and 25 of the Danish Act on Urban Renewal and Urban Development).
- Financial aspects:
  - According to the Act on Urban Renewal and Urban Development, urban rehabilitation works are funded by the central government, the local municipalities and private owners.
  - It is common practice for the central government and the municipalities to contribute the same amount of money toward the expenses involved in building renewal and upgrading of open spaces.
  - Private rental property owners may qualify for a subsidy to restore the housing stock. In addition, owners who refurbish rental units can apply for a temporary subsidy as compensation for not raising their tenants' rent as a result of the refurbishing works.
- Tax-related aspects: According to the Act on Urban Renewal and Urban Development, 245.1 million Danish is available for rehabilitation activities in 2010. Of this amount, fifty million crowns is assigned to area renewal funds. The remainder is devoted to building rehabilitation, upgrading of open spaces, terminal dilapidation procedures, etc.
  - According to the Act on Urban Renewal and Urban Development, until 2009 the Owner's Investment Fund had made regular contributions to urban rehabilitation efforts. In 2009 this contribution was 56.1 million Danish crowns.
- Energy-related aspects: in 2009, changes were introduced in the regulations on urban renewal and urban development, which have taken effect in 2010. These legislative changes made it possible to subsidise enhancement of energy efficiency in dwellings.
- Adaptation of housing to the needs of elderly persons/accessibility: enhancement of accessibility can be considered one of the elements in the rehabilitation of residential housing. Moreover, measures to promote accessibility to buildings may receive financial support in agreement with the regulations on urban renewal and urban development.
- Adaptation to the needs of disabled persons/ accessibility.

There are no specific provisions in place for rehabilitation of historical town centres or the rehabilitation of rural areas: regulations on urban renewal and urban development awards funds for dwellings in dire need of rehabilitation. The law does not include specific norms for rural areas.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Housing units	4,450	2,513	1,478

Number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Buildings	680	475	321

Rehabilitation of buildings and housing units in Denmark, carried out with the aim of meeting the housing needs of their owners or tenants, cannot benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Owners/investors can transfer investment costs to tenants: an upgrade of a rental unit general leads to an increased rent.

## 3. Job Creation

Denmark considers that rehabilitation may contribute to the maintenance and/or generation of employment. However, the country has not introduced fiscal and/or financial measures to promote rehabilitation projects in order to foster economic activity and the maintenance and/or generation of employment.

Denmark considers that the availability of specialized professionals and labour in the country is sufficient to meet the current needs of the rehabilitation sector.

The Danish educational system (both in terms of university education and vocational training) offers tuition geared specifically to the rehabilitation sector.

## 4. Financing and Concert between Government and the Private Sector

Denmark offers no tax benefits for housing rehabilitation.

There are however other kinds of public aid for housing rehabilitation:

- Non-refundable loans at state and local level
- Guarantees at state and local level

No tax benefits are available for building rehabilitation.

No public subsidies are in place for housing and/or building rehabilitation:

- to adapt them to the needs of elderly persons
- to adapt them to the needs of disabled persons
- for low-income families.

Denmark has no public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies.

There are public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining housing rehabilitation subsidies at regional level.

## 5. Role of Architecture

Different organizations exist that deal with (and/or regulate) matters related to architecture:

Generally speaking, the Ministry of Culture is responsible for architectural policy. The Danish Heritage Agency (Kulturarvsstyrelsen), within the Ministry of Culture, is responsible for regulating matters pertaining to listed buildings.

Each municipality can adopt its own architectural policy

As regards regulations on urban renewal and urban development, local governments can impose their architectural requirements, which must be met by any party wishing to obtain subsidies for building rehabilitation.

In addition, Denmark has its own specific architectural policy, called "Arkitekturation Danmark. Rammer for liv, rammer for vækst". An English language description of the Danish architectural policy can be found on <http://www.infokiosk.dk/sw58703.asp>

Main features of the regulation: the Danish architectural policy comprises 10 points:

High architectural standards for public construction and development

Fostering of private demand for architectural quality

Architectural quality and efficient building strategies must be considered jointly

Innovative architecture must create healthy, accessible and sustainable buildings

Upgrading of architectural quality in subsidised dwellings

High priority to architectural quality in planning

The architectural heritage must be preserved and developed

Better conditions are required for exporting Danish architecture

Danish architecture must have solid foundations in order to grow

Danish architecture firms must be ranked among the best in the world.

Agencies in charge of drafting architectural policy: as mentioned above, Denmark has a global architectural policy at the national level. Each municipality can adopt its own architectural policy.

There are regulations that govern architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

Danes tend to associate architecture mainly with: la Culture, el Environment/landscape, y el Town-planning/public spaces/the city.

Denmark sets store by the quality features of existing buildings, neighbourhoods and urban areas: municipal authorities have a right to establish the architectural requirements that must be met in order to obtain subsidies for building rehabilitation (Articles 11 and 25 of the Act on Urban Renewal and Urban Development).

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings, neighbourhoods and urban areas.

Denmark attaches great significance to the architectural quality de los communal spaces y public spaces.

In Denmark, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces and create jobs/foster employment.

In general the concept of architecture is construed to refer also to works related with the construction of a city/dwelling.

Architectural quality is promoted in construction/rehabilitation Works undertaken by: government, joint urban management and housing agents and private initiative.

Potential citizen participation mechanisms for shaping architectural policy: municipal authorities often put local plans up for public consultation.

Denmark has not expressed its position on the introduction of EU guidelines setting out EU architectural policy.

## 8 ESTONIA



<b>Country code</b>	EE	<b>GDP (PPP)</b>	67.4
<b>Area (sq. km)</b>	45,227	<b>Unemployment</b>	14,1 %
<b>Population</b>	1,340,415	<b>HDI</b>	0.883
<b>Population density</b>	29.6	<b>Urban population</b>	69.4%
<b>Construction sector/GDP</b>	8.30%		
Form of government: Republic. Parliamentary democracy. Centralised.			

### 1. Rehabilitation: general overview

The concept of housing and building rehabilitation de Estonia is in line with the definitions proposed, with the single exception of the item “enhance architectural quality” in the definition of building rehabilitation.

With respect to urban areas, there is partial agreement in terms of the following concepts: building and housing rehabilitation, citizen participation, development of facilities and equipment and improvement of accessibility to public spaces.

There are currently no zoning or rezoning needs in urban areas or in neighbourhoods. Given the weather conditions in the country, there is no need of for air-conditioning systems to be centralized. Given the goal of constructing new buildings and maintaining existing ones, there is no need of rehabilitation to demolish existing constructions.

In Estonia, competences over rehabilitation lie with the local administrations. There are no regulations that govern rehabilitation policy.

Regulations on rehabilitation do not cover town planning, architectural, financial or fiscal aspects, and they do not refer to the requirement of adapting housing to the needs of elderly or disables persons, although they do include energy-related aspects.

There are provisions that govern the supervision of building work carried out by local authorities. These include the whole of the construction process from the permit application phase to the supervision of building maintenance.

Energy efficiency in housing units has been harmonized with the Estonian legislation. IN accordance with municipal law, local councils are also responsible for energy efficiency. Energy consumption following rehabilitation of a building is limited by law.

## 2. Fulfilment of Housing Needs

No statistics are available as to the number of housing units that have been rehabilitated with public subsidies.

Owners/ investors cannot transfer investment costs to tenants

## 3. Job Creation

Estonia believes that rehabilitation contributes to the maintenance and/or generation of employment. In this connexion, political and/or financial measures have been introduced to foster rehabilitation, although data about their effects are not available as yet.

In Estonia, availability of specialized professionals is sufficient to meet the current needs of the rehabilitation sector, although their educational system does not provide tuition geared specifically to the rehabilitation sector.

## 4. Financing and Concert between Government and the Private Sector

Estonia currently uses ERDF fund for housing rehabilitation. These funds are used to construct energetically-efficient buildings. This will cover approximately 15% of the existing housing stock.

Estimations indicate that dwellings rehabilitated in this way achieve total energy savings of around 30%.

Estonia offers no tax benefits, non-refundable loans, low-interest loans, or guarantees for housing or building rehabilitation.

Nor does it offer any public subsidies to rehabilitate housing units or buildings to make them compatible with the needs of elderly or disabled persons or any funds to rehabilitate the dwellings/buildings of low-income households.

## 5. Role of Architecture

Architecture is regulated by the Construction Law and the laws of the local administrations.

There are regulations that govern architectural quality. These are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

Estonians tend to associate architecture mainly with culture, the environment/ landscape, energy/ sustainable development, innovation/ technology, social representation, industry, town-planning/ public spaces/ the city.

The quality-related architectural characteristics of the existing housing stock are taken into account and are promoted in buildings, neighbourhoods, listed sites and urban areas.

Estonia attaches great significance to the architectural quality de los communal spaces y public spaces.

In Estonia, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption.

Estonia finds it advantageous to invest material means and human effort in: enhancing the architectural quality of existing buildings/ rehabilitation, the consolidated city, new isolated buildings, new urban developments, the urban milieu and rural areas.

In Estonia architecture is associated with a unique piece of work but can also be construed to refer to works related with the construction of a city/dwelling.

Estonia promotes architectural quality in construction/rehabilitation works undertaken by both the government and public initiative.

Planned housing developments need to comply with the same architectural standards that characterise existing buildings, and with the architectural features of the existing environment.

During the planning phase of any public Project, members of the public are entitled to voice their views and lodge any complaints they may have against the buildings envisaged in the project.

Estonia would not consider the introduction of EU guidelines setting out EU architectural policy useful.



## 9 GREECE



<b>Country code</b>	EL	<b>GDP (PPP)</b>	94.3
<b>Area (sq. km)</b>	131,957	<b>Unemployment</b>	6.9%
<b>Population</b>	11,260,402	<b>HDI</b>	0.942
<b>Population density</b>	85.3	<b>Urban population</b>	60.4%
<b>Construction sector/GDP</b>	4.80%		
Form of government: Parliamentary republic. Centralised.			

### 1. Rehabilitation: general overview

The Greek housing authorities agree with all items in the definition of the rehabilitation concept proposed in the context of dwellings, buildings and urban areas.

Both the Central government and the municipal governments possess competencies over rehabilitation.

Provisions are in place that regulate the scope and the concept of rehabilitation.

There are no regulations that state that rehabilitation must have an "all-inclusive" character.

The goals (and intensity) of urban intervention are derived from an examination of the needs and problems of a certain area. This determines the nature of the rehabilitation work to be carried out, at a smaller or larger scale. The term "all-inclusive rehabilitation" does not exist in the Greek legislation. The concept of "all-inclusive" rehabilitation is guaranteed by the availability of additional funds at the disposal of interested parties, which are proportional to the physical aspects of the works envisaged.

Nonetheless, an "integrated" pilot rehabilitation project has been launched within the framework of the URBAN programme, a EU initiative aimed at revitalizing disadvantaged regions, with a specific focus on social, environmental and economic problems.

Regulations on housing stock rehabilitation are aimed at dwellings, buildings and urban areas.

Urban rehabilitation is governed by Law 2508/1997 "Sustainable Urban Development" (Official Gazette of the Greek Republic 124A/13.6.97), Chapter B', "Rehabilitation", Articles 8-17.

The upgrading of public spaces is also governed by the provisions of Presidential Decree 4/19.8.78 and Presidential Decree 13.2/2.3.1982 (Article 272 of the Fundamental Urban Legislation Regulation, Official Gazette of the Greek Republic 580D/27.7.1999).

Mention must be made of the fact that the Central or local governments can subsidise rehabilitation and maintenance work on buildings' façades and their environments, in accordance with the provisions of Law 3044/02, Article 14, section 3 (Official Gazette of the Greek Republic 197A/27.8.2002) and Law 3212/03, Article 13, section 14 (Official Gazette of the Greek Republic 308A/31.12.2003).

Aspects covered by rehabilitation include:

- Town planning aspects
  - Reconstruction and restructuring of a built-up area, including the rehabilitation of residential neighbourhoods to meet housing needs.
  - Work to upgrade the built-up environment and public and private green areas, including any changes within the buildings themselves, interventions in the use of land, façades and in the aesthetic regeneration of empty public and private spaces.
- Architectural aspects
  - Work related to the cleaning of façades and the aesthetic regeneration of public spaces may be part of rehabilitation programmes.
- Financial aspects
  - Section 5 of Article 13 of Law 2508/1997 contemplates subsidised interest rates for loans taken out to buy special housing in areas undergoing rehabilitation. The aim here is:
    - To increase volumes for high density dwellings (measured in terms of rooms per person and square meters per room) inhabited by their owners.
    - Restoration of owner-inhabited dwellings.
    - Renovation and restructuring of internal spaces in owner-inhabited dwellings, to improve their functionality.
    - Façade cleaning or finishing up and aesthetic enhancement of unfinished buildings.
    - Applying new technologies or using new construction materials to save energy.
- Tax-related aspects
  - Owners or tenants may be exempted from payment of local rates if they carry out specific restructuring work, in accordance with a specific rehabilitation programme (section 4 of Article 13 of Law 2508/1997).
- Energy-related aspects
  - Banks grant subsidies to dwellings located in areas targeted for rehabilitation where new technologies or energy-saving materials are used (section 5 of Article 13 of Law 2508/1997).
- Adaptation to the needs of elderly and disabled persons/accessibility
  - Access of elderly and/or disabled persons to buildings and public spaces must be guaranteed in any area, and therefore, in all areas undergoing rehabilitation, in accordance with:
    - Article 28 of Law 2831/2000 (Official Gazette of the Greek Republic 140A/2000).
    - Decision of the Minister of the environment N°52487/02 (Official Gazette of the Greek Republic 18B/2002) relative to existing buildings.
    - Decision of the Minister of the environment N°52488/02 (Official Gazette of the Greek Republic 18B/2002), relative to public spaces.

There are no specific provisions in place for rehabilitation of historical town centres or rural areas.

Summary (with additional explanations) of the purpose of the Greek regulation on rehabilitation and the aspects it covers:

- During the mid nineties, significant efforts were made in Greece to upgrade the environment and the territorial planning mechanisms in force by introducing new concepts and goals based on the idea of sustainable development.
- This involved a series of significant changes being introduced in the law relative to urban planning in 1997 and a considerable effort to promote more efficient use of the EU structural funds.
- Law 2508/1997 constitutes, among other things, the latest effort to resolve the problem of degraded areas. Some of the criteria used to classify a certain area as “degraded” were “high housing density,” extreme shortage of green spaces, contradictory uses of land, lack of protection and promotion of the cultural heritage and the degradation of the aesthetics of the built-up area and its surroundings. One of the main concerns is harmonizing the goals of the rehabilitation plan with those of the city’s Urban Master Plan. The different types of rehabilitation offered by the Law include restructuring of an area and upgrading of the built up environment and public and private green spaces.
- Restructuring of an area includes rehabilitation of social housing districts, rehabilitation of degraded commercial or industrial urban areas, readaptation of the built-up heritage, revamping of traditional dwellings, etc.
- Management of the programme falls within the competences of local governments. The State has the right to requisition any land it deems essential to the programme. The income of neighbourhood rehabilitation programmes include the income of the Urban Master Plan Surveillance and Promotion Institute and that of the Board for the Enforcement of Urban Master Plans.

## 2. Fulfilment of Housing Needs

Greece does not have estimations about the number of housing units and buildings that have been rehabilitated with public subsidies.

Rehabilitation of buildings and housing units in Greece, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces. Rehabilitation work in degraded areas is not as yet common practice in Greece.

Owners/investors are not allowed to transfer investment costs to tenants.

## 3. Job Creation

Greece considers that rehabilitation may contribute to the maintenance and/or generation of employment. In fact, the country has introduced fiscal and/or financial measures to promote rehabilitation in order to foster economic activity and the maintenance and/or generation of employment.

Article 5 of Law 3723/2008 contemplates the stimulation of the construction industry in order to dynamise economic activity. It specifically makes reference to “supporting liquidity in the economy in order to mitigate the effects of the international financial crisis.” Article 5 of this Law specifically stipulates that banks, in accordance with Article 3 of Law 3723/9.12.2008, must use the proceed from the realization of government bonds to grant state-guaranteed housing loans to private individuals and SMEs.

It is impossible to estimate the number of direct jobs created by the measures introduced.

Relationship between housing stock rehabilitation and the creation and/or maintenance of employment:

Building construction industry plays an important role in the Greek economy and social life. Given the significance of its contribution, the sector has come to be known as the “engine of the Greek economy.” The construction industry and, particularly, housing construction, funded mainly from private sources, contributes to higher incomes and a better standard of living. The sector makes a significant contribution to the country’s economy since it provides a large number of jobs. The contribution of this sector is also noteworthy in the building renovation/rehabilitation segment, where the use of traditional savoir-faire is combined state-of-the-art technologies.

Greece considers that the availability of specialized professionals and labour in the country is sufficient to meet the current needs of the rehabilitation sector.

The Greek educational system (both in terms of university education and vocational training) offers tuition geared specifically to the rehabilitation sector.

#### **4. Financing and Concert between Government and the Private Sector**

Greece intends to take advantage of the changes introduced in the ERDF Regulations to use ERDF funds to defray the expense necessary to enhance energy efficiency and the use of renewable energies in existing housing units.

In addition, the country considers that use of structural funds to finance rehabilitation work in residential buildings and the restructuring of the relevant urban areas should only be made in the framework of programmes aimed at regional development and the saving of energy.

Greece provides tax benefits for housing rehabilitation only at local level.

Furthermore, the country offers non-refundable loans, low-interest loans, subsidies and other kinds of loans and guarantees for housing rehabilitation, exclusively at state level.

Aid to rehabilitation includes:

- tax benefits (only at local level).
- non-refundable loans, low-interest loans, subsidies and other loans and guarantees, exclusively at the state level.

Public subsidies are in place for housing and/or building rehabilitation:

They are meant to adapt housing units/buildings to the needs of elderly and disabled persons: subsidized interest rates and low-interest loans can be obtained provided that the works carried out enhance the functionality of the rehabilitated dwelling; are performed in owner-occupied dwellings to carry out repairs; are located in rehabilitation areas or are meant to transform internal spaces.

They are used by low-income families: special funds are contemplated in the framework of a restructuring programme for a built-up area, including rehabilitation of residential districts targeted to low-income families. The funds of the Urban Master Plan Surveillance and Promotion Institute and those of the Board for the Enforcement of Urban Master Plans are examples of such funds.

There are no public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies. Nor are there any public institutions that centralise the processing of applications from businesses and individuals who wish to obtain housing rehabilitation subsidies.

Summary of the public subsidies and tax benefits available at each level of government:

The work required by the rehabilitation programme of a certain area is carried out with funds contributed by the Urban Master Plan Surveillance and Promotion Institute and the Board for the Enforcement of Urban Master Plans and from participation in community initiatives among other sources.

Interaction between the different levels to promote housing and/or building rehabilitation:

- The local administration is in charge of the management of the programme.
- Restructuring of a certain area begins with an initiative by the Ministry of the environment or some department of the relevant local administration or the local administration council of the region.
- The proposal must be adopted by a decision of the Minister of the Environment, on the advice of the relevant regional administrative board.
- When the rehabilitation works affect a listed site (a historical or archaeological site) a report from the Ministry of Culture is required.

## 5. Role of Architecture

In Greece the main organization that deals with (and/or regulates) matters related to architecture is the Ministry de Environment, Energy and Climate Change.

Greece has a specific architectural policy:

- Regulations focus mainly on supervising new buildings or facilities following the granting of a construction permit. Article 3 of Law 1577/85 states that "every building or facility will be controlled in terms of size and aesthetic appearance." Also, the integration of the building and/or its installation within its natural landscape are considered. This control is exercised by the competent services and, in specific cases, by Architectural Control Committees.

The main legislation affecting the granting of construction permits is as follows:

- Law 1577/85 "Building Code" (Official Gazette of the Greek Republic 210A/85).
- Decision of the Minister of the Environment No. 3046/304/3.2.89 "Regulations on Construction", (Official Gazette of the Greek Republic 59D/89).
- Presidential Decree N° 24/31.5.1985, which regulates on construction projects falling outside the scope of the Urban Plan in force (Official Gazette of the Greek Republic 270D/85).

Main features of Greek architectural policy:

- The above mentioned Law regulates the requirements to be met by new buildings or facilities as regards composition of volumes, the geographical position of the building, the constructed volume, distances between buildings, any balconies in the building, physical lighting and ventilation.

Responsible institutions:

- The Central Government (Ministry of the Environment, Energy and Climate Change) develops and adopts legislation relative to construction.
- Local administration services are responsible for enforcing the legislation.

There are standards that regulate architectural quality, which are applied to aspects related with housing and rehabilitation.

A ruling by the Architectural Control Committee is requested in case of specific architectural interventions (building materials, construction targeted to public spaces, characteristic architectural elements, rehabilitation of a listed site, etc.).

Greeks tend to associate architecture mainly with: culture, the environment/landscape, and social representation.

Relationship with the environment/landscape: the building's architectural project must consider mainly its functional integration with its surroundings.

Architecture strongly influences conservation / upgrading of the urban environment.

Greece takes architectural quality characteristics of existing buildings and listed sites.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings, neighbourhoods, listed sites and urban areas.

Greece attaches great significance to the architectural quality of the communal spaces and public spaces.

In Greece, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces and create jobs/foster employment.

In the last 15 years, bioclimate architecture and new technologies were also considered.

Greece considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rural milieu, rural areas.

In Greece architecture is associated with a unique piece of work. It can also be construed to refer to works related with the construction of a city/dwelling and even to any kind of construction work.

Since the mid 80's, Greece has been aware that technical Works and the different types of construction belong in the field of architecture.

Architectural quality is promoted in construction/rehabilitation works undertaken by government through open architectural competitions.

Greece would consider the introduction of EU guidelines setting out EU architectural policy useful.

## 10 SPAIN



Country code	ES	GDP (PPP)	102.6
Area (sq. km)	505,957	Unemployment	18.1%
Population	45,828,172	HDI	0.955
Population density	90.6	Urban population	76.7%
Construction sector/ GDP	11.40%		
Form of government: Constitutional Monarchy. Parliamentary Democracy. Decentralised			

### 1. Rehabilitation: general overview

The Spanish government's involvement in housing policy is based on its competence to organise the economic activity of the State. Royal Decree 2066/2008 of 12 December 2008, which spells out the Housing and Rehabilitation National Plan for the period 2009-2012, is a framework regulatory instrument. The Spanish Government draws up the basic principles of the State Plan and funds it. The Regions and the cities of Ceuta and Melilla, depending on their competences, pass legislation to further develop the Norm, adapting it to their particular needs and contributing – if they deem it necessary – additional funds.

Further to the distribution of competences established in the Spanish Constitution and in the respective Autonomy Charters, the Regions and the cities of Ceuta and Melilla have taken on full competences over housing policy (\*), which means that regional governments are entitled to develop their own regulations in this area.

Spain agrees with all the aspects of the definition of rehabilitation, including those related with dwellings, buildings and urban areas.

As regards regulations for rehabilitation, Spain possesses the following legislation at state level:

Royal Decree 2066/2008, of 12 December 2008, which spells out the Housing and Rehabilitation National Plan for the period 2009-2012:

[http://www.boe.es/aeboe/consultas/bases\\_datos/doc.php?id=BOE-A-2008-20751](http://www.boe.es/aeboe/consultas/bases_datos/doc.php?id=BOE-A-2008-20751)

<http://www.mviv.es/es/>

Royal Decree 2/2008, of 21 April 2008, which establishes a series of measures to promote economic activity:

<http://www.boe.es/boe/dias/2008/04/22/pdfs/A20740-20748.pdf>

Law 54/1999, of 29 December 1999, determines the Spanish National Budget for 2000:

<http://www.boe.es/boe/dias/1999/12/30/pdfs/A46027-46094.pdf>

The last two laws amend the Spanish Value Added Tax (Law 37/1992, of 28 December 1992).

[http://www.boe.es/aeboe/consultas/bases\\_datos/doc.php?id=BOE-A-1992-28740](http://www.boe.es/aeboe/consultas/bases_datos/doc.php?id=BOE-A-1992-28740)

Royal Decree 439/2007, of 30 March 2007, adopts the Regulation for Personal Income Tax and modifies the Regulation for Pension Plans, approved by Royal Decree 304/2004, of 20 January 2004:

[http://www.boe.es/aeboe/consultas/bases\\_datos/doc.php?id=BOE-A-2007-6820](http://www.boe.es/aeboe/consultas/bases_datos/doc.php?id=BOE-A-2007-6820)

Law 45/2007, of 13 December 2007 is aimed at promoting sustainable development in the rural milieu:

[http://www.boe.es/aeboe/consultas/bases\\_datos/doc.php?id=BOE-A-2007-21493](http://www.boe.es/aeboe/consultas/bases_datos/doc.php?id=BOE-A-2007-21493)

Sustainable Economy Law (still in the making):

<http://www.economiasostenible.gob.es/>

Regional legislation:

Andalusia: Decree 266/2009, of 9 June 2009, which amends the Consensual Housing and Land Plan for the period 2008-2012, approved by Decree 395/2008, of 24 June 2008:

<http://www.juntadeandalucia.es/boja/boletines/2009/125/d/2.html>

<http://www.juntadeandalucia.es/boja/boletines/2008/130/d/updf/d2.pdf>

Aragon: Decree 60/2009 of the Aragonese Government, of 14 April 2009, which introduces a plan to increase the availability of housing and promote rehabilitation over the period 2009-2012:

<http://www.boa.aragon.es/cgi-bin/BRSCGI?CMD=VEROBJ&MLKOB=356213432424>

Principality of Asturias: Resolution of 2 October 2009 of the Regional Ministry for Welfare and Housing, which states that the measures whereby the Principality of Asturias promotes access of citizens to affordable housing and subsidies topping up the amounts made available by the State Housing Plan (Decree 130/2006 of 21 December 2006) are applicable to those contemplated in the State Housing and Rehabilitation Plan for the period 2009-2012, approved by Royal Decree 2066/2008, of 12 December 2008:

<http://www.asturias.es/portal/site/Asturias/menuitem.1003733838db7342ebc4e191100000f7/?vgnextoid=d7d79d16b61ee010VgnVCM1000000100007fRCRD&fecha=15/10/2009&refArticulo=2009-23391>

<http://www.asturias.es/portal/site/Asturias/menuitem.1003733838db7342ebc4e191100000f7/?vgnextoid=d7d79d16b61ee010VgnVCM1000000100007fRCRD&fecha=08/01/2007&refArticulo=2007-1108005>

Balearic Islands: Decree 32/2009, of 29 May 2009, which amends Decree 68/2008, of 6 June 2008, which establishes subsidies to promote citizens' access to affordable housing in the framework of the Balearic Islands Strategic Housing Plan for the period 2008-2011:

<http://boib.caib.es/pdf/2009082/mp27.pdf>

<http://boib.caib.es/pdf/2008083/mp55.pdf>

Canary Islands: Decree 135/2009, of 20 October 2009 which regulates the operation of the Canary Islands Housing Plan for the period 2009-2012:

<http://www.governmentdecanarias.org/boc/2009/214/boc-2009-214-004.pdf>

Cantabria: Decree 68/2009, of 24 September 2009:

<http://boc.cantabria.es/boces/verAnuncioAction.do?idAnuBlob=158677>

Castile-León: Decree 64/2009 of 24 September 2009, which amends Decree 52/2002 of 27 March 2002:

<http://bocyl.jcyl.es/boletines/2009/09/28/pdf/BOCYL-D-28092009-1.pdf>

<http://bocyl.jcyl.es/boletines/2002/04/01/pdf/BOCYL-D-01042002-2.pdf>

Castile-La Mancha: Decree 173/2009, of 10 November 2009, which approved the 5th Regional Housing and Rehabilitation Plan for Castile-La Mancha for the period 2009-2012:

[http://docm.jccm.es/portaldocm/descargarArchivo.do?ruta=2009/11/16/pdf/2009\\_17214.pdf&tipo=rutaDocm](http://docm.jccm.es/portaldocm/descargarArchivo.do?ruta=2009/11/16/pdf/2009_17214.pdf&tipo=rutaDocm)



Catalonia: Decree 50/2009, of 24 March 2009, which amends 244/2005, of 8 November 2005, updating the Housing Rights Plan for the period 2004-2007 and establishing measures to mitigate the economic difficulties of the construction sector:

<https://www.gencat.cat/eadop/imagenes/5347/09079015.pdf>

[https://www.gencat.cat/diari\\_c/4507/05286173.htm](https://www.gencat.cat/diari_c/4507/05286173.htm)

Extremadura: Decree 114/2009, of 21 May 2009, which approves Extremadura's Housing, Rehabilitation and Land Programme for the period 2009-2012:

<http://doe.juntaex.es/pdfs/doe/2009/10100/09040125.pdf>

Galicia: Decree 402/2009, of 22 October 2009, which establishes public housing subsidies to be made available by Galicia's regional administration.

[http://www.xunta.es/dog/Dog2009.nsf/0e5fb445f3681a75c1257251004b10d7/98b8725ae7efb8bec125766400518190/\\$FILE/21700D001P007.PDF](http://www.xunta.es/dog/Dog2009.nsf/0e5fb445f3681a75c1257251004b10d7/98b8725ae7efb8bec125766400518190/$FILE/21700D001P007.PDF)

Madrid: Decree 74/2009 of 30 July 2009, which approves a Subsidized Housing Regulation for the Madrid Region:

[http://www.madrid.org/cs/Satellite?blobcol=urlordenpdf&blobheader=application%2Fpdf&blobkey=id&blobtable=CM\\_Orden\\_BOCM&blobwhere=1142562732525&ssbinary=true](http://www.madrid.org/cs/Satellite?blobcol=urlordenpdf&blobheader=application%2Fpdf&blobkey=id&blobtable=CM_Orden_BOCM&blobwhere=1142562732525&ssbinary=true)

La Rioja: Decree 22/2009 of 8 May 2009, which approves the La Rioja Housing Plan for the period 2009-2012:

[http://ias1.larioja.org/catapu/catapu/Bor\\_Boletinvisor\\_Servlet?fecha=13-05-2009](http://ias1.larioja.org/catapu/catapu/Bor_Boletinvisor_Servlet?fecha=13-05-2009)

(pages 6286-6300)

Valencia: Decree 66/2009, of 15 May 2009, which approves the Regional Housing Plan for the Valencia Region 2009-2012:

[https://www.docv.gva.es/portal/portal/2009/05/19/pdf/2009\\_5535.pdf](https://www.docv.gva.es/portal/portal/2009/05/19/pdf/2009_5535.pdf)

Ceuta:

Melilla: Decision of 12 June 2009 of the Undersecretariat which includes a Collaboration Agreement between the Ministry of Housing and the city of Melilla to enforce the State Housing and Rehabilitation Plan over the period 2009-2012:

<http://www.melilla.es/mandar.php/n/3/9193/4623.pdf> (pages 2421-2430)

As regards the scope of the legislation, it includes town planning aspects, architectural aspects, financial aspects, tax-related aspects, energy-related aspects, aspects relative to the adaptation of housing to the needs of elderly persons/accessibility and adaptation to the needs of disabled persons/accessibility.

In addition, there are specific regulations for the rehabilitation of historical town centres and rural areas.

## 2. Fulfilment of Housing Needs

Since 2000, subsidised housing rehabilitation has grown by 28%.

Year	2000	2005	2008
Households	67,606	125,476	153,807

In Spain, rehabilitation projects may benefit from public subsidies for planning interventions, redevelopment and provision of equipment in public spaces.

In addition to public subsidies for building and dwelling rehabilitation considered in isolation, the possibility exists to undertake rehabilitation projects of larger fragments of the urban fabric through the declaration of “integrated rehabilitation areas”. In these cases, public subsidies are not just awarded to the buildings and dwellings to be rehabilitated, but are rather extended to cover planning or redevelopment work in the target area. That is to say, in the case of “areas”, the norm goes beyond the rehabilitation of mere buildings and dwellings and ascribes to a broader idea of rehabilitation, which also includes the surroundings of the said buildings and dwellings.

In cases where rehabilitation works are paid for by the owner of the property, if five years have elapsed since the lease commencement date the Spanish legislation allows such landlords to raise their tenant’s rent by an amount that results from applying the legal interest rate at the time the rehabilitation was completed (plus three basis points) to the capital invested in the works; this increase cannot exceed twenty percent of the rent due at that moment.

Any public subsidies received by the owner for the conduction of the aforementioned works shall be deducted for the calculation of the amount of capital invested.

## 3. Job Creation

The Spanish housing authorities consider that rehabilitation contributes to the maintenance and/or generation of employment.

The parameter used to analyze the relationship between rehabilitation and the creation or maintenance of employment is the employment-generation capacity of construction activities, especially residential construction, based on the its intensity-labour ratio per unit of production.

This characteristic is intensified in the case of rehabilitation as this activity cannot avail itself of the mechanization possibilities afforded, for example, by large-scale public infrastructure works or the erection of large-scale residential projects.

On the other hand, dissemination of a rehabilitation culture among the population means that an increasing amount of persons dissatisfied with their dwellings can avail themselves of the possibility of rehabilitating them rather than having to abandon them or exchange them for others that are better suited to their needs. For that reason, the increase in the relative weight of rehabilitation projects in the context of the residential construction industry is bound to lead to an intensification of job creation in that sector.

In this regard, Spain has applied economic measures to promote rehabilitation projects in order to foster economic activity and the maintenance and/or generation of employment. Such measures are estimated to have generated 26,949 jobs.

However, it has to be said that the Spanish educational system does not provide training that is specifically orientated toward the rehabilitation sector, neither at university level or in vocational training programmes.

#### **4. Financing and Concert between Government and the Private Sector**

At present, Spain has not adopted a definitive position as to whether it will take advantage of the possibility made available by CE Regulation 1080/2006 to use ERDF funds to finance energy efficiency improvement and the introduction of renewable energies in existing housing units.

As regards the role to be assigned to housing-related spending, Spain possesses a large permanent dwelling stock, although a certain percentage of these need rehabilitating given their age.

It is unlikely that the sector may witness a surge of new constructions similar to that experienced during the real estate “boom” extending from the late 90’s to the first few years of the current decade. Nevertheless, more funds should be invested in rehabilitating the existing housing stock, both in terms of residential building consolidation and in improving physical accessibility to and energy-efficiency of buildings and dwellings, promoting the use of alternative energies.

These goals would warrant a reflection on the potential role that the decreasing structural funds assigned to Spain will play in the existing housing stock rehabilitation processes. However, as mentioned above, there is no defined position on this issue for the long-term.

Tax benefits for housing rehabilitation are provided at state and regional levels, but not at local level. Likewise, non-refundable loans for housing rehabilitation are available at state and regional levels, but no subsidized loans exist for housing rehabilitation at state or regional level.

As regards the rehabilitation of buildings, tax benefits do exist at state and regional levels. In addition, non-refundable loans are available for building rehabilitation at state and regional levels.

Nonetheless, as far as low-interest loans for building rehabilitation are concerned, these do exist at state level but not at regional level. The same thing happens with subsidized loans for building rehabilitation.

Public subsidies are available to rehabilitate dwellings and/or buildings, adapting them to the needs of elderly and/or disabled persons. Furthermore, public subsidies are granted to low-income families to assist them with their housing and/or building rehabilitation works.

The different regional administrations, as well as the cities of Ceuta and Melilla, have district offices for building and dwelling rehabilitation and information offices in the rehabilitation areas themselves, which provide housing-related counselling to businesses and individuals and centralise all the information necessary to obtain housing rehabilitation subsidies.

## 5. Role of Architecture

At state level, the Ministry of Housing, through the Directorate-General for Architecture and Housing policy is in charge of regulating Spanish architectural policy. This policy, which is based on the Spanish Building Code, focuses mainly on the constructional, safety, use and accessibility-related aspects of architecture.

Moreover, competences of the Ministry of Housing also include the development of the conceptual aspects of architecture. To this effect, the Ministry sponsors the organization of biennial exhibitions and the participation of Spanish professionals in foreign architectural events (Venice Biennial). It also provides funds for a series of publications and exhibitions that follow a specific programme. However, there is no systematic policy for these activities.

In the case of Spain, there is a regulation that governs architectural quality, which is applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout among others.

In this regard, the conceptual aspect of architecture is generally regulated through municipal planning, which establishes clearance levels for buildings as well as façade characteristics and proportions of public spaces. In certain (historical or listed) urban areas it is the corresponding regional government that has the authority over architectural matters pertaining both to new buildings and those to be rehabilitated. This form of regulation is closely dependent on the management goals of each municipality.

Spaniards tend to associate architecture mainly with culture, the environment/landscape, energy/sustainable development and social representation.

It is in buildings and listed sites that the architectural quality characteristics of existing constructions are taken into account.

The architectural quality characteristics of existing constructions are promoted particularly in buildings, neighbourhoods, listed sites and urban areas.

Architecture, in its physical-constructive and cultural-conceptual aspects, can enhance the living conditions of the inhabitants of an urban settlement as well as the nature of their social relations, strengthening the bonds between the different social groups that share the urban milieu. Besides, leaving aside the strictly technical aspects of a building, its shape or its conception, the proportion between dimension and volume or its relation with public spaces may result in significant energy savings throughout its service life, from the very beginning of the construction works to the maintenance works required once the building is completed.

Considerable efforts are being placed in the recovery and upgrading of existing buildings, even in areas located away from urban centres, in line with a vision that leads to a more sustainable territorial policy for cities and urban settlements.

In general, architecture is considered to be about the production of unique Works rather than about housing in general. The Ministry of Housing recognizes architectural quality through presentation of national awards for architecture, housing and town planning.

The Ministry of Housing uses public competitions as a tool to award architectural projects. They also issue publications and organize exhibitions to ensure high professional standards. The regions apply a similar model, which is adapted to their own characteristics.

### **Annex to question 3.6: Best practices**

Question 3.6. Please dwell on any specific examples of housing rehabilitation in your country that may be considered best practices for whatever reason.

Spain

The Spanish Habitat Committee, which is led by the Ministry of Housing, is devoted to promoting the debate on sustainable urban development and to encouraging an exchange of ideas that may make such an urban development possible. In this connexion, Spain has since 1996 had an active participation in the different editions of the UN International Best Practices Competitions, with excellent results. A large number of Spanish initiatives have received awards, specifically in the field of comprehensive urban renewal, which have also been successful in boosting employment. These initiatives include:

#### **Comprehensive Plan for the hillside neighbourhoods of Lorca (Murcia) (2008)**

The Comprehensive Plan to the hillside neighbourhoods of Lorca (PIBAL) originated from a political and social consensus to tackle the problems facing these neighbourhoods, which threatened to plunge them into severe degradation.

The term “hillside neighbourhoods” is used to designate San Lázaro, San Pedro, Santa María, San Juan and San Cristóbal neighbourhoods located in the higher parts of the city of Lorca. Some of these “hillside neighbourhoods” are part of Lorca’s historical-artistic heritage.

These neighbourhoods are inhabited by 11,524 persons, of which 2,925 are immigrants coming from 42 different countries of which only 10 are Spanish-speaking. In addition, this area is home to a high concentration of Roma population. Different studies underscore the vulnerability of the population living in this area, which is attributable to factors such as their age and their difficulties to communicate with the native Spanish population in the area, which they have all but taken over.

Identification and delimitation of the area has been carried out on the basis of the principle of vulnerability, from an urban planning and social perspective. The main characteristics identified have been as follows: social degradation, family breakdown, ageing of the population, high unemployment levels, urban and environmental degradation, heritage buildings at risk of disappearing, and a dearth of social equipment and infrastructures.

From the urban planning standpoint, these areas have severe problems of accessibility, slumming and a dearth or absence of open spaces and of the basic services of any urban settlement (vehicle access, water and electrical energy supply, sewage systems, public lighting, refuse collection services, etc.).

The Comprehensive plan sought to launch a social regeneration and economic revitalization process of the area by creating new physical, social, urban and environmental conditions so as to promote social change with a view to placing these neighbourhoods on an equal footing with the rest of the city.

Specifically, the local government implemented a novel intervention policy whereby the specific needs of the citizens of each one of the neighbourhoods were considered vis-à-vis the potential possibilities offered by each territory. If this scheme is successful, then it can be exported to other areas of the city.

Although the Lorca City Council is finding it difficult to obtain the funds needed to undertake the project, the good results achieved so far are proof of their effort and the prudent circumspection with which they have managed the scarce resources available to them.

**Project highlights:**

- Upgrading of infrastructures and paving of 60 streets.
- Restoration of the San Roque Hermitage, San Antonio's Porch and a section of the mediaeval wall. These works were possible thanks to the setting up of an employment workshops programme. .
- Construction of three green areas.
- Signing of an agreement with the Church to restore three flagship churches of those neighbourhoods so that they could be used by the community.
- 4,519 persons have been direct beneficiaries of the interventions carried out in the area.
- 580 unemployed persons (of which 12% immigrants and 21% Roma) have participated in training for employment programmes. Sixty percent of beneficiaries of the training activities are women.
- 3,145 persons have participated in childcare and family-care programmes.
- 234 children have participated in leisure and free-time activities.
- Fifty-six percent of unemployed persons who participated in training for employment programmes managed to find employment.
- Six small businesses have been created, five of them managed by women, two of which of immigrant origin.

**Transfer of the experiences gained in the regeneration of the Valencia historical centre (Riva-Ciutat Vella Plan) to another area of the city (Riva – Russafa Plan).**

The experience gained in the course of the interventions carried out to recover the Valencia "Ciutat Vella" (old town) is now being exported to Russafa, another historical area which was absorbed into Valencia during the 19<sup>th</sup> and 20<sup>th</sup> century when the old wall was demolished and the city was expanded.

Although the goals for the Russafa neighbourhood were similar to those for the historical centre, new elements were incorporated such as a series of participation mechanisms whereby citizens could have a say in decisions made throughout the process, from the initial diagnostic phase.

The first two interventions of the Plan have been the opening of a RIVA Russafa Office and the call for proposals for the Works in the Puerto Rico axis, which is due to connect the most degraded area of the Russafa neighbourhood with its historical centre.

The Results of this operation, which is already under way, will be visible in the next 10 years.

**Project highlights:**

1992-2005: Verification of the rehabilitation project affecting the old city centre, with the following indicators:

- Dwellings rehabilitated with public subsidies: 7,300

- Equipment: 75
- Public investment: 217,5 million €
- Private investment: 125.million €
- Citizens served: + 30,000
- Redeveloped public spaces: 195.000 sq. m
- 2005-2007: Transfer of experiences from “Ciutat Vella” to Russafa.
- Opening of the RIVA Office (June 2007)
- Citizens served: 724
- Call for proposals for the Puerto Rico axis (July 2007)
- Area: 17,000 sq. m
- Cost of redevelopment works: 6 million €
- Initial public investment: 24 million €
- Participation:
  - Ciutat Vella Analysis Fora: 17 fora
  - Participants: 216 persons
  - Participants in the Russafa workshop: 26 persons
  - Follow-up committees: 4 persons

## 11 FINLAND



Country code	FI	GDP (PPP)	117.2
Area (sq. km)	338,145	Unemployment	8.3%
Population	5,326,314	HDI	0.959
Population density	15.8	Urban population	62.4%
Construction sector/ GDP	7.30%		
Form of government: Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: general overview

The *housing and building rehabilitation* concept in Finland agrees with all the different items in the definitions proposed.

With respect to rehabilitation of urban areas, Finland agrees with the items related to the upgrading of the urban residential fabric.

In Finland, some 50% of the total amount of buildings, and most apartment buildings are heated with district heating system. Some 80% of the district heating is produced in combined electricity and heating production power plants. In Helsinki, there is also a possibility to join district cooling system as a part of joint district heating and electricity production. Usually air-conditioning is managed independently by each residential building.

In general, every residential building (or residential building complex) caters for its own hot water together with district-heating system, oil heating or electric heating.. Use of renewable energies is so far more typical in detached houses than apartment buildings.

In Finland, competences for rehabilitation lie with the Central Government, regional governments, municipal governments and ARA (Finnish Housing Finance and Development Centre).

Finland has legislation that addresses rehabilitation (but it is not drawn up specifically for this purpose).

Main requirements to be met by an urban rehabilitation process to be considered “all-inclusive”:

Land Use and Building Act: its purpose is sustainable development and it is the norm that governs environmental planning and assessment, including economic, cultural and social aspects

National Guidelines on Land Use: it includes goals related to urban construction, quality of the surroundings, cultural heritage, natural values, recreation, infrastructure and energy supply.



Points 110-112 of the Land Use and Building Act include regulations on special development areas. Built-up areas where the development and enforcement of specific measures is necessary for renovation, preservation or improvement of living conditions or to achieve other goals related to a common need, may be designated as special development areas. In these areas, local governments and private entities can come to special enforcement agreements (for infrastructures, services, etc)

Rehabilitation regulations are applicable to dwellings, buildings and urban areas. Although the Finnish legislation makes no distinction between new construction and rehabilitation, the resolutions cover both (especially if there is no indication to the contrary).

- Land Use and Building Act:  
<http://www.finlex.fi/fi/laki/kaannokset/1999/en19990132.pdf>
- National Building Code of Finland:  
<http://www.environment.fi/default.asp?node=6470&lan=en>
- National Land Use Guidelines:  
<http://www.environment.fi/default.asp?node=20911&lan=en>
- Act on the Protection of Buildings:  
<http://www.environment.fi/default.asp?node=4774&lan=en>

Aspects covered by rehabilitation regulations:

- Town planning aspects: the goal is sustainable development, an integrated urban structure, good construction quality, protection of the cultural heritage and the landscape, etc.
- Architectural aspects:
  - Protection of the cultural heritage and the landscape
  - High-quality construction, aesthetically harmonious ambience, creation and maintenance of cultural values
  - A solid basis for an attractive urban image
  - Special consideration should be given in the course of repair and transformation works to the special attributes and characteristics of a building as well as to the need to use it in a sustainable way. Alteration cannot jeopardize the safety of building occupants or weaken their health status.
- Energy-related aspects: increased energy efficiency of buildings
- Regulations do not include financial or tax-related aspects.
- Adaptation to the needs of elderly persons/ accessibility: the Finnish building regulation does not include provisions for specific social groups. The requirement for accessibility refers to any alteration or repair works that are comparable to the actual construction of a building.

In Finland there is a specific regulation for the rehabilitation of (but not drawn up specifically for this purpose):

- Historical town centres: both the Planning Regulation and the National Land Use Guidelines lay significant emphasis on the need to maintain and protect Finland's natural and cultural heritage. There is also a list of prominent historical and cultural environments and landscapes, which needs to be taken into account in the course of a planning project. These environments include, among other things, historical city centres.
- Rural areas: The list mentioned above include also rural environments.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Households	110,000	125,000	140,000

It is difficult to make an estimation of the number of housing units being rehabilitated with governmental assistance because of the existence of direct subsidies (subsidized loans, guarantees and donations) and indirect financial assistance in the form of tax rebates (See section 4.13.)

The aforementioned figures are derived from the National Accounts. The wide-range of subsidies is taken into account. They also include tax rebates granted in a generalized way with no specific decision by the authorities.

The following chart illustrates the different approaches that can be used:

### Subsidies

		General and selective subsidies	Selective subsidies only
Scope of repairs	Wide ranging	<ul style="list-style-type: none"> <li>Includes annual repairs</li> <li>Also includes general subsidies</li> </ul>	<ul style="list-style-type: none"> <li>Includes annual repairs</li> <li>Only includes selective subsidies</li> </ul>
	Limited	<ul style="list-style-type: none"> <li>Only includes large scale repairs/rehabilitation/renovation (1)</li> <li>Includes general subsidies</li> </ul>	<ul style="list-style-type: none"> <li>Only includes large scale repairs/rehabilitation/renovation (1)</li> <li>Only includes selective subsidies</li> </ul>

1) The information provided for this questionnaire has been estimated on the basis of National Accounts

It should be pointed out that several countries can use different approaches for supplying information, which makes it difficult to compare between the figures provided by each.

In this regard, many countries can supply figures based exclusively on specific decisions by the authorities. If this was the case, the figures provided are significantly lower than if they also included general subsidies.

In addition to specific subsidies, rehabilitation projects may benefit from public aid for planning or redevelopment work or for the supply of equipment in public spaces.

### 3. Job Creation

Finland believes that rehabilitation contributes to the maintenance and/or generation of employment.

15,000 direct jobs have been created as a result of the fiscal and/or financial measures adopted.

Estimations indicate that another 15,000 jobs will be created thanks to the measures adopted in 2010. These estimations are based on gross figures of jobs generated. It is difficult to estimate the net effect of the government's measures since part of the rehabilitation works would have been conducted even without the introduction of the governmental stimulus package.

A 10% subsidy for housing rehabilitation has been granted to businesses and property owners since March 2009. As from April 2010 the subsidy will only be awarded to rehabilitation projects that increase the properties' energy efficiency.

There are not enough specialized professionals in Finland to meet the existing needs of the rehabilitation sector since the need for rehabilitation of the Finnish housing stock is bound to increase steadily in the next few years.

The Finnish educational system offers training geared specifically to the rehabilitation sector at advanced and intermediate university level and in the vocational training programmes. Encouraging as this may be, there is a need to strengthen the rehabilitation component in such educational programmes. In this connexion, an increasing number of seminars on rehabilitation is being provided and rehabilitation courses are being provided to the unemployed.

### 4. Financing and Concert between Government and the Private Sector

As far as subsidies are concerned, the Finnish Central Government offers tax benefits and various subsidies for housing .

As for building rehabilitation, Finland provides grants, interest subsidy on loans and guarantees at the level of the Central Administration.

There is a system of grants and subsidised loans in place with special conditions for residential building rehabilitation for special groups (including disabled persons).

Subsidies are also awarded for building rehabilitation if the works are carried out to enhance accessibility (for example, installation of a lift in an old building). These subsidies are available to all inhabitants.

Public institutions that centralise the processing of applications by different housing companies and households obtaining subsidies for rehabilitation include the Finnish Housing Finance and Development Centre (ARA) and the local authorities (building

supervision). In Finland there is a large amount of semi-public organizations that provide rehabilitation-related information and assistance to their members.

There are public subsidies in place intended to assist low-income families with housing and/or building rehabilitation in the form of subsidized interest rates on loans for the rehabilitation of residential buildings to be used as social housing.

Finland has several public housing counselling institutions that centralise the information on the requirements that non-profit companies, Finnish housing companies and individuals must meet in order to qualify for dwelling rehabilitation subsidies. The Finnish Housing Finance and Development Centre (ARA) is the institution that assigns state-subsidised loans as well as the guarantees and subsidies needed by housing developers to carry out the rehabilitation works.

Local governments may offer subsidies for housing rehabilitation intended for individuals.

To summarise the situation of public funding for housing in Finland, it can be said that interest rate subsidies, guarantees and grants are available to promote construction, rehabilitation or acquisition of housing units by the Finnish Housing Finance and Development Centre (ARA).

Home ownership is also funded by means of tax rebate on interest payments of individual housing loans. Households can also use part of the labour costs involved in rehabilitating their homes as a deduction for domestic labour in their tax declarations.

As regards the interaction between the different levels of government to promote rehabilitation, there are three different institutions that have competences in this area: the Ministry of the Environment, the Finnish Housing Finance and Development Centre (ARA) and the local governments.

The Finnish Housing Finance and Development Centre (ARA) operates under the supervision of the Ministry of the Environment. A number of municipalities and municipal real estate companies participate in a special programme for regenerating suburbs, with the support of the ARA.

The Government has also launched a programme aimed at addressing the damage caused by moisture and mould buildup in buildings. In addition, it has granted subsidies aimed at improving the employment in the construction sector targeted at housing repairs.

## 5. Role of Architecture

The governmental departments in charge of architecture-related matters are Ministry of the Environment, Ministry of Education and Culture, the National Board of Antiquities, the Finnish Council for Arts and Architecture, the Finnish Museum of Architecture, the local governments (construction planning and supervision), regional environmental administration (it advises and supervises local governments) and the Finnish Association of Architects.

As regards architectural policy, the current governmental programme for architectural policy can be found on: <http://www.apoli.fi/prime103.aspx>

Architectural policy in Finland lays emphasis both on citizens' rights and on their duty to preserve the environment. This is the reason why training of and information to architects needs to be improved.

The goals of Finnish architectural policy are:

- Increase the quality of public buildings and asset management.
- Promote the use of methods that lead to high-quality architecture and construction.
- Encourage innovation through the architectural heritage.
- Enhance preservation of the Finnish architectural heritage and develop the environment as part of cultural history and architecture.

Finns tend to associate architecture mainly with la culture, the environment / landscape, energy/ sustainable development, innovation/ technology, social representation, industry, town-planning/ public spaces/ the city.

Architectural is based on "utility, durability and beauty". Utility includes functionality, practicality and efficient use of resources. Durability has gone from being simply the force of structures to including ecological sustainability. However, greater emphasis should currently be placed on such qualities as beauty and comfort in the urban milieu.

In Finland, great importance is given to the existing quality features of architectural works and such characteristics are promoted in buildings, neighbourhoods, listed sites and urban areas.

According to Finland, high-quality architecture can help create and maintain resources; create or boost self-esteem in the population living in an area with differentiating architectural characteristics; generate/create an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces and create jobs/foster employment; generate/improve employment and reduce greenhouse gas emissions and energy consumption.

Finland finds it advantageous to invest material means and human effort in: enhancing the architectural quality of existing buildings / rehabilitation, the consolidated city, new isolated buildings, new urban developments, the urban milieu and rural areas.

Architecture is considered to be related to the construction of cities and dwellings and with any type of construction.

Finland promotes architectural quality in the construction/rehabilitation work undertaken by government, urban and housing development agencies and the private initiative.

Legislation passed at all levels of government, central, regional and municipal, stresses the importance of public association.

Finland would consider the introduction of EU guidelines setting out EU architectural policy useful.

To obtain further information on specific experiences related to the development of architectural promotion policies, please visit:

<http://www.apoli.fi/prime103.aspx>

## 12 FRANCE



<b>Country code</b>	FR	<b>GDP (PPP)</b>	107.9
<b>Area (sq. km)</b>	543,965	<b>Unemployment</b>	9.4%
<b>Population</b>	64,350,759	<b>HDI</b>	0.961
<b>Population density</b>	118.3	<b>Urban population</b>	76.7%
<b>Construction sector/ GDP</b>	6.70%		
<b>Form of government:</b> Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: general overview

In terms of rehabilitation, the French legislation focuses on:

- dwellings and buildings, with specific interventions in the areas of fitness for use, thermal aspects and accessibility.
- expansion of spaces through urban renovation (at the level of neighbourhoods), which also influences quality of life.

The French housing authorities agree with all aspects of the definition of rehabilitation proposed.

All three levels of government (central, regional and local) possess competencies over rehabilitation. French Departments and intercommunalities also have competencies in these areas.

Provisions are in place that regulate the scope and the concept of rehabilitation.

In France, several provisions are in place that state that rehabilitation is to have an “integrated character”:

- The Law for Town Planning and Urban renewal (1 August 2003) introduced the National Programme for Urban Renewal (PNRU), which aimed at restructuring neighbourhoods classified as “sensitive urban areas” in order to promote a social mix and sustainable development policy.
- The Law for the Mobilisation for Housing and Fight against Exclusion (25 March 2009) introduced the National Programme for Rezoning Old Degraded Districts (PNRQAD), which aimed at regenerating old town centres by rezoning, shanty clearance programmes and promoting the diversification of urban functions and a social mix policy.
- The “integrated character” of urban rehabilitation projects is based on global interventions carried out to thoroughly restructure and regenerate neighbourhoods (services, accessibility, infrastructure, public facilities and all kinds of works in residential dwellings and buildings).

These interventions must contribute to the promotion of social mix policies, the creation of a balance between housing and activities, and the improvement of energy efficiency in line with the promotion of sustainable development.

For the private housing stock, urban rehabilitation can also be considered “integrated” if it is subject to one of the following: a programmed operation for the improvement of housing (OPAH), a programmed operation of thermal and energetic improvement in buildings (OPATB), a programmed operation for improvement in a protected sector, an operation for housing restoration (OPI), or operation for an intervention within the plan for degraded building protection or within the eradication plan for insalubrious dwellings (RHI).

Furthermore, the “Grenelle” agreements (relative to the environment) contemplate creation of an “eco-neighbourhood” in municipalities that have a significant development project. The purpose is to encourage large cities to embrace urban sustainability policies, by identifying cities which, in conjunction with local players, launched an innovative initiative in the field of urban development.

A rehabilitation need not have an “integrated” nature to be awarded EU funding. However, in order to secure public housing subsidies in France the rehabilitation project must be in line with the stipulations of either the PNRU or PNRQAD programmes. There are nevertheless tax benefits and subsidies granted by banking institutions that are not contingent on whether the rehabilitation project is “integrated” or not.

Regulations on housing stock rehabilitation in France focus on dwellings and buildings:

- Building and Construction Code (CCH).
- Law n°2003-710 of 1/08/2003 (Chapter II): <http://www.anru.fr>; These are the general ANRU regulations.
- Law n°2009-323 of 25 March 2009 ( Chapter III)
- <http://www.legifrance.gouv.fr>
- <http://www.logement.gouv.fr>: site DGALN: housing finance, urban renewal, shanty clearance policies.

Aspects covered by rehabilitation are as follows:

- Architectural aspects
  - RT 2012 Thermal Regulation
  - Shanty clearance programme (RHI)
  - Heritage-related aspects
- Financial aspects
  - It is mainly the regulations relative to financial subsidies that contemplate measures for rehabilitation (rather than the specific regulation concerning rehabilitation, which tackles the financial aspects). The non tax-related national subsidies are mainly subsidies awarded by the National Housing Agency (ANAH) and the Environment and Energy Management Agency (ADEME) and interest-free (private housing) and low-interest (social housing) eco-loans. These subsidies are subject to conditions concerning the nature of the works to be carried out and the types of beneficiaries involved (situation of their permanent residence, income levels, etc.).
  - Financial provisions for rehabilitation also include renewal programmes undertaken by the National Urban Renewal Agency, where the granting of public subsidies is subjected to specific norms and limited to pre-defined urban areas.
- Tax-related aspects
  - Apart from laying down provision for financial matters, the tax regulations also dictate the rehabilitation-related procedures. The basic incentive here is a subsidised value added tax rate (5.5% instead of the usual 19.6%) for upgrading works on dwellings over 2 years of age. Some rehabilitation projects may also qualify for tax rebates (for installation of assistance services or equipment for elderly and disabled persons or for promoting sustainable development) and interest-free eco-loans. There is also the possibility to qualify for property tax exemption.
  -

- Energy-related aspects
  - Thermal regulations are applicable to existing residential and tertiary buildings for rehabilitation works scheduled by the developer. The general purpose is to guarantee a significant improvement in an existing building when a developer carried out work that can contribute a significant improvement in this regard. Requirements vary depending on the scope of the work to be performed: the larger their scale, the more stringent the demands, which can in some cases be equivalent to those imposed on new constructions.
- Adaptation to the needs of elderly persons/accessibility
  - Law n° 2005-102 on Equality of Rights, participation and citizenship of disabled persons, adopted on 11 February 2005. This Law includes an important section on accessibility. The law lays down that accessibility “for all” should be guaranteed, especially for people with motor, sensory and intellectual disabilities. Existing collective residential buildings must abide by this law.
- Adaptation to the needs of disabled persons/accessibility
  - Law 2005 on Equality also covers aspects related to disability.

In addition, there are specific provisions for:

- Historical town centres  
There no is specific regulation for historical town centres. Although there are some generic norms, the Architecte de Bâtiments de France” (State Building Inspector) must in all cases give his consent prior to issuance of building permits in protected historical town centres. There are also procedures for protected areas where specific protection areas have been created (ZPPAUPs) around urban and architectural heritage sites.
- Rural areas  
In order to benefit from public funds, works must be related to:
  - A scheduled intervention (a rural revitalization OPAH or a shanty eradication programme)
  - Programmes to fight lead poisoning and unreliability of energy supply and programmes to adapt housing to the needs of elderly and/or disabled persons.

## 2. Fulfilment of Housing Needs

In France, there is a significant number of dwellings rehabilitated with public subsidies, owing mostly to the fact that the existing housing stock is obsolete or ill suited to the existing demand.

Year	2000	2005	2008
<b>Dwellings</b>	310,633 Private housing stock (2002): 178,385 Public housing stock (PALULOS): 132,248	203,869 Private housing stock 132,057 Public housing stock (PALULOS): 57,628 Public housing stock ANRU: 14,184	210,491 Private housing stock: 112,761 Public housing stock (PALULOS): 50,090 Public housing stock ANRU: 47,640



Rehabilitation of buildings and housing units in France, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces. These can be:

Work carried out to improve the surroundings of buildings and social dwellings: construction of infrastructures and communication networks; creation of public spaces.

Construction, extension and rehabilitation of public equipment (schools and administrative, sports or cultural facilities).

Owners/investors can transfer investment costs to tenants by charging them a fixed monthly supplement that cannot exceed 50% of the amounts saved as a result of the investment made and which cannot be applied for longer than 15 years. Landlords can only charge this supplement if they carry out at least two interventions to increase energy efficiency, or if the Works performed reduce the overall energy consumption of the dwelling below the minimum energy efficiency threshold.

### 3. Job Creation

France considers that rehabilitation may contribute to the maintenance and/or generation of employment. In fact, the country has introduced fiscal and/or financial measures to promote rehabilitation in order to foster economic activity and the maintenance and/or generation of employment.

Estimations indicate that around 62,000 direct jobs have been created as a result of the measures introduced.

France considers that availability of specialized professionals and labour in the country is not sufficient to meet the current needs of the rehabilitation sector, especially as far as innovative thermal techniques and technologies are concerned.

In the French educational system, both universities and vocational training institutions offer tuition geared specifically to the rehabilitation sector.

### 4. Financing and Concert between Government and the Private Sector

France has taken advantage of the modification of the ERDF regulations to include energy efficiency expenses in the existing social housing stock in ERDF operational programmes. In addition, it considers that housing-related spending must not be excluded from ERDF programmes, not even in former Member States.

In France tax benefits are available for housing rehabilitation

- at state level: a reduced value added tax rate (5,5%) is applicable to any kind of rehabilitation works in buildings over 2 years of age. Benefits are also available for interventions that promote sustainable development or make the dwelling better suited to the needs of elderly and disabled persons. Tax relief is applicable to all rehabilitation works carried out by landlords, property tax exemptions are in place for social housing rehabilitation and property tax rebates may be claimed by those

who improve the accessibility of disabled persons to their dwelling and by those who install energy-saving systems.

- at regional and local level, subsidies are not compulsory and can therefore vary at the discretion of the different local administrations.

In addition, there are non-refundable loans, low-interest loans and guarantees for housing rehabilitation at all levels of government.

As regards rehabilitation of buildings, the country offers no tax benefit or public subsidy. This is understood to refer to non-residential buildings. Subsidies for residential building rehabilitation are identical to those for the rehabilitation of housing units.

Public subsidies are in place for housing and/or building rehabilitation:

- to adapt them to the needs of elderly persons, so that these are not forced to move out of their homes.
- to adapt them to the needs of disabled persons, by means of:
  - A subsidy of up to 70% of the subsidisable Works performed up to a maximum of 8,000 euro, granted by the National Housing Agency.
  - Loans granted to owners or building operators for rehabilitations works that involve the adaptation of dwellings to the needs of disabled persons.
- Subsidies to low-income families:
  - Low-interest loans
  - Loans for landlords intended to facilitate the acquisition or construction of rental housing or rehabilitation work.
  - Loans to social rental institutions. These units must be occupied by low-income families with integration problems.
  - Aid programme for upgrading rental and social housing (PALULOS): this scheme is intended to upgrade the condition of low-rent public housing estates.
- Subsidies: The National Housing Agency (ANAH) is aimed at promoting high-quality interventions in the existing private housing stock. It grants subsidies, which are subjected to restrictions that depend on the applicants' income. It provides assistance to owners who occupy their dwellings and to those who let them out to others.

France has public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies: the National Housing Agency and the Environment and Energy Management Agency. The municipal housing information agencies (ADIL) provide free-of-charge advice to private individuals, especially on rehabilitation subsidies. In addition, housing and development federations as well as the PACTs and ARIMs distributed throughout the country also play a role in providing information and advice to the general public.

The State enforces national policy and determines French fiscal policy. There is a possibility of obtaining local tax rebates and national subsidies.

Financial assistance is awarded through the National Housing Agency (subsidies), banks (loans), and the Environment and Energy Management Agency (specific subsidies to promote sustainable development).

Local authorities are free to establish the norms and conditions that govern the assignment of their own subsidies. In some cases, they coordinate their subsidy programmes with those of the central government and of other national public entities.

## 5. Role of Architecture

Different organizations exist that deal with (and/or regulate) matters related to architecture:

- at the central level, the Heritage Office, which operates within the framework of the Ministry of Culture and Communication, has competences over architectural matters
- at the local level, the authority with competences over granting building permits can include architectural and landscape-related provisions in the town-planning regulations.

Establishment of a protective perimeter for historical monuments, subject to the opinion of the Architecte de Bâtiments de France.

France had a specific architectural policy: A law of 1977 requires intervention of an architect, with a degree accredited by the State, for conception of buildings with a net overall area in excess of 170 sq. metres. The competent entities are:

- Ministry de Culture and Communication (MCC)
- Offices for Cultural Affairs (DRAC)"
- Provincial Services for Architecture and Heritage (SDAP)" (these are decentralised services)
- Architectural, Town-planning and Environmental Counselling Office (CAUE). These services, which can be found in the different Départements, were founded at the initiative of the "Conseils Généraux" (legislative body for the Départements, established in 1977).

There are regulations that govern architectural quality, which are applicable to dwellings and their fitness for use and to other buildings.

The French tend to associate architecture mainly with culture, the environment/landscape, and energy/sustainable development.

Local Town-planning Schemes (PLU) include a specific section for the Environment/Landscape.

In terms of sustainable development, the "Grenelle" laws demand that architecture should promote a smoother integration of sustainable materials and renewable energy production equipment into protected sectors.

For France, architecture influences the preservation/upgrading of the urban milieu.

France takes into consideration the quality characteristics of existing buildings, neighbourhoods, los listed sites.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in listed sites.

In France, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; and create jobs/foster employment.

France considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban milieu and rural areas.

In general, architecture is taken to refer to any type of construction.

France promotes architectural quality in construction/rehabilitation work undertaken by: government, urban and housing development agencies and the private initiative by organizing architectural competitions.

France has not expressed its views on the introduction of EU guidelines setting out EU architectural policy.

## 13 HUNGARY



<b>Country code</b>	HU	<b>GDP (PPP)</b>	64.4
<b>Area (sq. km)</b>	93,030	<b>Unemployment</b>	10.1%
<b>Population</b>	10,030,975	<b>HDI</b>	0.879
<b>Population density</b>	107.8	<b>Urban population</b>	66.3%
<b>Construction sector/ GDP</b>	4.60%		
<b>Form of government:</b> Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: general overview

The Hungarian housing authorities agree with all items in the definition of the rehabilitation concept proposed in the context of dwellings, buildings and urban areas, except with the items referring to the installation of centralized air-conditioning and hot water networks fed with renewable energy and to the establishment of centralized hot water networks fed by renewable energies, corresponding to urban areas.

Mention should be made of the fact that the urban area rehabilitation interventions proposed are focused on the physical environment. The complex meaning of urban rehabilitation should be extended to rehabilitation of the social and economic environment.

Both the Central and the municipal governments possess competencies over rehabilitation.

There are no provisions in place that regulate the scope and concept of rehabilitation.

In Hungary there are some financial resources for urban regeneration. There can only be used for projects conceived with an “integrated” approach. Subsidies for urban regeneration are drawn from programmes funded by the European Union. There have been EU-funded urban regeneration programmes since 2001 (“Phare”), which were continued during the 2004-2006 period and will still be in place in the 2007-2013 period. Since 2007, the Hungarian integrated urban rehabilitation policy of the Regional Operational Programmes has been made up of two kinds of programmes, both of which require an integrated approach:

Market oriented rehabilitation of the city and of district centres (extension of urban functions). In this case, programmes must involve public and private interventions rehabilitation of public spaces and different kinds of buildings.

Rehabilitation of disadvantaged urban areas: programmes must contain not only physical elements, but also investments in the human aptitudes of citizens with few social skills. (Both ERDF and ESF funding must be applied to both kinds of interventions).

Moreover, in 2007 a new instrument was introduced in order to lay down the basis of urban development. In the framework of the Regional Operational Programme (ROP), cities wishing to apply for subsidies for any kind of urban regeneration Project must draw up an integrated urban development plan. Such a plan must follow a strict thematic

structure, prepared by the Ministry for National Development and Economy. The Plan contains an overview of the situation of the whole city and defines the different areas in need of development.

In 2009 the requirement to draw up an integrated urban development plan was made compulsory for all urban settlements (regardless of whether EU-funds could be secured or not) by amendment of the Law on the Built Environment.

The Hungarian rehabilitation regulation does not address any of the aspects proposed: each rehabilitation programme has its own conditions and rules.

## 2. Fulfilment of Housing Needs

Estimation of the number of housing units that have undergone rehabilitation with government assistance. There are different rehabilitation programmes:

Renewal of residential buildings constructed with industrialised technology (thermal insulation, upgrading of engineering works, change of windows, use of renewable energies)

National Energy Savings Programme: rehabilitation of dwellings constructed with traditional technology (thermal insulation, installation of new windows, new heating and hot water systems and use of renewable energies).

Year	2000	2005	2008
<b>Dwellings</b>	1,913 (2001): Industrialised technology	32,538: Industrialised technology	74,778 (2009): Industrialised technology
	21,319 (2001): Traditional technology	74,944 (2003): Traditional technology	10,297 (2009): Traditional technology

Estimated number of buildings that have undergone rehabilitation with government assistance: rehabilitation of residential buildings constructed with industrialized technology.

Year	2000	2005	2008
<b>Buildings</b>	36 (2001)	730	1,461 (2009)

Building and dwelling rehabilitation does not normally require the introduction of changes into planning systems. Only large-scale interventions that also include demolition works or the construction of new houses or buildings require the drawing-up of a new zoning plan.

Owners/investors are not allowed to transfer investment costs to tenants.

### 3. Job Creation

Hungary considers that rehabilitation can make a contribution to the maintenance and/or generation of employment.

Nevertheless, Hungary has not introduced fiscal and/or financial measures to promote rehabilitation in order to foster economic activity and the maintenance and/or generation of employment.

Hungary considers that the availability of specialized professionals and labour in the country is sufficient to meet the current needs of the rehabilitation sector.

Training geared specifically to the rehabilitation sector is provided only at university level.

### 4. Financing and Concert between Government and the Private Sector

Use of ERDF funds to subsidise housing-related spending:

Since 2007, the integrated urban rehabilitation policy of ROPs has comprised two types of programmes: those geared to rehabilitation of the centres of cities and districts (extension of urban functions) and those aimed at rehabilitating disadvantaged urban areas.

However, there is no information yet on the percentage of urban programmes of ROPs that have succeeded in improving dwelling fitness for use conditions. Nonetheless, it is a known fact that only a small fraction of the resources available in the integrated urban rehabilitation programmes was spent on socially sensitive rehabilitation programmes and only a marginal portion of these funds were used directly for housing purposes.

As regards the scope of the above mentioned interventions, renewal of the communal areas of multi-family dwellings and housing cooperatives can qualify for subsidies for the renewal of the main structural elements in the building, upgrading of engineering systems, implementation of renewable energy systems.

Extent to which the existing housing stock is affected: refurbishing of the main structural elements may include isolation of façades and rooftops and the exchange of windows and doors. Implementation of renewable energy systems can also qualify for a subsidy.

Hungary intends take advantage of the possibility made available by COM Regulation 1080/2006 to use ERDF funds to finance energy efficiency improvement and the introduction of renewable energies in existing housing units. However, no steps have been taken as yet in this regard.

In Hungary there are no tax benefits for housing unit rehabilitation. Nonetheless, there are other public subsidies to housing rehabilitation, exclusively at state level: non-refundable loans, low-interest loans, subsidies and other loans.

No tax benefits are available for building rehabilitation. However, there are other public subsidies for residential building rehabilitation: non-refundable loans at state and local levels, low-interest loans, subsidies and other loans, both at state level.

No public subsidies are in place to adapt dwellings and/or buildings to the needs of elderly persons.

Public subsidies are in place to adapt dwellings and buildings to the needs of disabled persons: flat rate subsidies intended to defray any additional housing rehabilitation expenses incurred by disabled persons, are available in case of:

- construction or purchase of a new dwelling
- Rehabilitation of a used house

No public subsidies are made available to low-income families to carry out housing and/or building rehabilitation works.

There are no public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies, or any public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining housing rehabilitation subsidies.

Summary of public subsidies granted by the different levels of government:

The State Programme for the Renewal of Residential Buildings Constructed with Industrialized Technology grants subsidies to housing cooperatives or condominiums of up to 33% of total costs. Local governments can top up this amount with an additional 33% of the total costs. Applicants can apply for low-interest loans to pay their share of the costs.

Interaction between the different levels of government to promote housing and/or building rehabilitation: if local governments are more forthcoming with the granting of funds in addition to the state subsidy mentioned above, housing cooperatives and condominiums are more inclined to file applications to start rehabilitation works.

## 5. Role of Architecture

Different organizations exist that deal with (and/or regulate) matters related to architecture: the Ministry for National Development and the Economy.

Hungary has a specific architectural policy: the first architectural policy of the country is currently being drawn up.

Main features of architectural policy:

1. The built-up environment and sustainability
2. The architect's role
3. The built-up environment in Hungary
4. Architecture and quality – new approach, long term perspective
5. Goals and elements of Hungarian architectural policy
  - 5.1. The State and the local governments
  - 5.2. Quality in architectural design and quality in construction works
  - 5.3. Our architectural heritage

- 5.4. Basic education
  - 5.5. Architecture and culture
  - 5.6. The role of the media
  - 5.7. Vocational training
  - 5.8. Architectural research
  - 5.9. Public works and allocation
  - 5.10. International recognition of Hungarian architecture
  - 5.11. Legal environment, institutions
6. Propositions and main tasks

Agencies in charge of drafting architectural policy: Ministry for National Development and the Economy.

There are regulations that govern architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout: the Hungarian “Construction Law” establishes the general regulations for architectural quality for all kinds of buildings and constructions.

Hungarians tend to associate architecture mainly with : culture, the environment/landscape, town-planning/public spaces/the city and others. Protection of the architectural heritage is governed by the Law on the Protection of the Cultural heritage.

Relationship between rehabilitation and the environment/landscape: there is a Construction law (Law n ° 78 /1997) that regulates the development and protection of the built-up environment.

Hungarians consider that architecture influences the preservation/upgrading of the urban milieu.

The integrated housing rehabilitation concept is not in use in Hungary. Architectural quality of new and existing buildings is considered for all kinds of buildings in the country.

Hungary attaches great significance to the architectural quality of communal and public spaces.

In Hungary, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption.

Hungary finds it advantageous to invest material means and human effort in: enhancing the architectural quality of existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban milieu and rural areas.

In general, the term architecture is related to the works carried out for the construction of a city or of a dwelling; it is also used in connection with any kind of construction. The general public associates architecture to unique works and to works related to the construction of cities/dwellings. However, Hungarian architectural policy establishes that the built-up environment comprises any type of construction.



Hungary promotes architectural quality in the construction/rehabilitation work undertaken by government.

Specific mechanisms through which architectural quality is promoted:

- For government: public tender procedures, design competitions.
- For listed buildings, for buildings important for their size, function or location (for eg., buildings located in a heritage protected area): an architectural jury. As a general rule, local and regional chief architects set out to protect the quality of the built-up environment.

In Hungary, there are established participation mechanisms whereby citizens can suggest potential architectural policies. Architectural policy is drawn up by the National Architectural Council, whose membership is drawn from representatives of the most important professional organizations of the country (Hungarian Chamber of Architects, Hungarian Architects' Association, Town-planning Society, etc.). The Forum of the National Architectural Council is entitled to make remarks on the text. This Forum is made up of around 90 architects and specialists.

Hungary would consider the introduction of EU guidelines setting out EU architectural policy useful.

## 14 IRELAND



<b>Country code</b>	IE	<b>GDP (PPP)</b>	135.4
<b>Area (sq. km)</b>	70,273	<b>Unemployment</b>	11.8%
<b>Population</b>	4,450,014	<b>HDI</b>	0.965
<b>Population density</b>	63.3	<b>Urban population</b>	60.5%
<b>Construction sector/ GDP</b>	8.50%		
<b>Form of government:</b> Parliamentary Republic. Centralised			

### 1. Rehabilitation: general overview

The definition of rehabilitation proposed in the questionnaire is supported by the Irish Government. The protection of the environment is increasingly coming to the fore of national policy, with a range of different renewal projects in place at present.

Ireland has a number of programmes aimed at upgrading its social housing stock. Regeneration schemes in a number of key areas and an extensive scheme of retrofitting vacant properties are two areas being prioritised at present. A range of small-scale work has also been carried out to promote environmental protection, covering for example rain water harvesting schemes.

As regards urban area rehabilitation, services such as district heating are relatively undeveloped in the Irish context.

Responsibility for issues concerning rehabilitation is addressed by the Central government and local administration in Ireland.

There are no regulations that govern the scope and concept of rehabilitation.

There are no statutory provisions that state that rehabilitation must have an “all-inclusive” nature.

Legal provisions are in place in Ireland that regulate urban rehabilitation projects, which are different from the regulations in force for other construction work carried out in the country. The Irish system operates within a framework of generic policies established by the Central Government. These guidelines constitute a kind of “manual of best practices,” which covers all the different aspects involved in housing construction and which must be complied with by architects, engineers, surveyors, etc. Further advice and guidance to Municipal Government on the requirements for these projects is set out by central Government in circular letters which issue from time to time dealing with specific issues. The availability of funding from Central Government to Municipal Government for these projects is dependent upon compliance with this advice and guidance.

In order to qualify for any kind of European funding or national subsidy, rehabilitation projects must comply with the “integrated nature” requirement. For all regeneration projects, it is compulsory to submit an all-inclusive Master Plan that contemplates the social, physical and economic regeneration of the area in the context of its hinterland.

Regulations on rehabilitation: it must be taken into consideration that apart from the statutory construction standards, an important role is played in Ireland by the guidance provided to the local authorities for the different aspects of rehabilitation:

1. Delivering homes; sustaining communities (Housing policy).
2. Quality Housing for Sustainable Communities (Design Guidelines)
3. Construction Standards:

[Part A](#) [Part B](#) [Part C](#) [Part D](#) [Part E](#) [Part F](#) [Part G](#) [Part H](#) [Part J](#) [Part K](#)  
[Part L - Buildings other than dwellings](#) [Part L - Dwellings](#)  
[Part L - Archived Versions](#) [Part M](#)

4. Circular letters addressed to local authorities (electronic copies are attached of the three most relevant circular letters issued recently).

Circular letter N10/07 – Best Practice Guidelines

Circular letter N11/07 – Political framework for the regeneration of local authority estates.

Circular letter N11/08 – Remedial Works Programme

Aspects covered by rehabilitation are as follows:

Town planning aspects: guidance on urban aspects covers, among other things, the following issues; designing in context – the location and character of the area, the urban framework – the street pattern, movement framework, diversity and mixing uses, density and public open space.

Architectural aspects: The following issues are addressed in our design guidelines; site selection, design brief, urban design objective, scheme layout and design and dwelling(house) design

Financial aspects: guidance produced by central government covers aspects such as procurement issues, the use of cost/benefit analysis, the sources of funding available for projects.

Energy-related aspects: guidance on this area includes; the concept of sustainable energy, daylighting and solar gain, thermal insulation, fuels and heating, construction materials, water and waste.

Adaptation to the needs of elderly and/or disabled persons/accessibility:

The Department’s housing design Guidelines - Quality Housing for Sustainable Communities, advise that an essential requirement for good quality sustainable housing is that it would be accessible and adaptable for all residents including those with impaired mobility.

Part M of the Building Regulations, Access for People with Disabilities, requires that dwellings are visitable by people with disabilities and that buildings, other than dwellings, are accessible and usable by people with disabilities. Those involved in the design and construction of housing developments should have regard to the philosophy of universal access.

The design and layout of a housing scheme should provide safe and convenient access to all dwellings within the scheme and to adjacent facilities and services.

There are special provisions in place for rehabilitation of historical town centres:

The DEHLG (Department of the Environment, Heritage and Local Government) published Architectural Heritage Protection: Guidelines for Planning Authorities in 2005. While the content does not purport to be a legal interpretation of the Conventions, Acts, Regulations or procedures mentioned in the guidelines, the aim is to assist planners and others in understanding the current guiding principles of conservation and restoration as set out in Part (iv) 2000 Planning & Development Act. These guidelines also set out clearly the Department's role or responsibility to develop, promote and implement policies and legislation for the protection of architectural heritage and to promote best practice in modern architecture which includes appropriate works to and the regeneration of Historic City areas such as ACA's or Architectural Conservation areas. The guidance is also a practical guide for planning authorities and of assistance to owners and occupiers of protected structures.

Ireland has specific provisions for the rehabilitation of rural areas. These pay special attention to a series of issues, such as:

- the likely long term demand for the type of accommodation being provided in a rural location,
- the availability of the necessary social services to support the needs of the occupants, and
- the practicality and cost of providing services such as water and sewerage services.

## 2. Fulfilment of Housing Needs

Number of dwellings that have been renovated with public subsidies:

Year	2000	2005	2008
Dwellings	N/A	600	600

No estimations are available on the number of buildings that have undergone rehabilitation with government assistance.

Rehabilitation of buildings and housing units in Ireland, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Zoning is the responsibility of the planning authorities and is a function which is carried out at local level. It is not always required for a rebuilding projects and there is no data of the extent of its use in rebuilding projects.

Owners/investors are not allowed to transfer investment costs to tenants.

### 3. Job Creation

Ireland considers that rehabilitation may contribute to the maintenance and/or generation of employment.

In fact, Ireland has introduced fiscal and/or financial measures to promote rehabilitation in order to foster economic activity and the maintenance and/or generation of employment. The table below shows an estimation of the number of direct jobs generated by the measures applied.

Year	2008	2009
Jobs	4,000	4,000

Relationship between housing stock rehabilitation and the creation and/or maintenance of employment: the calculation is based on the creation of 8 direct jobs for each 1 million euro invested in rehabilitation measures.

Ireland considers that availability of specialized professionals and labour in the country is sufficient to meet the current needs of the rehabilitation sector: With the reversal of the growth in construction employment experienced during here in recent years, there is now a surplus on construction workers and professionals in the country.

While the regeneration programmes and remedial works schemes are carried out by staff of the local government sector, the vocational training system (intermediate level) offers tuition geared specifically to the rehabilitation sector (WHS).

The Warmer Homes Scheme is primarily delivered to eligible homes by non-profit community based organisations (CBOs). All CBOs involved in installation works must undergo formal Fetac Level 5 training in Insulation Installation and/or Energy Management in Domestic Buildings.

### 4. Financing and Concert between Government and the Private Sector

Ireland has not as yet taken advantage – and does not intend to do so - of the possibility made available by CE Regulation 1080/2006 to use ERDF funds to finance energy efficiency improvement and the introduction of renewable energies in existing housing units. ERDF funds have already been assigned to other headings.

There are no tax benefits available in Ireland for housing rehabilitation.

There are non-refundable loans for housing rehabilitation at state and local level.

There are no tax benefits available for building rehabilitation.

There are non-refundable loans for building rehabilitation at state and local level.

Public subsidies are in place to adapt dwellings and/or buildings the needs of elderly and disabled persons:

The Housing Adaptation Grant Schemes for Older People and People with a Disability , which are operated by local authorities with financial assistance from the State (central government funding), assist in the facilitation of continued independent living in their own home by older people. The grant covers a wide suite of purposes including accessibility, insulation and mobility aids. Some 11,500 grants were paid out under the scheme in 2009 with about €71 million in funding, supplied by the State, to local administrations who operate the schemes.

Public subsidies are in place for housing and/or building rehabilitation targeted to low-income families:

The Warmer Homes Scheme provides energy efficiency upgrades to Low-Income, Non-Local Authority Homes. Many of these homes are owned by elderly, disabled or other vulnerable dispositions.

Ireland has several public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies:

The Housing Adaptation Grant Schemes for Older People and People with a Disability are administered by local authorities and as part of their role is to provide information on these grant schemes to the public.

Sustainable Energy Ireland (SEI) is Ireland's national energy agency. Its mission is to promote and assist the development of sustainable energy. It is responsible for stimulating sustainable energy policies and actions by public bodies, the business sector, local communities and individual consumers. It also manages programmes aimed at raising awareness and providing information, advice and publicity on best practice.

There are public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining housing rehabilitation subsidies

Local authorities carry out this role at local level in relation to the Housing Adaptation Grant Schemes for Older People and People with a Disability.

Sustainable Energy Ireland (SEI) is the only agency who would fulfil such functions at a central level.

Summary of public subsidies and tax benefits available at the different levels of government:

The Housing Adaptation Grant schemes are income-based. The maximum amount of grant aid under the Housing Adaptation Grant scheme for People with a Disability is €30,000. The maximum grant payable under the Mobility Aids Grant Scheme is €6,000. The Housing Aid for Older People grant carries a maximum of €10,500.

Interaction between the different levels of government to promote housing and/or building rehabilitation.

In relation to the social housing stock, policy is set at central government level and the bulk of funding used is secured from central government by the Department of the Environment, Heritage and Local Government who distribute these funds to the municipal authorities who undertake the rehabilitation projects.

## 5. Role of Architecture

In Ireland, the following authorities are responsible for architectural matters:

**Architectural policy, standards & regulation:** The DEHLG as the central Government Department responsible for sectoral areas such as policy and capital provision for Housing, Planning, Heritage and Environment is tasked with the responsibility of setting policies, guidelines, design standards and regulations in relation to qualitative standards and best practice in Architecture, Housing Design, planning practice and Urban design as delivered by both the Local Government Sector and the private sector.

**Architectural Profession:** Under the Building Control Act 2007, the Royal Institute of Architects of Ireland, RIAI acts as the registration body and Competent Authority for architects in Ireland. Although the RIAI carries out a statutory function as the Registration Body and Competent Authority for Architects in Ireland this is carried out on an entirely self-funding basis. The RIAI does not receive any Government Funding or State Aid for this Statutory Function.

All of these institutions operate within the framework of the Department of the Environment, Heritage and Local Government.

**Government Policy on Architecture 2009-2015:** “Towards a Sustainable Future, Delivering Quality within the built Environment.”

In October 2007, the Minister for the Environment, Heritage and Local Government announced the development of a new policy on architecture to succeed the previous Government’s policy.

The Minister appointed a Steering Committee with representatives from a broad spectrum of the public and private sectors, to oversee the development of the new policy. The work of the Steering Committee was underpinned by three focus groups, each specialised on one of three core themes:

- Promoting quality in the built environment.
- Promoting awareness, education and research, and
- Promoting sustainability

A series of public meetings also took place as part of the development of the policy and web-based submissions were also received.

On the 8th October 2009, Mr. John Gormley, T.D, Minister for the Environment, Heritage and Local Government launched the official publication of the new Government Policy on Architecture 2009-2015: Towards a Sustainable Future, Delivering Quality within the built Environment.

## A Policy Framework

The new Government Policy on Architecture 2009-2015 provides the appropriate framework for the implementation of Architectural policy over the next 7 years. It addresses issues that have arisen in the years since the publication of the first policy on architecture by placing more emphasis on sustainable development of the environment and urban design, continuing to encourage and support high quality modern architecture, incorporating architectural heritage in a holistic, integrated manner and developing actions which respond to and promote awareness in these areas.

The policy complements and supports the Government's wider economic strategy "Building Ireland's Smart Economy: A Framework for Sustainable Economic Renewal" in areas such as research, green enterprise and the development of efficient and sustainable technologies for the built environment. Within the Policy there are various actions that support initiatives on job creation, enterprise and the export of Irish skills abroad.

The Policy consists of 6 Chapters and is structured around 15 key statements and contains 45 actions to be implemented over the lifetime of the policy, primarily, by a range of Government Departments and State Agencies. The Department of the Environment, Heritage and Local Government will take the lead role in the implementation of more than half of the actions and will have the primary responsibility for the implementation of a number of these actions as well as having responsibility for co-ordination of the implementation of the 45 actions contained in the Policy.

## Promoting Quality

The objectives of the policy on architecture and the built environment are to promote awareness and understanding of the contribution of good design to the daily life and well being of society as a whole. High quality design, whether in the details of the buildings we work in, or in the spaces and places that we share socially, should not be viewed as a luxury, achievable on a one-off basis. The realisation of good architecture is fundamentally about much more than individual buildings. It must also concern itself with the realisation of an acceptable human environment for all.

It is envisaged that the specific actions of the Government Policy on Architecture 2009-2015 will address areas such as a strategy for architecture and the need for evidence and research capacity, including the need to lead by example.

One of the main objectives is to develop the demand for quality in architecture and urban design within the wider environment. The policy recognizes the place of architecture in society as an expression of cultural, aesthetic and social values, both past and present, and the challenges and expectations of the future in shaping a sustainable quality environment. It is the intention that this policy will foster an awareness of improving quality within the built environment both economically, socially and environmentally.

In Ireland, there are regulations that govern architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout. The main regulations in this area are as follows:

- Architectural heritage protection Guidelines for Planning Authorities (2004) & Architectural Heritage Protection for Places of Worship: Architectural Conservation
- Childcare Facilities Guidelines: Social Infrastructure
- Design Standards for New Apartments: Residential development
- Retail Planning Guidelines: Retail
- Development Management Guidelines -June 2007: Policy objectives & development standards



- Development Plans Guidelines -June 2007: Core strategy
- Government Policy on Architecture 2009-2015: Towards a Sustainable Future: Delivering Quality within the Built Environment: Public Realm and Architectural Quality
- Guaranteeing the quality of the built environment: Architectural quality
- Delivering Homes, Sustaining Communities & Quality Housing for Sustainable Communities best practice guidance 2007: Housing quality & standards
- Landscape and landscape assessment: Visual impact
- Guidance note on the provision of schools & the planning system: Social infrastructure
- Sustainable Residential Development in Urban areas and Best Practice Urban Design Manual (May 09): Urban Design

The Irish tend to associate architecture mainly with culture, the environment/landscape, energy/sustainable development, innovation/ technology, social representation, industry and town-planning/ public spaces/ the city.

### **Sustainable Communities and Integrated Urban Design Guidance**

In the above context and with regard the Government policy on Architecture 2009-2015 (Oct 2009), an objective of a successful and qualitative built environment is the creation and management of sustainable communities and neighbourhoods - areas where efficient use of land, high quality urban and landscape design and effectively integrated physical and social infrastructure combine to create places people want to live in. As a general principle, increased densities will be possible only when supported by sustainable forms of transportation.

The recent Department of Transport policy Smarter travel: A Sustainable Transport Future: a new transport policy for Ireland 2009-2020 notes the importance of aligning spatial planning and transport. Under the Developing Areas initiative, the Department of the Environment, Heritage and Local Government is closely monitoring the integration and coordination of the provision of essential hard and soft infrastructure.

### **Sustainable development and landscape/ environment**

DEHLG Policy has a key role in translating overarching development plan policies and objectives to the local level. Sustainable development means ensuring that all development is sustainable in economic, social and environmental terms. As such, planning policy must offer clear guidance on sustainable development policies and objectives, which address the various issues involved, such as climate change, waste management, transport, urban development, sustainable communities, use of natural resources etc. Local area plan guidance should be consistent with the objectives of "The National Climate Change Strategy 2007-2012", which builds on the commitment to sustainable development set out in "Towards 2016" and the "National Development Plan 2007-2013".

Since the publication in April 2002 of the National Biodiversity Plan, it is Government policy to protect, maintain and, where possible, enhance biodiversity - the variety of life on earth - throughout the entire countryside. The Irish landscape of today is the product of intense interaction between human beings and nature over many thousands of years. Such interaction can have positive impacts on biodiversity. It has on occasion led to the creation of new sites and habitats of conservation importance.

In Ireland, great importance is given to the existing quality features of architectural works and such characteristics are promoted in buildings, neighbourhoods, listed sites and urban areas.

Ireland attaches great significance to the architectural quality of communal and public spaces.

### **Achieving Quality in Urban Design: DEHLG Urban Design Guidelines 2009:**

Urban design is the art of making places for people. It includes the way places work and matters such as community safety, as well as how they look. It concerns the connections between people and places, movement and urban form, nature and the built fabric, and the processes for ensuring successful villages, towns and cities.

Urban design is about creating a vision for an area and then deploying the skills and resources to realise that vision. A key urban design aim in delivering sustainable communities is the to reduce, as far as possible, the need to travel, particularly by private car, by facilitating mixed-use development and by promoting the efficient use of land and of investment in public transport. Local area plans which contain such policies will help to sustain viable local services and employment.

Planning authorities should promote high quality urban design in their local area: plans policies, objectives and standards.

Urban design is a key to creating sustainable developments and the conditions for a flourishing economic life, for the prudent use of natural resources and for social progress. Good design can help create lively places with distinctive character; streets and public spaces that are safe, accessible, pleasant to use and human in scale; and places that inspire because of the imagination and sensitivity of their designers.

In Ireland, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption.

Ireland finds it advantageous to invest material means and human effort in: enhancing the architectural quality of existing buildings/ rehabilitation, the consolidated city, new isolated buildings, new urban developments, the urban milieu and rural areas.

Architecture is considered to be about unique works and about works related to the construction of cities or dwellings.

Ireland promotes architectural quality in construction/rehabilitation work undertaken by government and urban and housing development agencies.

Where public funds are being used in a construction/rehabilitation project then public procurement processes must be adhered to when the public administration or body is engaging its consultant architects to design the project. In determining the most advantageous tender, mechanisms are used to evaluate quality and price. The indicative

quality/price ratio for most construction projects is 70 (quality) to 30 (price). Quality/price ratios are project specific and once decided are not subject to change

As example of citizen participation mechanisms are the Conversations about Architecture, Public participation 2008 under the GPA 2009-2015 and the Irish Architectural Foundation, IAF community engagement/outreach programme

The Minister for Environment, Heritage and Local Government had appointed a Steering Committee with representatives from a broad spectrum of the public and private sectors, to oversee the development of the Government Policy on Architecture 2009-15. The work of the Steering Committee was underpinned by three focus groups, each of which specialised on one of three core themes (a) promoting quality in the built environment, (b) promoting awareness, education and research and (c) promoting sustainability. A series of public meetings also took place as part of the development of the policy and web based submissions were also received via the Irish Architectural Foundation.

## 15 ITALY



<b>Country code</b>	IT	<b>GDP (PPP)</b>	102
<b>Area (sq. km)</b>	301,317	<b>Unemployment</b>	7.8%
<b>Population</b>	60,045,068	<b>HDI</b>	0.951
<b>Population density</b>	199.3	<b>Urban population</b>	67.6%
<b>Construction sector/ GDP</b>	6.20%		
<b>Form of government:</b> Republic. Parliamentary Democracy. Decentralised			

### 1. Rehabilitation: general overview

Italian housing authorities agree with all aspects of the definition of rehabilitation proposed, except with the items related to the rehabilitation of urban areas.

Urban renewal does not necessarily involve the installation of centralized heating or hot water networks fed by renewable energies. However, these networks do exist and their presence will conceivably become more frequent in the future.

All three levels of government possess competencies over rehabilitation:

- The Central Government is tasked with procedures and overarching policies
- Regional governments enact regional town-planning legislation
- Municipal governments are in charge of enforcing the Master Plan and its regulations

Provisions are in place that regulates the scope and the concept of rehabilitation: Law 457/1978 defines the different levels of rehabilitation.

As a general rule, there are no statutory provisions stating that rehabilitation must have an “integrated” character. However, an **“integrated” character is compulsory** to qualify for some subsidy schemes, such as the “Neighbourhood Contracts”, the Integrated Programmes for Urban Re-zoning, etc.

Every instrument includes its own definition, for example:

- **Neighbourhood Contracts:** Neighbourhood Contracts are (physical and social) urban revitalization projects promoted by local governments to address the difficulties faced by neighbourhoods affected by a generalized deterioration of their buildings and their urban milieu in general and by a dearth of services amid a context of scarce social cohesion and severe housing problems. These contracts include measures to promote local development, boost employment and foster social integration.

In Italy, in order to benefit from any kind of European funds or national public subsidies, rehabilitation projects must meet this “integrated” requirement. In the framework of the

urban projects carried out within the regional ROPs, which benefit from ERDF funding, the rules are defined by each regional programme.

To qualify for a Neighbourhood Contracts, projects must meet the following requirements as far as construction and urban planning are concerned:

- Refurbishing of buildings
- Fostering of energy savings (solar panels, urban heating networks)
- Upgrading of the neighbourhood's services
- Improving the quality of housing and the environment

There is also a compulsory experimental component in rehabilitation, construction, renovation and renovation planning interventions.

Citizens must participate in the implementation of the projects.

The main goal is to stimulate, through subsidies for housing and planning projects, investments from other public and private entities in social initiatives.

Regulations on housing stock rehabilitation focus on dwellings, buildings and urban areas:

- Article 31 of Law 457 of 1978 defines different levels of rehabilitation:
  - Ordinary maintenance
  - Extraordinary maintenance (which includes interventions on the structure of buildings)
  - Restoration
  - Rehabilitation (radical building transformation)
  - Urban rehabilitation (involving demolition/reconstruction)
- Neighbourhood Contracts 1: Article 2 of Law 662/1996 and Ministerial Decree of 22 October 1997.
- Neighbourhood Contracts 2: Lay 21/2001 and Ministerial Decrees of 27 December 2001 and 30 December 2002  
(link : <http://www.mit.gov.it/mit/site.php?p=cm&o=vd&id=60>)
- Urban re-zoning programmes for low-rent housing (Decree 2295 of the Minister of Infrastructures of 26 March 2008)
- Urban Transformation Company (Società de Trasformazione Urbana) : Article 120 of Legislative Degree 267 of 18 August 2000 (Legislative Text on Local Authorities) empowered metropolitan areas and municipalities to establish, in conjunction with the relevant provinces and regions, joint public-private companies known as Urban Transformation Companies with the purpose of conceiving and implementing urban transformation projects in compliance with the planning regulations in force.

Rehabilitation covers the following aspects:

- Town planning aspects: Neighbourhood Contracts, in compliance with their regulations.
- Financial aspects
  - Neighbourhood Contracts 1: state subsidies for housing and urban planning. Contributions from the private sector are encouraged.
  - Neighbourhood Contracts 2: state subsidies for housing and urban planning contingent on contributions from the regional and local authorities. Contributions from the private sector are encouraged.

- Urban re-zoning programme for low-rent housing: state subsidies contingent on contributions from regional and local authorities.
- Tax-related aspects
  - Private owners can get 36% tax relief for rehabilitation costs (up to 48,000 euro) (extended until 2012).
  - 55% tax relief on the cost of energy rehabilitation interventions: until the end of 2010.
  - Reduced 10% VAT rate for all rehabilitation works. This reduced VAT rate is applicable to interventions related to ordinary and extraordinary maintenance works and to works conducted for the rehabilitation of architectural heritage, with special emphasis on housing. The special VAT rate is applied both to the works themselves and for the procurement of materials and merchandise, provided that they do not represent a significant proportion of the overall value.
- Energy-related aspects
  - Neighbourhood Contracts 1: experimental energy saving techniques.
  - Neighbourhood Contracts 2: experimental techniques for energy saving, sustainability etc.
  - Urban re-zoning programme for low-rent housing: the energy efficiency achieved must be 30% higher than the levels set out in the current legislation.
- Adaptation to the needs of elderly and disabled persons /accessibility
- Accessibility is compulsory (Law 13/1989) in any kind of rehabilitation project, in accordance with the provisions of Law 13 and its corresponding Regulation.

There are no specific regulations in Italy for the rehabilitation of historical town centres or of rural areas.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance in Italy:

Year	2000	2005	2008
Dwellings	7,000	5,000	5,000

Estimated number of buildings that have undergone rehabilitation with government assistance in Italy:

Year	2000	2005	2008
Buildings	500	400	500

In Italy, rehabilitation works in buildings and housing units, carried out with the aim of meeting the housing needs of their owners or tenants, cannot benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Owners/investors can transfer investment costs to tenants: private landlords are allowed to increase rent payments up to 5% of the overall investment.

### 3. Job Creation

Italy considers that rehabilitation may contribute to the maintenance and/or generation of employment. In fact, the country has introduced fiscal and/or financial measures to promote rehabilitation in order to foster economic activity and the maintenance and/or generation of employment. No estimates are provided of the number of direct jobs generated by the measures applied.

Italy considers that the availability of specialized professionals and labour in the country is not sufficient to meet the needs of the rehabilitation sector. Energy-related housing rehabilitation and the use of renewable energies requires specifically skilled labour, which contrasts with the fact that a growing amount of workers in this sector come from foreign countries (Albania, Rumania, Northern Africa) and lack the training needed.

The Italian educational system does not provide tuition geared specifically to the rehabilitation sector. There is a significant mismatch between training and professional practice. While few training courses specifically address the issue of rehabilitation, rehabilitation works currently concentrate most of the investments in the construction industry.

Specific experiences related with housing stock rehabilitation and the creation and/or maintenance of employment regarded as best practices: Neighbourhood Contracts (see description above).

### 4. Financing and Concert between Government and the Private Sector

It is up to each of the 19 regions and 2 autonomous provinces that make up Italy to decide about whether they wish to avail themselves of the possibility made available by the amendment of the relevant CE Regulation to use ERDF funds to subsidise investments in increasing energy efficiency and the promotion of renewable energies. To date, only the region of Piedmont has announced a social housing programme.

Italy considers that social housing should be eligible for ERDF funding from Integrated Rehabilitation Programmes (both for construction of new dwellings and for demolition of obsolete ones), as part of a local investment programme.

In Italy there are no tax benefits for housing rehabilitation. However there are other public subsidies for housing rehabilitation:

- at state and regional levels: non-refundable loans, low-interest loans, subsidies and other loans
- Tax benefits for building rehabilitation are available only at state level. But there are other kinds of public subsidies for building rehabilitation:
- at state and regional levels: non-refundable loans, low-interest loans, subsidies and other loans

No public subsidies are in place to adapt dwellings and/or buildings to the needs of elderly persons.

However, public subsidies are in place for housing and/or building rehabilitation:

- to adapt them to the needs of disabled persons:
  - Law nr. 13 of 9 January 1989: provisions intended to remove architectural barriers in private buildings.
  - Decree nr. 236 of the Ministry of Public Works (14 June 1989).
  - Technical specifications to guarantee accessibility, adaptability and the possibility to visit dwellings in private buildings and social housing units. The purpose of these specifications is to decrease and remove architectural barriers.
- addressed to low-income families. Several kinds of subsidies fall under this heading:
  - at state level: Neighbourhood Contracts 1 and 2, and the National Housing Plan (2008).
  - at regional level: different regional schemes.

There are no public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies, or public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining housing rehabilitation subsidies.

Summary of public subsidies and tax benefits available at each level of government:

- at state level: Neighbourhood Contracts 1 and 2, and National Housing Plan (2008).
- at regional level: different regional programmes.

Interaction between the different levels of government to foster housing and/or building rehabilitation:

National level	Regional	Municipal	Social housing organisations
Town planning regulations: procedures (Building code)	Regional urban planning Law	Master Plan	
Promotion and funding of experimental programmes	Co-funding of national programmes	Co-funding of national programmes and project proposals	Development and implementation of cooperation projects with cities.
	Development of urban rezoning programmes	Project proposals	Development and implementation of cooperation projects with cities.
Energy: general guidelines	Detailed regional regulations, which in some cases could be different from National ones	Municipal regulations	Implementation
Tax regulations		Local taxes (property tax – ICI)	



## 5. Role of Architecture

There is no single government department in Italy that specifically deals with architecture-related matters.

There is no specific architectural policy.

Agencies in charge drafting architectural policy are as follows:

Local governments are competent to evaluate architectural quality of rehabilitation projects of non-historical buildings (a building is considered historical when it is over 50 years of age).

The Regional Service for Heritage Protection evaluates projects concerning historical buildings.

No provisions are in place that regulate architectural quality. A draft law on architectural quality is being discussed at present in the Italian Parliament.

Italians tend to associate architecture mainly with culture, the environment/landscape, and social representation. This is a subjective answer since it does not refer to a specific regulation.

Architecture is considered to influence preservation/upgrading of the urban milieu.

The quality of existing buildings is taken into account especially as regards listed sites.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings, neighbourhoods, listed sites and urban areas.

The rules to be applied are defined by municipal urban planning regulations, which normally include special protection provisions for historical city centres.

Italy attaches great significance to the architectural quality of communal and public spaces. Nevertheless, it all depends on the extent of the different rehabilitation projects. In the case of integrated programmes, public spaces are regarded as an important part of the intervention.

In Italy, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption. The last parameter (energy consumption) depends on what architecture is taken to mean. If the notion of architecture includes sustainability, it would seem evident that architecture contributes to reducing energy consumption. But this dimension of architecture is not yet thoroughly ingrained.

Italy considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city and new urban developments. In Italy's opinion, the hardest efforts should be focused on renewal of the old housing stock and the conversion of abandoned industrial precincts within cities (urban brownfield). Nonetheless, the high demand for housing makes construction of new dwellings inevitable, which entails the need to manage new urban developments that could become models for a new kind of urban sustainability.

In general, architecture is considered to be about unique works, but the concept can also be applied to any type of construction. Although any building and urban planning project is an architectural work, cities tend to focus on the architectural quality of large buildings or public infrastructures.

Italy promotes architectural quality in construction/rehabilitation work undertaken by government and urban and housing development agencies. Rehabilitation works in the most significant public buildings are conducted further to an architectural competition.

There is no established citizen participation mechanism to design potential architectural policy. There are few examples of this.

Italy does not consider the introduction of EU guidelines setting out EU architectural policy useful. They believe that as each country has its own heritage preservation policy, it would be undesirable for the EU to impose a common policy to all Member States. They emphasize the fact that diversity is precisely one of the most important assets of Europe.

## 16 LITHUANIA



<b>Country code</b>	LT	<b>GDP (PPP)</b>	61.9
<b>Area (sq. km)</b>	65,300	<b>Unemployment</b>	9.8%
<b>Population</b>	3,349,872	<b>HDI</b>	0.870
<b>Population density</b>	51.3	<b>Urban population</b>	66.6%
<b>Construction sector/ GDP</b>	10.00%		
<b>Form of government:</b> Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: general overview

As regards the definition for dwelling rehabilitation, it does not comply with rehabilitation according to Lithuanian Modernization (rehabilitation) Programme.

The Lithuanian Modernisation Programme was introduced in order to improve energy efficiency and a few other parameters exclusively in apartment buildings. The execution of rehabilitation projects depends on the decision of the owner of the targeted property.

On the other hand, as regards building rehabilitation and rehabilitation of urban areas, Lithuania agrees with 100% of the items in the definition proposed.

Large-scale rehabilitation projects are not widespread in Lithuania given the country's weak economic and financial situation. Priority is given to the rehabilitation of apartment buildings within the framework of integrated sustainable development schemes.

Competencies over rehabilitation lie with the Central and local administrations.

Lithuania has specific regulations for rehabilitation and all rehabilitation projects must be "integrated."

The Lithuanian Government has decided to introduce an investment programme aimed at promoting energy efficiency through modernization of apartment buildings. These investments should result in decreased energy consumption, thereby reducing the country's dependence on foreign fossil fuels and significantly reducing CO2 emissions. Lithuania has created a sustainable financial mechanism geared to managing the various problems faced by housing in urban areas.

In Lithuania, rehabilitation regulations cover solely buildings and urban areas, but not the dwelling themselves. In this regard, the main statutory provisions have been as follows:

- State Law ruling on acquisition and rental of housing units and modernization of apartment buildings.
- Rules for awarding state subsidies for renovation and modernisation projects for apartment buildings.
- The Lithuanian Territorial Planning Law.
- Rules on integrated plans.  
[www.am.lt](http://www.am.lt)  
[www.bkagentura.lt](http://www.bkagentura.lt)  
[www.atnaujinkbusta.lt](http://www.atnaujinkbusta.lt)

The Regulation on rehabilitation includes:

- Town planning aspects: rehabilitation (modernisation) of apartment buildings in the framework of the Modernisation Programme must be part of the integrated plans for sustainable urban development.
- Architectural aspects: all rehabilitation (modernisation) projects must be approved by the Head Architect of the relevant local administration.
- Financial aspects: The package of financial incentives provided by the Modernisation Programme comprises two main elements: (i) reimbursement of 50% of the amounts spent in preparation of the renovation project and in the procurement of technical supervision services during the construction process to guarantee a high level of energy efficiency; and (ii) reimbursement of 15% of the investment made in energy-efficiency enhancement measures as defined by the investment plan in accordance with the Renovation Programme. The goal is to achieve a “C”-rated level of energy efficiency (the target heating energy contribution is 80-115 kWh/sq. m / year or better, which is in itself a stimulus for potential investors to move beyond the minimum “D”-rating).  
Moreover, in accordance with the Housing Support Law, beneficiaries are given guarantees that the annual interest rate on the loans they have been granted for modernisation purposes will be fixed will not exceed 3% throughout the duration of the loan.  
The State reimburses 100% of the investment made by low-income households.
- Energy-related aspects: in accordance with the Modernisation Programme for apartment buildings, state subsidies are granted to owners of those apartment buildings that were erected in accordance with building permits issued before 1993. Renovation projects must focus on energy efficiency.  
The State reimburses 50% of expenses incurred in preparation of the renovation project and in the procurement of technical supervision services during the construction process to guarantee a D-rated level of energy efficiency or better; and (ii) reimburses 15% of the investment made in energy-efficiency enhancement measures as defined by the investment plan in accordance with the Renovation Programme; the goal is to achieve a “C”-rated level of energy efficiency (contribution of heating energy: kWh/m<sup>2</sup>/year: 80-115).

There are specific regulations for the rehabilitation of historical town centres whereby buildings refurbished in the framework of modernisation projects in historical town centres

## 2. Fulfilment of Housing Needs

The number of buildings rehabilitated in Lithuania with public assistance is as follows:

Year	2000	2005	2008
Buildings		1	307

No data is provided as far as rehabilitation of dwellings is concerned, in line with the scarcity of interventions in that domain.

Rehabilitation projects may benefit from supplementary funding for planning and redevelopment interventions or for installation of equipment in public spaces.

Investment in housing in the framework of the EU Operational Programme for Promotion of Cohesion is being channelled into two simultaneous programmes. One of them is a scheme for the renovation of multiple-family dwellings aimed at increasing energy

consumption; the other programme is intended to develop problem-ridden territories integrating them into the urban development programmes conceived for those areas.

Rehabilitation of multiple-family buildings includes the investments needed to upgrading of the surrounding residential area.

Owners or investors are not entitled to transfer investment costs to tenants.

### 3. Job Creation

Lithuania considers that rehabilitation contributes to the maintenance and/or generation of employment.

There are no data regarding the number of direct jobs created by the housing rehabilitation measures taken by the government.

In Lithuania's opinion, availability of specialized professionals and labour in the country is sufficient to meet the needs of their rehabilitation sector. For example, in the first quarter of 2008 the total number of workers in the construction industry was 116,118. In the third quarter of 2009 this figure decreased to 78,615, which entails a reduction in employment of 43.5%. This decrease in employment in the construction industry means that more people are available for rehabilitation works.

The Lithuanian educational system offers tuition geared specifically to the rehabilitation sector at university and vocational training levels at advanced and intermediate level.

### 4. Financing and Concert between Government and the Private Sector

Use of ERDF funds to subsidise housing-related spending: in accordance with the terms of the In view of amendment of Article 7 of EC Regulation 1080/2006, Lithuania has launched its Programme for Renovation of Multiple-family housing aimed at increasing energy-efficiency of buildings. Activities that can qualify for subsidies under this scheme include: refurbishment or reconstruction of heating systems (except for the radiators in the individual flats), hot and cold water systems and sewage networks (except for sewage engineering works), electrical systems inside buildings (except for lighting systems inside the apartments), fire alarm systems, natural ventilation systems, waste collection systems, restructuring of windows and entrance halls, repair or exchange of lifts, repair or exchange of glazing in the balconies, repair or reconstruction of ceilings, etc.

Subsidies are granted only to multiple-family dwellings constructed before the end of 1993. The Programme will be applied in conjunction with other measures in the Cohesion Programme.

The goal of rehabilitation measures is to renovate multiple-family dwellings chiefly to increase efficiency in energy consumption.

Lithuania has started to avail itself of the new possibilities made available by ERDF funds to fund investments in energy efficiency and the use of renewable energies in the existing housing stock.

Further to amendment of EC Regulation 1080/2006 of the European Parliament and Council, the principles and strategies governing the European Regional Development Fund have changed. One of the instruments for applying outlaid funds is the Joint European Support for Sustainable Investment in City Areas (JESSICA) initiative. A JESSICA evaluation study was carried out during the preparation phase for application of JESSICA in Lithuania; a complementary study was also undertaken on the potential application of the JESSICA initiative to improving energy efficiency in the Lithuanian housing sector.

The funding agreement was concluded by the European Investment Bank (EIB) and the Lithuanian Ministries of Finance and the Environment. The Parties have decided that the JESSICA fund will be organized as an independent funding block within the EIB, in accordance with this agreement, which is allowed by Article 43, par. 3 of Regulation 1828/2006.

In Lithuania's opinion, housing-related spending contemplated in the Structural Fund Regulations that is assigned to funding regional policy of the States as from 2014 should increase.

As regards building rehabilitation, non-refundable loans, low-interest loans and guarantees exist only at the level of the Central Government.

Local administrations can offer subsidies and/or assistance with preparing the documents required to submit a rehabilitation (modernisation) project proposal affecting buildings in their territory.

No public subsidies are in place to adapt dwelling and/or buildings to the needs of elderly persons. However, Lithuania does make public subsidies available to adapt dwellings and/or building to the needs of disabled persons: disabled persons can obtain financial assistance for rehabilitating dwellings or apartment buildings from the Housing for Disabled Persons Programme (2007-2011).

The Law of State subsidies contemplates assistance to dwelling acquisition or rental and for modernization of apartment buildings. Four types of instruments are envisaged:

- Subsidised loans
- 50% reimbursement of expenses involved in preparation of modernisation projects.
- 15% reimbursement of investments aimed at improving energy efficiency.
- 100% reimbursement of expenses for low-income persons. 100% state support (subsidized loans, low interest rates, preparation of technical documentation) is available for low-income families and individuals living on their own, who can also qualify for compensation for heating expenses as specified in the Special Support Law for low-income families, individuals living on their own (adopted in 2006).

Lithuania has several public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies:

- Centre for Housing and Urban development: this is an agency that operates within the Ministry de Environment and which provides information to families and individuals.
- Housing associations or homeowners associations, or housing administrators' associations.
- Public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining subsidies for rehabilitation include:
- Housing and Urban Development Agency: it is responsible for modernisation projects within the framework of the Renovation Programme. It has 10 departments located in different cities across the country.
- Housing and Urban Development Agency: it processes applications for state subsidies and helps applicants prepare the necessary documentation. The Agency tasks itself with supervising the Renovation Programme, make sure the project has complied with the investment plan and determines effective enforcement of the measures stipulated by the Renovation Programme.

Summary of the public subsidies and tax benefits available at the different levels of government:

- The Law for Support of Acquisition and Rental of Housing Units and for Apartment Modernisation contemplates several scenarios for modernisation:
  - Granting of subsidized loans and award of a 100% compensation to low-income individuals. Fixed interest rates to beneficiaries on loans granted for modernisation purposes cannot exceed 3% over the entire repayment period, which can be of up to 20 years. Loan maturity is stipulated in the loan agreement, which also contains an assessment of the investment recovery period established in the investment plan of the rehabilitation project.
  - In addition to loans for modernisation, some rehabilitation projects may qualify for additional incentives aimed at promoting participation of potential investors and foster the introduction of best practices in the sector. These additional incentives consist in discounts if the desired goals are achieved. The package of additional incentives is made up of two elements: (i) reimbursement of 50% of the amounts spent in preparation of the renovation project and in the procurement of technical supervision services during the construction process in order to achieve a C-rated level of efficiency or better; and (ii) reimbursement of 15% of the investment made in energy-efficiency enhancement measures as defined by the investment plan in accordance with the Renovation Programme. The goal is to achieve a "C"-rated level of energy efficiency (the target heating energy contribution is 80-115 kWh/sq. m / year or better, which is in itself a stimulus for potential investors to move beyond the minimum "D"-rating).

## 5. Role of Architecture

Institutions in charge of regulating matters related to architecture include:

- The Ministry of the Environment has been in charge of state regulation since 1991 (Division of Urban Development and Architecture).
- Lithuanian Architect's Association.
- Lithuanian Chamber of Architects.

The Lithuanian Chamber of Architects and the Lithuanian Association of Architects operate as professional associations.

The current architectural policy was adopted in 2005 for a 5-year period (2005-2010). It will be examined again in 2011 for the next 5 years (2011-2016).

The main goal of architectural policy is to introduce measures to guarantee architectural quality and transpose EU architectural legislation into Lithuanian law.

Prevailing architectural policy in Lithuania is the State's policy as Lithuania is a relatively small country (municipalities and cities have their own general plans).

Responsible entities include the Ministry of the Environment (at state level) and local governments (at local level).

There are regulations that govern architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

The new Architectural law of the Republic of Lithuania is in the process of being prepared by the Ministries of the Environment, Education and Culture.

Lithuanians tend to associate architecture mainly with culture, the environment/ landscape, energy/ sustainable development, innovation/ technology, social representation, industry and town-planning/ public spaces/ the city.

Lithuania adopted a State Policy on landscapes in 2004.

Planning in the different cities and villages is always carried out with the need to promote sustainable development in mind.

In Lithuania, great importance is given to the existing quality features of architectural works and such characteristics are promoted in buildings, neighbourhoods, listed sites and urban areas.

Debates and discussions on housing rehabilitation is a topical issue in Lithuania. The main problem in Lithuania is the need of strong heating for 6 months a year on average and the cost this entails. These issues strongly influence the standard of living of Lithuanians.

Lithuania is a country with a large number of parks and squares in every city. All efforts are aimed at maintaining that tradition.

In Lithuania, high-quality architecture can help generate and preserve resources; create or boost the self-esteem of the people living in areas with differentiating architectural characteristics; create an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal or public spaces; create jobs/foster employment; and reduce greenhouse gas emissions and energy consumption.

Lithuania finds it advantageous to invest material means and human effort in: enhancing the architectural quality of existing buildings/ rehabilitation, the consolidated city, new isolated buildings, new urban developments, the urban milieu and rural areas.

In Lithuania architecture is considered to be about construction of cities and dwellings.



Lithuania promotes architectural quality in the construction/rehabilitation work undertaken by government, urban and housing development agencies and the private initiative.

Architectures are certified to guarantee the quality of their services. The Ministry of the Environment established an award for the best architectural project. Several architectural competitions are organized and there are several journals related with the field of architecture.

Citizen participation mechanisms are set out in the Territorial Planning Law of the Republic of Lithuania.

Lithuania has designed its architectural policy in compliance with the recommendations of ACE (Architects' Council of Europe) and other EU strategies and policies. Consequently, this country would welcome the introduction of EU guidelines setting out EU architectural policy.

## 17 LUXEMBOURG



<b>Country code</b>	LU	<b>GDP (PPP)</b>	276.3
<b>Area (sq. km)</b>	2,586	<b>Unemployment</b>	6.0%
<b>Population (01.01.10)</b>	502,066	<b>HDI</b>	0.960
<b>Population density</b>	190.8	<b>Urban population</b>	82.8%
<b>Construction sector/ GDP</b>	5.50%		
<b>Form of government:</b> Constitutional Monarchy. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: general overview

The Luxembourgish housing authorities agree with all items in the definition of *dwelling rehabilitation* proposed.

As regards rehabilitation of buildings, the Luxembourgish authorities agree with the items *improve energy efficiency*, *improve environmental protection* and *intensify use of renewable energies*.

Finally, Luxembourg authorities agree with the actions proposed for rehabilitation of urban areas (but currently not for the actions: citizen participation and installation of centralized air-conditioning and hot water networks, fed with renewable energy).

Concerning the introduction of water-related environmental measures, Luxembourg currently only offers subsidies to private individuals who install a rain water collection system.

Existing legal provisions regarding the upgrading/refurbishing/rehabilitation of the housing stock in the Grand Duchy of Luxembourg are mostly as follows:

- Support for upgrading old dwellings (refurbishment support):
  - Grand-Ducal Regulation (hereafter "GDR") of 5th June 2009 amending a GDR of 23rd July 1983 fixing the measures of execution for subsidies in the housing sector (legal basis of the GDRs is the (amended) law of 25th February 1979 on housing aid/support).  
[http://www.logement.lu/pdf/rgd\\_23-07-1983\\_aidesaulogement%20.pdf](http://www.logement.lu/pdf/rgd_23-07-1983_aidesaulogement%20.pdf)
  - Interest subsidies/rebates for mortgage loans taken only for realizing investments concerned by the regulations foreseeing a system of subsidies for private individuals whose investments are aimed to promote rational energy use and the development of renewable energy sources (see under point 3.)
  - GDR of 3rd February 2009 amending the GDR of 23rd July 1983 and of 17th June 1991.  
<http://www.legilux.public.lu/leg/a/archives/2009/0018/a018.pdf#page=3>

- Subsidies for energy-saving and renewable energy promoting projects
  - GDR of 20th April 2009 introducing a system of subsidies for promoting rational energy use and the development of renewable energies  
<http://www.legilux.public.lu/leg/a/archives/2009/0083/index.html>  
<http://www.legilux.public.lu/leg/a/archives/2009/0083/a083.pdf#page=2>
- Energy efficiency in residential buildings
  - (Modified) GDR of 30th November 2007 on energy efficiency in residential buildings  
<http://www.legilux.public.lu/leg/a/archives/2007/0221/2007A3762A.html>  
<http://www.legilux.public.lu/leg/a/archives/2010/0009/a009.pdf#page=2>
- Budgetary allowances for private individuals who implement a rain water collection system
  - GDR of 14th May 2003  
<http://www.legilux.public.lu/leg/a/archives/2003/0068/a068.pdf#page=4>
- State subsidies for adapting dwellings to the needs of physically disabled persons
  - (Modified) GDR of 25th February 1979 setting out the procedure for the State's contribution to the expenses incurred in special dwelling adaptation works aimed at the needs of physically disabled persons.  
[http://www.logement.lu/pdf/rgd\\_25-02-1979\\_handicapesphysiques.pdf](http://www.logement.lu/pdf/rgd_25-02-1979_handicapesphysiques.pdf)
- For the persons affiliated to the Luxembourgish National Insurance (assurance-maladie) and considered as "dependents" according to the definition set out in the legislation on dependency insurance ("assurance-dépendance"):
  - GDR of 22nd December 2006 determining (...) 2. the terms and limitations of state aids for dwelling adaptations under the dependency insurance scheme (...)  
<http://www.legilux.public.lu/leg/a/archives/2006/0240/index.html>  
<http://www.secu.lu/legis/sommaires/sommasdep.htm>
- Subsidies for the restoration of buildings
  - GDR of 21st July 2009 concerning granting of subsidies for restoration works in buildings older than 60 years.  
<http://www.legilux.public.lu/leg/a/archives/1983/0062/index.html>  
<http://www.ssmn.public.lu/publications/index.html>
  - Law of 18th July 1983 concerning the preservation and protection of listed monuments and sites (cf. article 11)  
<http://www.legilux.public.lu/leg/a/archives/1983/0062/index.html>

Both the Government and the local municipalities possess competencies over rehabilitation (but also some public special institutions: établissements publics).

Luxembourg has no special law regulating the scope or the concept of rehabilitation.

There are currently no statutory provisions that set out that rehabilitation must have an "integrated" character.

Rehabilitations need not have this "integrated" character in order to qualify for national public subsidies.

Nevertheless, in order to qualify for any of the public subsidies available at a national level, applicants must meet some legal requirements: see the (amended) Law of 25th February 1979 on housing aids/support (cf. articles 15-31: subsidies for the construction of housing complexes) <http://www.logement.lu/legislation.html>

Regulations on housing stock rehabilitation focuses on dwellings, buildings and urban areas. Check the regulations relative to the rehabilitation of the existing housing stock mentioned here above.

Aspects covered by rehabilitation include:

- Architectural aspects:
  - There are no specific regulations relative to architectural aspects. Nevertheless, the owner of a listed building must respect the provisions of a Law of 18th July 1983 on the preservation and protection of listed monuments and sites.
  - Every municipality has its own regulations on construction called “règlement sur les bâtisses” (for example, include town planning rules) that must be complied with by all dwelling creation/transformation works carried out within the said municipality. For the specific example of the city of Luxembourg (the capital), check the following site:  
[http://www.vdl.lu/Règlement\\_sur\\_les\\_bâtisses.html](http://www.vdl.lu/Règlement_sur_les_bâtisses.html)
- Financial aspects
  - For information on the different kinds of housing support: Refurbishment allowance (and other housing subsidies):
    - ✓ Special brochures: <http://www.logement.lu/aides.html>
    - ✓ Financial support from the “Service of National Monuments and Sites”:
      - ✓ 4-page brochure: <http://www.ssmn.public.lu/publications/index.html>
- Tax-related aspects
  - Legislation on income tax makes a clear distinction between:
    - (1) owner-occupied buildings; and
    - (2) rental buildings.
  - ✓ In the first case, tax relief/deduction can only be obtained for maintenance and repair/renovation works, depending on the applicant’s income, as long as the owner doesn’t live in the dwelling. Otherwise, only a tax relief on debt interests is applied, and this up to a certain limit.
  - ✓ In case (2), maintenance and repair expenses (frais d’entretien et de réparation) are deductible. A distinction must be made between maintenance and repair costs, which can be deducted in full the same year as they are paid and investment costs (dépenses d’investissement), which increase the purchase price and are therefore deducted gradually over the duration of the redemption. This means that investment costs are not directly deductible but rather “amortizable,” i.e. the deduction is distributed over the length of the renting. Works which constitute a considerable improvement vis-à-vis the former state/condition of the building are considered as investment costs.  
As long as the total renovation or modernisation cost does not exceed 20% of the building’s purchase price, the expense incurred is considered “not to have led to a considerable improvement”, and so this works are regarded as maintenance and repair expenses, and thus deductible. When the 20% threshold is surpassed, a detailed analysis of the works needs to be conducted (to see if a tax relief is possible, or not).  
Investments in rental housing may benefit from accelerated depreciation when they exceed 20% of the building acquisition price.  
[http://www.impotsdirects.public.lu/legislation/legi05/LIR\\_105-8.pdf](http://www.impotsdirects.public.lu/legislation/legi05/LIR_105-8.pdf)
- Energy-related aspects
  - Luxembourg grants subsidies and interest rebates in case of improvement of the dwelling’s energy-efficiency.
  - A GDR of 3rd February 2009 foresees the introduction of subsidised interest rates for mortgage loans taken out in order to make a dwelling more energy-efficient.
  - Subsidised interest rates are thus also possible for private individuals in case of loans granted with the sole purpose of making one or more investments aimed at promoting rational use of energy and fostering renewable energy sources. Such mortgage loans need to have been granted after 1st January 2009, and the subsidised interest rate is possible for a maximum of 50,000 euro per dwelling.

- A special explanatory brochure can be found on the website of the Ministry of Housing: <http://www.logement.lu/> (under « Nouveautés en matière d'aides au logement»).
- Adaptation of housing to the needs of elderly and disabled persons/accessibility.
  - (Modified) GDR of 25th February 1979, which sets out the procedure for the State's contribution to the expenses involved in adapting dwellings so as to meet the needs of physically disabled persons, establishes state subsidies to cover the cost of special adaptation works to adapt dwellings to the needs of physically disabled persons.  
[http://www.logement.lu/pdf/rgd\\_25-02-1979\\_handicapes\\_physiques.pdf](http://www.logement.lu/pdf/rgd_25-02-1979_handicapes_physiques.pdf).
  - A special explanatory brochure may be downloaded:  
<http://www.logement.lu/aides.html>.
  - For persons affiliated to the National Insurance Scheme and regarded as "dependents" according to the dependency insurance legislation, a GDR of 22nd December 2006 determines (...) 2. the terms and limitations of state aid for dwelling adaptations under the dependency insurance scheme (...)  
<http://www.legilux.public.lu/leg/a/archives/2006/0240/index.html>  
<http://www.secu.lu/legis/sommaires/sommasdep.htm>

There are currently no specific provisions in place for the rehabilitation of historical town centres or for the rehabilitation of rural areas.

## 2. Fulfilment of Housing Needs

Luxembourg does not have currently information on the number of dwellings or of buildings subjected to rehabilitation works with public subsidies.

Rehabilitation of buildings and housing units in Luxembourg, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces. However, it is difficult to quantify the scope of such interventions.

Owners can transfer investment costs to their tenants.

Article 3 (2) of the Law of 21st September 2006 on housing rent provides that the invested capital has to be taken into account for the calculation of the rent payable, which also includes any upgrading works ("travaux d'amélioration"):

As for initial construction works, the cost which is considered is the one fixed at the day when the works have been completed.

Are aimed all kind of works which are increasing the value of the dwelling, or which change the nature or the condition of the rented dwelling, such as, for example:

- extension and transformation of the building
- construction of balconies or terraces
- first-time installation of a bathroom
- installation of a whirlpool or a sauna
- subdivision of a dwelling into several units
- installation of a new kitchen
- repair of equipment elements

There is, however, an exception: are not included in the invested capital the repair and maintenance works which are at the charge of the tenant.

If the dwelling is sold, and if the new owner/landlord carries out additional renovation or upgrading works after the date of sale, the cost of such works shall be considered for the determination of the invested capital (which is used as a basis for the calculation the rent by the landlord, and which has to be paid by the tenant after the first rent adjustment subsequent to the sale of the dwelling).

Legislation and comments/a special brochure on the rental legislation can be downloaded under:

- [http://www.logement.lu/bail\\_loyer\\_2006/bail\\_loyer\\_2006.html](http://www.logement.lu/bail_loyer_2006/bail_loyer_2006.html)

### 3. Job Creation

Luxembourg considers that la rehabilitation can contribute to the maintenance and/or generation of employment.

In fact, Luxembourg has introduced fiscal and/or financial measures to promote rehabilitation in order to foster economic activity and the maintenance and/or generation of employment.

However, it is not possible to estimate the number of direct jobs created by the measures applied.

Given the small size of the Grand Duchy of Luxembourg, many companies from neighbouring countries (especially in the construction/refurbishment industry) come to work every day in Luxembourg, and thus also benefit from the measures taken by the Luxembourg Government.

Luxembourg considers that availability of specialized professionals and labour in the country is sufficient to meet the current needs of the rehabilitation sector.

Advanced vocational training offers instruction geared specifically to the rehabilitation sector.

### 4. Financing and Concert between Government and the Private Sector

For the time being, Luxembourg has not used ERDF funds to defray the costs of increasing energy efficiency and promoting the use of renewable energies in existing housing units.

Luxembourg finds it difficult to express an opinion on the role that should be assigned to housing-related spending in the regulation of the structural funds to be used to fund the Member States' regional policy from 2014, once the current 2007-2013 period comes to an end.

In Luxembourg, tax benefits for housing rehabilitation are only available at state level. In addition there are other public subsidies for housing rehabilitation:

- Non-refundable loans, at state and local level
- Subsidies and loans at state (and local) level
- Guarantees and others at state level.

As regards building rehabilitation, the following financial support is available:

- tax benefits at state level
- non-refundable loans at state and local level,
- subsidies, loans and guarantees: also at state level.

Public subsidies are in place for housing and/or building rehabilitation:

- to adapt dwellings to the needs of elderly persons: public real estate developers
- build/adapt housing to the needs of elderly persons.

As in the case of elderly persons, public developers (and certain associations) build/adapt dwellings to meet the needs of physically disabled persons.

As far as low-income families are concerned: the Government offers a system of individual housing subsidies. These are usually income-based and depend on the composition of the applying household. The lower the income, the larger the subsidies are (visit [www.logement.lu](http://www.logement.lu) for further details).

There are no public housing counselling institutions in Luxembourg that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies, or public institutions that centralise the processing of applications by businesses or individuals who apply for housing rehabilitation subsidies.

Nevertheless, all kinds of information on housing are available (especially in terms of housing aids/support) from the «Info' Logement», a Service of the Ministry of Housing, which is open every working day from Monday to Friday.

## 5. Role of Architecture

There are no specific governmental services in Luxembourg which deal with or regulate matters pertaining to architecture.

This competence lies within the local authorities.

Luxembourg has no specific architectural policy.

The different levels of government have different responsibilities in terms of architectural policy:

The State is responsible for matters related to historical monuments

Local municipalities are responsible for any other matters, under the administrative supervision (tutelle) of the Ministry of the Interior.

Luxembourg tend to associate architecture mainly with culture, the environment/landscape, energy/sustainable development and town-planning/public spaces/the city.

Architecture is considered to have no influence on preservation/upgrading of the urban milieu, regarding the latter as landscape.

In Luxembourg, great importance is given to the existing quality features of architectural works and such characteristics are promoted in buildings, neighbourhoods, listed sites and urban areas.

Luxembourg attaches great significance to the architectural quality of communal and public spaces.

In Luxembourg, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption.

Luxembourg considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban milieu and rural areas.

In general, the concept of architecture is associated with any type of construction.

Luxembourg promotes architectural quality in construction/rehabilitation work undertaken by:

- Government
- Public Promoters (for example the public housing fund “Fonds du logement”)
- Private initiatives (for example the OAI = Order of Architects and Consultant Engineers)

In the Grand Duchy of Luxembourg, the mayor of a municipality cannot grant a building permit if the promoter has not previously engaged an architect. An architect must be involved until the construction permit is obtained.

Luxembourg has currently no established mechanism whereby citizens can suggest potential architectural policies.

The introduction of EU guidelines setting out EU architectural policy is not considered as useful by Luxembourg.





## 18 LATVIA

<b>Country code</b>	LV	<b>GDP (PPP)</b>	57.3
<b>Area (sq. km)</b>	64,589	<b>Unemployment</b>	17.7%
<b>Population</b>	2,241,5	<b>HDI</b>	0.866
<b>Population density</b>	35.0	<b>Urban population</b>	68%
<b>Construction sector/ GDP</b>	8.90%		
<b>Form of government:</b> Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: general overview

The Latvian concept of housing rehabilitation agrees with the items *fitness for use*, *energy efficiency* and *physical accessibility to the dwelling* in the definition proposed.

Similarly, as regards building rehabilitation, Latvia agrees four of the items that make up the definition proposed: *enhancement of structural conditions*, *energy efficiency*, *safety and weathertightness* and *improvement of architectural aspects*.

Latvia does not believe the items *environmental protection* and *use of renewable energies* to be part of the relevant definitions.

As regards rehabilitation Works, these are mainly geared to reducing heat loss by replacement of windows, doors and roof, and to improving or restoring the heating system. Use of environmentally-friendly construction materials and installations, as well as of renewable energies is recommended in Latvia, although it is not compulsory for rehabilitation projects. It is however mandatory to abide by the environmental protection requirements established in the law.

In terms of the rehabilitation of urban areas, Latvia only partially agrees with the definition proposed. Specifically, they agree with the items *planning, redevelopment and universal accessibility works*, *planning or redevelopment of the area*, *the creation of facilities and equipment* and *improvement of accessibility to public spaces*.

The goal of urban development policies is to guarantee the growth of national and regional development centres by supporting projects that are aligned with the development programmes introduced by local governments aimed at strengthening competitiveness, accessibility and the attractiveness of Latvian cities, villages and urban regions.

In Latvia, rehabilitation policy is in the hands of both the Central Government and the local administrations.

In order to be considered “all-inclusive,” an urban rehabilitation project must fit in with the integrated development programmes sponsored by the local administrations, which define the different activities (economic, social, environmental, etc.) required for the development of their territories.

In order to qualify for any kind of European funds or national public subsidies, rehabilitation projects must comply with the “all-inclusive” requirement. All rehabilitation projects must be in line with the State’s integrated approach to urban development and infrastructure, and must also fit into some development programme sponsored by the relevant local administration. Moreover, it is essential for projects to be aligned with the overarching goal of contributing to the growth of national and regional development centres, enhancing competitiveness both at urban and regional levels.

The existing regulation on housing stock rehabilitation focuses on dwellings, buildings and urban areas.

The main statutory provisions on rehabilitation include:

- Cabinet Regulation 28, which stipulates the methodology to be used for first-level selection of proposals for projects within the “Infrastructures and Services” operational programme. Activity 3.4.4.2. “Energy efficiency in social housing” ([http:// www.likumi.lv/doc.php?id=169403](http://www.likumi.lv/doc.php?id=169403), in Latvian)
- Cabinet Regulation 1332, which stipulates the methodology to be used for second-level selection of proposals for projects within “Infrastructures and Services” operational programme. Activity 3.4.4.2. “Energy efficiency in social housing” (<http://www.likumi.lv/doc.php?id=201103>, in Latvian)
- Cabinet Regulation 138 on the “Infrastructures and Services” operational programme. Activity 3.4.4.1. “Energy efficiency in residential apartment buildings” (<http://www.likumi.lv/doc.php?id=188595>, in Latvian)
- Cabinet Regulation 377 on the “Infrastructures and Services” operational programme. Activity 3.6.1.1 “Promoting the growth of national and regional development centres for a sustainable and balanced development of the country” (<http://www.likumi.lv/doc.php?id=177569&from=off>, in Latvian).
- Regulation 645 setting out the competition “Increasing Energy Efficiency in Municipal Buildings with Projects Funded by Climate Change Financial Instruments.”
- N° 112 General Building Regulation.
- Law for the Protection of Cultural Monuments.
- Regulation 474 on the registration, protection, utilization and restoration of cultural monuments, the right of first refusal of the state and the granting of the status of an “environment-degrading object.”
- Cabinet Regulation 102 on the Latvian Building Code 211-08 “Multi-storey, multi-dwelling buildings” (<http://www.likumi.lv/doc.php?id=187528&from=off>, in Latvian)
- Cabinet Regulation 1000 on the Latvian Building Code 209-09 “few-storey buildings” (<http://www.likumi.lv/doc.php?id=197624>, in Latvian)
- Regulation 59 on the share of co-funding contributed by the National Budget and the procedures whereby grants may be granted to implement energy efficiency measures in residential housing.

As regards “energy efficiency in residential apartment buildings,” applicants may receive subsidies for up to 50% of the project costs. For “energy efficiency in social housing” the maximum subsidy allowed is 75% of the project costs.

In accordance with Regulation 59 on the share of co-funding contributed by the National Budget and the procedures whereby grants may be granted to implement energy efficiency measures in residential housing, funding is assigned to the following activities:

- Energy audit for multi-storey multi-unit buildings: 80%
- Rehabilitation of a multi-storey building occupied by a single-family: 20%
- Drawing up a technical project or preparing the simplified rehabilitation documentation for a multi-storey, multi-unit building: 80%.
- Preparation of a technical evaluation for a multi Storey, multi-unit building: 80%.

The purpose of the "Energy efficiency in residential apartment buildings" activity is to increase energy efficiency in residential apartment buildings to guarantee enough planning capacity and efficient energy use.

Funding is assigned to communal areas of apartment buildings. An energy efficiency audit is carried out for the planning of the rehabilitation works. The thermal energy savings of multi-storey buildings after rehabilitation cannot be lower than 20% of the average annual thermal energy consumption.

The purpose of the "energy efficiency in subsidised housing" activity is to increase energy efficiency in social housing and, in addition, to enhance quality and capacity so that the more disadvantaged sections of the population can benefit from adequate housing.

Funding is assigned to:

- Reduce consumption of energy resources.
- Building rehabilitation or reconstruction (without changing the building's function), as well as insulation work and the replacement of structural parts or the creation of technical installations.
- There is a provision whereby if 10% of the owners of multi-storey, multi-unit live under the poverty threshold then the subsidy goes up by 10%.

Under the heading of "energy efficiency in social housing", as well as for governmental co-funded endeavours intended for housing rehabilitation, costs refer to: renovation or replacement of roof, windows, doors, stairs, internal and external corridors, rooms, entrance door and facade, lift repairs and adaptations to the needs of disabled persons.

The Latvian regulations dealing with "multi-family buildings" define the requirements that need to be in place to meet the needs of disabled persons. These requirements apply if the construction works are funded totally or partially by state or municipal funds as well as in cases in which the residential apartment buildings have been conceived for families with members with impaired mobility. The main entrance to the apartment building (as well as any other entry points), the lift, the garbage room and any other communal areas of the building must be designed with no steps or differences in floor level. Furthermore, the design must incorporate the necessary slopes and widths to guarantee full accessibility.

The Latvian Building Code sets out minimum widths for public corridors, external doors and lifts, regardless of the number of storeys in the building.

Regardless of the number of stories, residential buildings occupied by physically, mentally, visually or auditorily disabled persons must have kitchens equipped with an electric stove and all installations must be supplied with automatic fire alarm systems.

The Law for the Protection of Cultural Monuments stipulates that cultural monuments can be preserved, restored and refurbished only with written permission by the State Inspectorate for Heritage Protection, which is also tasked with monitoring the works.

Before starting any construction work, or any soil enhancement, road building or mining work, or any other economic activity, developers must have conducted an assessment of any cultural assets in the area where the activity is scheduled to be conducted. Individuals and corporations who, as a result of economic activity, happen to unearth culturally or historically valuable assets (archaeological or otherwise), are obliged to make an immediate report to the State Inspectorate for Heritage Protection and suspend all activity.

Preservation, maintenance, renovation and restoration of a cultural monument shall be undertaken by its owner.

## 2. Fulfilment of Housing Needs

Estimation of the number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Dwellings			5

Number of dwellings undergoing rehabilitation with public support:

Year	2000	2005	2008
Buildings			9

Rehabilitation of buildings and housing units in Latvia, carried out with the aim of meeting the housing needs of their owners or tenants, cannot benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Owners/landlords are allowed to transfer to their tenants any investments made to rehabilitate their dwellings. If the repair work is necessary as the dwelling does not comply with the health and safety provisions stipulated by the legislation, tenant and landlord may agree that the tenant shall carry out the necessary repairs or fully or partially cover the costs thereof. In these cases, the tenant is entitled to a proportional reduction of rental payments.

## 3. Job Creation

According to Latvia, rehabilitation contributes to the maintenance and generation of employment. They have therefore introduced measures to promote rehabilitation, in order to stimulate the economy and create/maintain employment.

Latvian authorities consider that the availability of specialized professionals and labour in the country is sufficient to meet the current needs of the rehabilitation sector. The crisis in the construction sector resulted in a situation whereby many construction workers lost

their jobs. Housing rehabilitation is a topical issue in Latvia, thanks to the ERDF funds and the State's financial support. This means that these workers now have an opportunity to find a new job in the rehabilitation sector.

The Latvian educational system offers instruction geared specifically to the rehabilitation sector at both university and vocational training level.

#### 4. Financing and Concert between Government and the Private Sector

ERDF funds are used in Latvia to subsidise the following housing-related activities:

- Operational programme «Infrastructure and Services"  
[http://www.esfondi.lv/upload/04-kohezijas\\_politikas\\_nakotne/op/3\\_op\\_2009-07-09\\_ENG.pdf](http://www.esfondi.lv/upload/04-kohezijas_politikas_nakotne/op/3_op_2009-07-09_ENG.pdf)  
Priority 3.4 "Quality Environment for Life and Economic Activity"  
Measure 3.4.4 "Energy efficiency in Housing Units"

Activity 3.4.4.1 Improvement of heat insulation of multi-apartment residential buildings. Objective: Implementation of measures to increase the energy efficiency of multi-apartment residential buildings in order to ensure an effective use of energy resources. The activity provides financing to promote energy efficiency, for example, finance insulation and restoration of heating systems, heat insulation of building constructions in accordance with energy audit recommendations, renovation of the main parts of a building – roofing, facade, windows, doors, stairs, corridors, cellars, entrances, elevators, and renewal of building technical installations (water supply and sewage systems, electricity and fireproof installations, ventilation and waste collection systems). Potential target groups: apartment owners of multi-apartment residential buildings.

- Activity 3.4.4.2 Improvement of heat insulation of social residential buildings. Objective: Improvement of energy efficiency of social residential buildings thus providing socially unprotected groups with adequate housing. The activity provides financing for heat insulation of the main parts of buildings, for example, roofing, facade, windows, doors and cellars, in accordance with energy audit recommendations, restoration of stairs, corridors and entrances, as well as reconstruction of the building by not changing its functions. Also technical installations of the building can be included in the restoration, for example, water supply, sewage systems, electricity and fire safety installations, ventilation and waste systems. Potential target groups: Tenants of social residential buildings.
- Operational programme "Infrastructure and Services"  
Priority 3,5 "Promotion of Environmental Infrastructure and Environmentally-friendly Energy"  
Measure 3.5.2 "Energy"  
Activity 3.5.2.1. Measures regarding the increase of efficiency of centralised heat supply systems. Objective: To increase the efficiency of heat supply production, reduce the loss of heat energy in the transmission and distribution systems and foster the replacement of imported fossil fuel types with renewable or locally-produced fuel. Potential target groups: users of heat energy, municipalities, enterprises. Potential final beneficiaries: licensed providers of public services – enterprises operating centralized heat supply systems, municipal institutions providing public heat supply services.  
Activity 3.5.2.2. Development of cogeneration power plants utilising renewable energy sources. Objective: Achieve a substantial increase in the production rate of electricity and heat energy from renewable energy sources, thus reducing dependence on imports of primary energy resources. Potential target groups: users of heat energy and electricity, municipalities, enterprises. Potential final beneficiaries: licensed providers of public services – enterprises operating centralized heat supply systems.

Activity 3.5.2.3 Development of wind power stations. Objective: Increase the production of electricity from wind resources, diversify the supply of primary energy resources, and increase self-provision of electricity, thus reducing the dependence of Latvia on the import of primary energy resources. Potential target groups: Users of electricity, municipalities, enterprises.

Activity 3.5.2.4 Development of dam spillways for Daugava hydroelectric power plant. Objective: To implement dam safety increase project in HEP on the river Daugava. Potential target groups: people in the territories of risk, municipalities, enterprises.

- Activity 3.6.1.1 Growth of national and regional development centres for sustainable and balanced development of the country. Objective: To ensure growth of development centres of national and regional importance by supporting implementation of projects according to local government integrated development programmes to strengthen competitiveness, accessibility and attractiveness of cities/towns and city regions. Potential target groups: population of development centres of national and regional importance and their surrounding territories.

No tax benefits, non-refundable loans, low-interest loans, subsidies or other kinds of loans are available in Latvia for dwelling rehabilitation at the Central, regional or municipal levels.

As regards building rehabilitation, although no tax benefits, low-interest loans, subsidies or standard loans are available, the Central, regional and local authorities do offer non-refundable loans for this purpose.

There are in Latvia no public subsidies to adapt dwellings and/or buildings to the needs of elderly or disabled persons. Nor is there any financial support for catering for the housing needs of low-income families.

The public housing counselling institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies are as follows:

- National Agency for Construction, Energy and Housing (until July 2010)
- Latvian Agency for Investment and Development (from July 2010)
- Ministry of Economy

The following activities summarise the public subsidies and tax benefits available at each level of government:

- Activity 3.4.4.1 Improvement of heat insulation in residential apartment buildings. Beneficiaries of these projects are multi-apartment residential building apartment owners. Apartment owners are to submit a project with the intermediation of an authorised representative. The maximum aid available is 50% of total eligible costs.
- Activity 3.4.4.2 Improvement of heat insulation in social housing. For this activity, the project applicant is a municipality of the Republic of Latvia. The aid is awarded to apartment buildings that have been designated as "social housing" by the local authorities. To qualify for this kind of support, at least 90% of the apartments in the building must be occupied by tenants who are registered in the municipality as eligible for the assistance in apartment question. Maximum aid intensity is 75% of the total eligible costs. The project application may be submitted only by municipalities that have received an invitation from collaborating institutions.

## 5. Role of Architecture

The Latvian Association of Architects, a non-governmental organization, is tasked with matters related to architecture.

Construction-related policy in Latvia falls within the responsibility of the Ministry of Economy. Spatial planning corresponds to the Ministry of Regional Development and the Local Governments. Such aesthetic matters as the urban landscape, as well as town-planning are dealt with by the Ministry of Culture.

Latvia is a unitary country with centralised legislation. There are two levels of regulations:

- State level. Laws issued by the Saeima (Latvian Parliament) and Regulations of the Cabinet of Ministers.
- Municipal level. Binding local regulations. Spatial planning at local level and local construction standards fall within the remit of local authorities.

As regards standards governing architectural quality, they do not exist in Latvia for dwellings per se, but they are applicable to matters such as fitness for use, rehabilitation, public space and urban layout.

Latvians tend to associate architecture mainly with culture, with the environment/landscape, with energy/ sustainable development, with innovation/ technology, social representation and with town-planning/ public spaces/ the city.

In Latvia, great importance is given to the existing quality features of architectural works and such characteristics are promoted in buildings, neighbourhoods, listed sites and urban areas.

In Latvia, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces and create jobs/foster employment.

Latvia finds it advantageous to invest material means and human effort in: enhancing the architectural quality of existing buildings/ rehabilitation, the consolidated city, new isolated buildings, new urban developments, the urban milieu and rural areas.

In Latvia, architecture is associated with a unique work as well as with the construction of cities and dwellings.

Latvia promotes architectural quality in construction/rehabilitation work undertaken by government and the private sector, but not by urban and housing development agencies.

Latvian legislation stipulates that a public bid must be initiated before a building permit can be issued in cases where the proposed building may exert an impact on the urban landscape or on the value of third party property.

As regards citizen participation, citizens may only influence architectural policy at the local level by participating in public consultations on spatial planning.

Latvia would welcome the introduction of EU guidelines setting out EU architectural policy. Although such guidelines would be useful, they would at the same time be hard to apply because of the wide diversity of architectural traditions.

## 19 MALTA



<b>Country Code</b>	MT	<b>GDP (PPP) EU-27</b>	76.3
<b>Area, (sq. Km)</b>	316	<b>Unemployment</b>	6.9%
<b>Population</b>	413,609	<b>HDI</b>	0.902
<b>Density, p/km<sup>2</sup></b>	1308.9	<b>Urban population</b>	93.6%
<b>Construction sector/GDP</b>	3.60%		
Political System: Republic. Parliamentary. Centralised			

### 1. Rehabilitation: General Aspects

The Maltese Housing Authorities agree with all the aspects of the definition proposed for housing and building rehabilitation. They agree with the definition of urban area rehabilitation, except for the items *installation of centralized air-conditioning* and *hot water networks fed with renewable energy*.

In Malta most buildings do not have centralized air-conditioning and/or hot water networks.

The Central Government is the only level of government that has competency over rehabilitation policies.

Regulations are in place that govern the scope and concept of rehabilitation.

Environmental Protection Regulations (Chapter. 348 and Chapter. 435): Environmental Protection Regulations (EPA) (Chapter. 348) follow the same approach as the Regulation on Antiques (Protection) (Chapter. 54):

- Identification of what must be protected and the reasons for its protection.
- Provision of protection by outlawing works without a permit.
- Enforcing protection through penalties for infringement.

The Minister responsible for the Environment has the power to issue a protection order for any building, place, or archaeological remains based on their historical, architectural or artistic interest, or their interest for the study of, among other things, archaeology. Furthermore, the authorities may draw up regulations for the protection, as well as for the restoration of buildings or places.

Significantly, the concept of conservation of the character of specific areas was developed by the Minister responsible for drawing up regulations for the conservation of the character certain localities of special historical importance such as Mdina, Valletta, Floriana, Cospicua, Senglea and Vittoriosa, among others.

It was also decided to use a more proactive approach for the management of these areas issuing orders for the restoration, maintenance and decoration. These works had to be carried out by the government but the expense had to be borne by the properties' owners.



In some cases, an order was issued whereby the property was coercively acquired by the State.

Lastly, penalties for infringement have been increased in scope to include:

- Actions for damages
- Fines
- Incarceration for up to 3 years
- Power to order the offender to eliminate the cause of the infringement, with daily fines until they comply.

However, the EPA regulations on historic heritage sites (Chapter. 348) were not applied, in part due to the possible overlap with the Development Planning Act (DPA) (Chapter. 356). In spite of this, they continue to be of interest to understand the changes and developments that have taken place in the discourse of and approach to urban conservation. EPA (Chapter. 348) has been revoked and substituted by EPA (Chapter. 435). The new law contemplates much more than protection and management of the environment and the sustainable management of natural resources, and provides a definition of the term environment that is much broader than just the conservation of the constructed heritage. Thus, for example, the new law does not contain provisions for the conservation of the character specific historical areas.

#### Regulations for Development Planning (Chapter 356)

The DPA (Chapter 356) is the main legislative instrument directly related to the matters addressed here. It includes the creation of a Planning Authority and a global planning system based on development plans, other planning policies and development control.

This law follows the same general criteria as EPA (Chapter. 348) with four large reactive and proactive “activity” areas:

- Identification of what must be protected and preserved.
  - Protection
  - Regulation and Management
  - Enforcement
- The DPA (Chapter. 356) is built upon the framework of listed areas (nuclei of hamlets) and buildings affected by the old Law (BPTPA) (Law X of 1988) of Construction Permits (interim provisions), originating from the concepts of the Council of Europe “Charters”.
- Identification for protection and conservation:  
The competent Authority is under an obligation to prepare and review a list that includes archaeologically, architecturally, and historically significant areas, buildings, structures and remains that must be targeted for protection.
  - Protection:  
No works may be carried out in the property in question. Moreover, the property may not be demolished, altered or extended, except by permission granted by the Authority.
  - Regulation and Management:  
The main management tool for proactive management and programmed property control is the Conservation Order, which can declare interventions invalid and even outlaw them. It also regulates the protection, maintenance and conservation of programmed assets. A similar order (the Emergency Conservation Order) could be applied to sites not currently protected which are deemed of historical or architectural value and which may be threatened by development or other actions or activities.  
Furthermore, the Authority has the power of “conservation”, since they can demand that the necessary works are carried out with a guarantee that no further deterioration will be caused (by default, the Authority can carry out the works and recover the cost from the owner).

- Enforcement and penalties:  
Control is exercised following the same procedures as for other infringements, with penalties for damages or demolition of the property in question.  
Urban Conservation Areas (UCAs):

The greatest flaw of the law is the lack of a framework for the identification and designation of Urban Conservation Areas and for possible additional controls for their development, or for their proactive management and improvement. To a certain extent, this framework is designed for the competencies relative to normal development control, for development plans and other planning policies, for design guides and as a procedure for the designation of UCAs.

The Structural Plan provides strategic orientation for Land Use in the Maltese Islands. Among its objectives, the Structural Plan has the aim of channelling urban development activities into existing built-up areas, especially by means of rehabilitation and upgrading of urban areas, which limits its subsequent development in less developed areas. A series of documents “Urban Conservation and Constructed Environment” and “Housing” have identified key issues related to the issues addressed in the Structural Plan.

Local Plans designated certain urban settlements as Urban Conservation Areas, recognizing the need to preserve the character of cities and villages, and confirmed once again the limits to development, a measure aimed at curbing urban sprawl. The additional orientation documents such as “Development Control of Urban Conservation Areas”, the conservation rationale and the new approach to conservation also promoted measures that must be adopted to improve the character and services of urban settlements.

The minimum energy efficiency requirements for buildings included in the Regulation (LN238/06), known as the Technical Orientation Document in the Maltese Official Gazette, will be applied to new buildings and existing buildings where large-scale refurbishing work has been undertaken.

There are no regulatory provisions that mention that rehabilitation shall be “integrated”. However, there are strategic policy documents that define this concept. The initiatives outlined below will be implemented within the context of the Structural Plan and the relevant Local Plans intended to regulate land use in the framework of the economic and social regeneration policy designed for the area and surrounding areas.

**Cottonera Action Plan:** The purpose of this document is to prepare an integrated approach to urban regeneration for three cities of Cottonera to improve their accessibility and transport links and revitalise the living conditions of all the residents. Large scale regeneration projects of the sea-front are the leading feature of the rehabilitation process in Cottonera. However, economic dynamism and the development of tourism are also important for social regeneration. This has been the main goal of the regeneration project of quay 1 launched in 2005.

**Marsacala Action Plan:** The Action Plan for the Transit Village of Marsacala is one of the four areas of regeneration that are considered a priority by the Government of Malta. The objective of this Plan is to prepare an integrated approach to urban development and transport for the next 10 years in the locality of Marsacala and its surrounding area.

**Regeneration of the Grand Port:** Based on the success of the first wave of regeneration projects of the Port Districts, the Maltese Government requested an external report in 2006, underlining the potential for regeneration of a number of sites in the Grand Port.

Some outstanding aspects of these projects include:

- An integrated maritime promenade from Fort Ricasoli to Senglea.
- Renovation of the Boffa Hospital, which is to be converted to a five star luxury hotel.
- Regeneration of the large vacant lot left by the closure of the Marsa power station.
- Reforestation of the Rinella valley.
- Ricasoli Fort will be converted into a cinema centre, further to the success of the cinema industry in Malta.

In order to carry out this initiative, the Government has created the Grand Harbour Regeneration Corporation Plc. This Corporation will provide orientation for the regeneration process and will ensure that a holistic approach is adopted, taking into account the importance of the nearby historical urban structure. The Ministry is responsible for executing the project, which will be reinforced by European Cohesion Funds for the development of port infrastructure.

Rehabilitation needs to have an “all-inclusive” character in order to have access to some type of European funds or public aid from national programs.

European financing: Operational Program (OP) 1 – Investing in Competitiveness for a Better Quality of Life 2007-2013. European Regional Development Fund (ERDF) – Priority Axis 6 – Urban Regeneration and Improvement of Quality of Life - Focus Areas of the intervention: Urban Regeneration. Stipulations:

“Integrated urban development projects are vital stimulus mechanisms for the main industries in the central area of the Maltese Islands, in the city and in the port district. Regeneration of this area integrates the main sectors of the local economy: Maritime, tourism, the construction industry, commercial and traffic services. A series of local plans and regeneration plans for urban areas are centred on an comprehensive approach to regeneration aimed at reverting trends in urban settlements affected by uninhabited dwellings (7 to 9%) – the most critical issues are migration out of the capital and into new areas, the improvement of the citizens’ quality of life as well as developing and boosting of business opportunities in these areas. Government strategy in relation to urban regeneration consists in an integrated approach to urban development, land transport, conservation and social regeneration. The main driver of this policy is the creation of an intelligent and effective city not only based on innovative means of transport, but also on a regenerated and rehabilitated historical environment. A shared effort is being made to develop and integrate these factors by means of urban regeneration initiatives that include housing and social development based on projects oriented to transport, with the aim of developing successful urban areas and socio-economic centres, especially the Port and the Capital Valletta (both regarded as economic and cultural catalysers).

The local Government will develop integrated urban regeneration and embellishment works. Local communities are considered the cornerstone of the country’s social infrastructure. Therefore, OPI will finance local initiatives centred, among other things, on the provision of support facilities such as children’s parks, open green spaces and other social infrastructure to improve urban settlements and contribute to the refurbishment of those areas. On the other hand, everything possible will be done to replicate this type of project in the context of the Integrated Local Plans and Urban Regeneration Plans, ideally drawn up by local councils working in conjunction with one another. Given its role in local development, the participation of the non-profit sector in development initiatives will be encouraged. However, ad hoc initiatives deployed in local communities, which tend to promote measures related to conservation will be supported by the European Agricultural Fund for Rural Development (EAFRD). The possibility of achieving urban regeneration by means of tools such as JESSICA and public-private cooperation will also be considered.

Regulations on the rehabilitation of the housing stock:

- Structural Plan for the Maltese Islands – Housing:
- Structural Plan for the Maltese Islands – Urban conservation and the built-up environment:
- [# Urbano](http://www.mepa.org.mt/lpg-structureplanreview)
- Development Control in Urban Conservation Areas: [www.mepa.org.mt](http://www.mepa.org.mt)
- Conservation Philosophy and new approaches to conservation problems: [www.mepa.org.mt](http://www.mepa.org.mt)

Rehabilitation includes the following:

- Urban aspects.
- Architectural aspects.
- Energy aspects.

There are specific provisions for the rehabilitation of historic centres.

- Urban Conservation Areas (UCAs): By means of Local Plans, certain population settlements were designated as Urban Conservation Areas, in recognition of the need to preserve the character of cities and towns. Furthermore, development limits were reconfirmed, a measure intended to limit urban sprawl.
- Cultural Heritage Law (Chapter. 445): The law develops the concept of superintendence, carried out by a superintendent responsible for a broad range of functions, including supervision, protection and conservation of cultural goods and coordination with UCAs to protect cultural heritage. The Law recognizes the list of cultural assets to be protected, which was drawn up by the relevant Authority.

There are specific provisions for the rehabilitation of rural areas.

- The National Strategy for Rural Development for Malta (February 2007) defines Government strategy for rural development. This is the basis for the Rural Development Programme 2007-2013.
- Regulations for construction permits (interim provisions) (BPTPA) (Law X of 1988): in the interim provisions, designation of areas is restricted, in general, to peripheral extensions of current developed areas. Applications for most types of new development beyond the limits established were considered “off bounds” and therefore contrary to policy. The development orientation policy outside constructed areas was approved in January 1995 ([Www.mepa.org.mt](http://www.mepa.org.mt)).

The Structural Plan: Urban development activities in existing and projected development zones is one of the three basic goals of the Structural Plan. SET 1 policy has the aim of complying with this objective. Policies and SET 11 and SET 12 specifically address the subject of development in non-urban areas. The strategy of the Structural Plan includes a total ban on any type of settlement outside areas specifically designated for urban use in the Plan. Any form of settlement outside these designated areas is banned.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Dwellings	1	41	100

During the intervening years housing rehabilitation with public funds was 2 units (2001), 2 units (2003), 1 unit (2005), 2 units (2007), 13 units (2009) and 8 units (to be finished in 2010).

The National Housing Authority rehabilitates uninhabited housing belonging to the Government and lets it out (40 units in 2005 and 100 units in 2008).

The National Housing Authority also offers help to upgrade substandard individual publicly or privately owned housing units, by means of adaptation programs. These are means tested.

Number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Buildings	1	15	26

Owners/investors may transfer investment costs to lessees.

Under the new rental regulations Owners are obliged to carry out any structural improvements required and may increase the rent by up to 6% of the total cost of the works.

## 3. Job Creation

Malta considers that rehabilitation may contribute to the maintenance and/or generation of employment.

However, it has not applied fiscal and/or financial policy measures to promote rehabilitation with the purpose of supporting economic activity and the maintenance and/or generation of employment.

As regards the relationship between housing stock rehabilitation and the creation and/or maintenance of employment, government rehabilitation programmes generate most jobs in the construction industry.

Malta considers that the availability of professionals and specialized labour in the country does not cover the existing needs of the rehabilitation sector.

(Advanced and intermediate) vocational training and (advanced) university education offer instruction that is especially geared to the rehabilitation sector.

#### 4. Financing and Concert between Government and the Private Sector

ERDF funds are used to defray housing expenses.

Further to the changes introduced in May 2009, the cost of improving energy efficiency and the use of renewable energy in existing housing has been financed by the ERDF in all member States. Member States must previously define the different categories of housing units taking into consideration the preservation of social cohesion.

Scope of said operations:

- Currently ERDF funds are being used to renovate two housing units in Cottonera, by means of the refurbishing of the common areas in the housing blocks. This includes measures to increase energy efficiency and the use of renewable energy sources with the aim of improving quality of life and accessibility. The cost of the project is approximately 1 million euro.
- A National Plan was launched to help families install energy efficiency measures such as solar water heaters, solar collectors and photovoltaic systems. A proposal will be made that financing of projects related to energy efficiency measures, such as double glazing, insulation, installation of solar control films, solar water heaters and/or photovoltaic systems and the works necessary to install this type of facilities in government-owned residential buildings and/or individual housing units should be covered by the ERDF.

How this affects the rehabilitation of the existing housing stock: The aim is to renovate housing that is Government property. However, as renovation implies considerable financing and a high level of coordination between the involved parties, it is likely that only a small number of blocks will undergo renovation.

Extent to which this will affect energy efficiency improvement and the use of renewable energy in existing housing: The aim of the projects is to increase the use of energy efficiency measures and the use of renewable energy sources in social and private housing in residential buildings to reduce energy consumption.

Role that must be assigned to housing-related expenditure when regulating the structural funds that will be used to finance regional housing policy in Member States as of 2014: In principle, Malta supports the inclusion of housing expenditure in the future cohesion policy. In this sense, Malta considers that the degree and type of support must be based on the specific needs of each country.

In Malta, housing rehabilitation does not enjoy any tax benefits.

There are non-refundable loans for housing rehabilitation only at a state level.

There are no tax benefits for building rehabilitation.

There is no other public funding for building rehabilitation.

There is public funding for the rehabilitation of housing units and/or buildings to adapt them to the needs of elderly persons.

The National Housing Authority renews old housing and adapts it specifically to the needs of the elderly.

The National Housing Authority also offers subsidies to the elderly that live in private housing units so they may adapt their homes.

There is public funding available for rehabilitating dwellings and/or buildings so that they can be adapted to the needs of disabled persons.

The National Housing Authority also offers funds to the disabled so that they may adapt their dwellings according to their specific needs.

Subsidies are granted for lifts and internal reforms, including bathrooms.

Public funding is available for rehabilitating dwellings and/or buildings inhabited by low-income families.

The National Housing Authority offers assistance to families with children, single-parent families and elderly persons so that they may carry out repair works and improvements to upgrade the quality of their dwelling. The lower their income, the greater the subsidy.

Public institutions whose task is to inform companies and individuals about the requirements necessary to obtain financial aid for housing rehabilitation:

- The National Housing Authority promotes its programs by means of radio programmes, client support services and a website.
- As regards the installation of energy efficient systems, the Ministry responsible for this type of subsidy (usually the Finance Ministry or the Rural Development Ministry), encourages the use of these systems.

Public institutions that centralize the processing of requests for financial aid for housing rehabilitation submitted by companies and individuals is centralized.

- The National Housing Authority processes the requests for financial assistance from its programmes.

## 5. Role of Architecture

There are organizations whose purpose is to regulate issues related to architecture.

The Kamra tal Periti (Chamber of Architects and Civil Engineers) was formed according to Article 8 (1) of Law # XIV of 1996, as a continuation of the Chamber established by Ordinance # XIV of 1919 (Notification #. 202/20). Its goals are the promotion and regulation of the profession, the defence of its rights and the preservation of its high prestige.

It automatically includes all those who hold a permit to exercise the profession in Malta, as is required by the official Register of authorizations. The “Periti” are divided into 2 categories: Ordinary and Full Members, the first condition is mandatory, the second voluntary.

<http://www.ktpmalta.com/aboutKTP/about.php>

The Kamra tal Periti is an autonomous entity, within the sphere of the Ministry of Resources and Rural Development.

In Malta there is a specific architectural policy.

Main characteristics of the architectural policy. All developments related to policies and regulation are controlled by the Planning and Environment Authority of Malta.

Agencies responsible for establishing architectural policies: There is only one central authority in Malta, the MEPA (Malta Environment & Planning Authority).

There are regulations that establish architectural standards in terms of housing, fitness for use, rehabilitation and urban layout: All the above are governed by Development Planning Legislation, the Structural Plan of the Maltese Islands and all the legislation and policies developed by MEPA.

The Maltese tend to associate architecture mainly with culture, the environment/landscape, energy/ sustainable development, innovation/technology, social representation, industry and urban planning/ public spaces/ the city.

MEPA is the regulating body for development planning and environment protection.

If architectural qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of existing buildings, neighbourhoods, listed sites and urban areas.

In Malta, high-quality architecture can: help generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; and reduce greenhouse gas emissions and energy consumption.

Malta considers it profitable to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, and rural areas

In general any construction is considered architecture.

In Malta, there are established mechanisms for citizen participation to draw up potential architectural policies.

National legislation requires that MEPA consult the public both as to planning policies and as to environment policies.



Public consultation is an intrinsic component in the preparation of planning and orientation documents. All claims presented during the public consultation period are answered by MEPA.

Malta would not consider the introduction of EU guidelines setting out EU architectural policy useful as each country is unique and some directives could not be applied in the local context. Malta considers that architectural policies must remain within the domain of individual countries.

They do think, however, that a set of general guidelines may be beneficial.

## 20 THE NETHERLANDS



<b>Country code</b>	NL	<b>GDP (PPP) EU-27</b>	134
<b>Area, sq. Km</b>	41,528	<b>Unemployment</b>	3.5%
<b>Population</b>	16,485,787	<b>HDI</b>	0.964
<b>Density, p/km<sup>2</sup></b>	397.0	<b>Urban population</b>	80.2%
<b>Construction sector/GDP</b>	5.80%		
Political System: Constitutional Parliamentary Monarchy. Decentralised			

### 1. Rehabilitation: General Aspects

The Dutch Housing Authorities agree with the definition proposed for rehabilitation, except for the items:

- “Environmental protection” and “Renewable energy use.”
- “Improve environmental protection” and “Improve the architectural aspects,” as far as building rehabilitation is concerned.
- “citizen participation,” as far as the rehabilitation of urban areas is concerned

All three levels of Public Administration (central, regional and local) in the Netherlands have competencies over rehabilitation policies. There are no regulations that govern the scope and concept of rehabilitation.

There are regulatory provisions that mention that rehabilitation shall have an “integrated character”.

Regulations dealing with the housing stock are aimed at urban areas. The websites below provide information on the Dutch regulatory provisions on housing.

- <http://www.vrom.nl/pagina.html?id=38442>
- <http://www.vrom.nl/pagina.html?id=31001>

Rehabilitation includes the following:

- Urban aspects.
- Financial aspects.
- Energy aspects.
- Aspects related with adaptation of housing to the needs of people with disabilities/access problems.

There are specific provisions for the rehabilitation of historical centres.

There are specific provisions for the rehabilitation of rural areas.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Dwellings	5,000	7,000	7,000

There is no data on the number of buildings that have undergone rehabilitation with government assistance.

Rehabilitation of buildings and housing units, carried out with the aim of meeting the housing needs of their owners or tenants, can benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Owners/investors may transfer investment costs to lessees. Higher scores are granted on property assessment systems.

## 3. Job Creation

The Netherlands considers that rehabilitation does not contribute to the maintenance and/or generation of employment.

However, it has not applied fiscal and/or financial policy measures to foster rehabilitation with the purpose of supporting economic activity and the maintenance and/or generation of employment.

The Netherlands considers that the availability of professionals and specialized labour in the country covers the existing needs of the rehabilitation sector.

(Advanced and intermediate) vocational training provides tuition specifically aimed at the rehabilitation sector.

## 4. Financing and Concert between Government and the Private Sector

Investment Budget for City Renewal:

In addition to the Large Cities Policy, the Investment budget for City Renewal (Investeringsbudget voor Stedelijke Vernieuwing ISV) is implemented for a period of five years (2010-2014). The ISV also adopts a decentralised approach, giving the primary mandate to the cities. The ISV, which aims to stimulate city renewal, is available to all large cities in the Netherlands. The ISV-budget is operates as 'trigger-money'. Cities, housing corporations and private developers all participate in financing housing renewal.

The ISV III for 2010-2014 will have a budget of €1.2 billion, which is 30% less than the ISV II. The main topics for ISV III are city renewal, reconstructing neighbourhoods and air, noise and ground pollution."

## 5. Role of Architecture

There is a government department that deals with matters related to architecture: The Monuments and Heritage Committee.

These services are within the Housing, Communities and Integration area of the Ministry of Housing, Urban Development and Environment.

The Netherlands has a specific architectural policy.

There are regulations that govern the quality of architecture, applicable to aspects related to: housing, rehabilitation, public spaces and urban design.

The Dutch tend to associate architecture mainly with culture, the environment/landscape, and urban planning/ public spaces/ the city.

In The Netherlands it is considered that architecture influences conservation/enhancement of the urban environment considered as landscape.

The Netherlands sets store by the existing architectural quality of buildings and neighbourhoods.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of existing listed sites and urban areas.

In general, the architectural quality of communal and public spaces is not taken into account, with the exception of some cases.

In the Netherlands, high-quality architecture can: help generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces.

The Netherlands considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, and in rururban areas.

Architecture is considered to be about unique works related to the construction of dwellings/buildings.

Quality in architecture is promoted particularly building/rehabilitation projects carried out by the public Administration and joint urban management and housing agencies. Specific mechanisms by means of which architectural quality is increased: "Protected Heritage and Urban Landscape"

In the Netherlands, there are no established mechanisms for citizen participation to draw up possible architectural policies.

The Netherlands would not consider the introduction of EU guidelines setting out EU architectural policy useful.

## 21 POLAND

<b>Country code</b>	PL	<b>GDP (PPP) EU-27</b>	56.4
<b>Area, sq. km</b>	312,685	<b>Unemployment</b>	8.2%
<b>Population</b>	38,135,876	<b>HDI</b>	0.880
<b>Population density</b>	122,0	<b>Urban population</b>	61.5%
<b>Construction sector/GDP</b>	7.60%		
Political System: Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: General Aspects

The Polish Housing Authorities do not agree with any of the aspects of the definition proposed for housing rehabilitation, since there is no program that only deals with rehabilitation of private housing.

On the other hand, they agree with all the aspects of the definition of building rehabilitation, except for only one item.

Finally, they agree with all the aspects of the definition of “urban area rehabilitation.”

All three levels of government (central, regional and local) in Poland have competencies over rehabilitation policy. There are no regulations that govern the scope and concept of rehabilitation.

There are no regulatory provisions that mention that rehabilitation shall be “integrated.”

Rehabilitation regulations are focused on buildings and urban areas.

There is no Polish law that requires that urban rehabilitation be “integrated”. However, investors may request financial support from the European Regional Development Fund (ERDF) only if they make investments considered “integrated.”

The regulations mentioned below refer to the rehabilitation of buildings (thermal modernization and renovation [1]), dwellings for vulnerable families [3]) and rehabilitation of urban areas (Regional Operational Programmes co-financed by EFDR [2]):

- A Law of 21 November of 2008, on financial support for thermal modernization and renovations.
- A Law of 6 December 2006, on the Principles of Development Policy; a Law of 27 August 2009, on public finances; a Law of 29 January 2004, on public contracting; EC Regulation 080/2006 of the European Parliament and Council of 5 July 2006 on the European Regional Development Fund (ERDF), which revokes EC Regulation #1783/1999 (Art 7).

European Commission website: <http://eur-lex.europa.eu>

Ministry of Regional Development website:

[http://www.mrr.gov.pl/fundusze/wytyczne\\_mrr/obowiazujace/horyzontalne/strony/lis ta.aspx](http://www.mrr.gov.pl/fundusze/wytyczne_mrr/obowiazujace/horyzontalne/strony/lis ta.aspx)

Ministry of Regional Development guidelines on housing:

[http://www.mrr.gov.pl/fundusze/wytyczne\\_mrr/obowiazujace/horyzontalne/Documents/wytyczne%20-%20mieszkalnictwo%20-%20aktualizacja.pdf](http://www.mrr.gov.pl/fundusze/wytyczne_mrr/obowiazujace/horyzontalne/Documents/wytyczne%20-%20mieszkalnictwo%20-%20aktualizacja.pdf)

- Guidelines related to spending within structural funds:  
[http://www.mrr.gov.pl/fundusze/wytyczne\\_mrr/obowiazujace/horyzontalne/Documents/Krajowe\\_wytyczne\\_dotyczace\\_kwalifikowania\\_wydatkow\\_4\\_171208.pdf](http://www.mrr.gov.pl/fundusze/wytyczne_mrr/obowiazujace/horyzontalne/Documents/Krajowe_wytyczne_dotyczace_kwalifikowania_wydatkow_4_171208.pdf)
- Guidelines of the Management Authorities (MA) of Regional Operational Programmes (ROP) for the creation of Local Rehabilitation Programmes or Integrated Urban Development Plans (website of Management Authorities).
- Law of 8 December on Support for the building of social housing, protected housing and homeless shelters.

In Poland, rehabilitation includes the following aspects

- Urban-planning aspects. Programmes financed by European Regional Development Fund (ERDF) in accordance with European guidelines lay significant emphasis on the urban planning aspects of rehabilitation.
- Financial aspects:
  - Programme for thermal modernization and renovation of residential buildings: Beneficiaries are allowed to participate in the programmes to obtain financial assistance from the Government only if they take out a loan to finance investment. Financial assistance may not exceed 20% of the total cost of the loan.
  - The allocation of housing costs will be a maximum of 3% of the EFDR funds for operational programmes. Financial assistance can be divided into two parts: EU co-financing (EFDR resources) and national funds (state budget, budgets of territorial government units, other public and private sources.) Financial regulations are defined by the MAs (Managing Authorities).
  - Housing support for vulnerable families: The objective of the programme is to provide housing for the poorest sector of the population. The assistance is allocated to municipalities, who are responsible for providing this type of housing to final lessees. One of the municipal activities, which could be partly financed by the central government, is the renovation of housing or the conversion of non-residential buildings into residential buildings, therefore entailing the construction of new housing. The municipalities can apply for finance for 40-50% of the total cost, the rest they must finance themselves.
- Fiscal aspects:
  - Reduced Value Added Tax Rate (7% vs 22%), for the provision of housing, as well as construction, renovation and refurbishment services.
  - Tax reimbursement for construction materials for private individuals. The reimbursement is equivalent to the difference between the 7% VAT that prevailed in Poland before accession to the EU in 2004 and the 22% rate established after that date.
- Energy-related aspects:
  - To obtain a subsidy (in the framework of the thermal modernization and renovation programme) applicants must attest to having performed an energy audit defining the scope and the technical and economic parameters of the thermal modernization project. Energy economies must be greater than 10, 15 or 25%, based on certain parameters. Financial assistance may also be granted to applicants changing their current source of conventional energy to a new source of renewable energy.
  - As to the Regional Operational Programmes (ROP), the beneficiaries may avail themselves of the new European regulations that contemplate support for energy efficiency improvements and for investments to install renewable energy (up to 4% of the total EFDR allocation). In this case the decision to take advantage of the new possibilities included in the added article) is taken by the ROP Management Authorities (MA). Some ROP Managing Authorities have stated their desire to make use of these new possibilities in the future

(but have not specified when they plan to introduce the required improvements in terms of energy efficiency).

- Adaptation to the needs of elderly persons and those with disabilities/accessibility problems. Access for persons with physical difficulties is mandatory and is managed by the ROP Managing Authorities.

There are no specific regulations for the rehabilitation of historical centres or for the rehabilitation of rural areas.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance: In Poland there is no specific programme for private housing rehabilitation.

Number of buildings that have undergone rehabilitation with government assistance: these numbers only include the national programme for thermal modernization and renovation in residential buildings.

Year	2000	2005	2008
Dwellings	190	1,750	2,860

Rehabilitation of buildings and housing units in Poland, carried out with the aim of meeting the housing needs of their owners or tenants, may benefit from additional public subsidies for planning, redeveloping or supplying equipment to the affected public residential spaces.

Owners/investors may transfer investment costs to lessees. Owners have a right to increase the rent to recoup their investments in rehabilitation.

## 3. Job Creation

Poland considers that rehabilitation may contribute to the maintenance and/or generation of employment.

However, it has not applied fiscal and/or financial policy measures to promote rehabilitation with the purpose of supporting economic activity and the maintenance and/or generation of employment.

Poland considers that the availability of professionals and skilled labour is commensurate to the existing needs of the rehabilitation sector.

## 4. Financing and Concert between Government and the Private Sector

15 Polish regions (all the regions except Podlaskie) intend to use EFDR funds to subsidise housing expenses. The ROP Managing Authorities in each region will manage the said expenses.

Scope of interventions: Potential interventions are co-financed by EFDR funds and include interventions in housing. They are defined in Article 47 of Commission Regulation CE no.1828/2006 of 8 December 2006 (amended by Regulation CE no. 846/2009 of 1 September 2009). The rules of the interventions are defined by each Managing Authority (MA). The objective of the interventions is to act in the poorest regions (that comply with the criteria of the regulations mentioned above and the rules defined by the Managing Authorities). In general, housing support includes renovation of communal areas of multifamily residential buildings, or the granting of good quality modern social housing by means of renovation and change of existing buildings owned by public authorities or non-profit making agents.

<b>ROP Expenditure on Housing [code 78]</b>			
<b>Regions</b>	<b>Housing Expenditure (EUR)</b>	<b>Total ROP Expenditure (EUR)</b>	<b>% of total expenditure</b>
<b>Dolnośląskie</b>	34 731 794	1 213 144 879	2.86
<b>kuj-pom</b>	19 115 177	951 003 820	2.01
<b>Lubelskie</b>	23 117 091	1 155 854 549	2.00
<b>Lubuskie</b>	5 174 194	439 173 096	1.18
<b>Łódzkie</b>	18 114 856	1 006 380 910	1.80
<b>Małopolskie</b>	5 800 000	1 290 274 402	0.45
<b>Mazowieckie</b>	45 900 000	1 831 496 698	2.51
<b>Opolskie</b>	4 100 590	427 144 813	0.96
<b>Podkarpackie</b>	16 192 386	1 136 307 823	1.42
<b>Podlaskie</b>		636 207 883	0.00
<b>Pomorskie</b>	5 310 395	885 065 762	0.60
<b>Śląskie</b>	23 000 000	1 712 980 303	1.34
<b>Świętokrzyskie</b>	2 165 482	725 807 266	0.30
<b>warm-maz</b>	22 285 654	1 036 542 041	2.15
<b>Wielkopolskie</b>	6 131 250	1 272 792 644	0.48
<b>Zachodniopomorskie</b>	12 000 000	835 437 299	1.44
<b>Total</b>	243 138 869	16 555 614 188	1.47



Application of the possibilities now available based on modification of Regulation (EC) no. 1080/2006 to finance with EFDR resources, expenditure in improvement in energy efficiency and use of renewable energy in existing housing: The decision in this case will be taken by the ROP Managing Authorities (MA). Some ROP Managing Authorities have stated their desire to make use of these new possibilities in the future (but have not specified when they plan to introduce the required improvements in terms of energy efficiency).

Poland supports the idea of continuing to use EFDR funds to provide housing assistance during the next period (2014-2021).

In Poland there are no tax benefits or other public economic assistance for housing rehabilitation.

The only tax benefits available for the rehabilitation of buildings are granted at state level.

The only additional public assistance for the rehabilitation of buildings (non-refundable subsidies and subsidised loans) is available exclusively at state level.

There is no public funding available for rehabilitating dwellings and/or buildings so that they can be adapted to the needs of elderly persons or the needs of disabled persons.

Public funding is available for rehabilitating dwellings and/or buildings inhabited by low-income families. Local authorities and non-profit organizations may obtain special subsidies (40-50% of the costs of investment) for, among other things, the rehabilitation of buildings for vulnerable families.

In Poland there are public institutions whose task is to inform companies and individuals about the requirements in place to obtain financial help for housing rehabilitation:

National Economy Bank (Bank Gospodarstwa Krajowego): A public bank created to carry out government programmes (the bank participates in the thermal modernization and renovation programme and the housing programme) for vulnerable families.

Ministry of Regional Development (Information Point), ROP Managing Authorities (information points, seminars, conferences, etc.).

In Poland there are no public institutions that centralise the processing of applications for financial help for housing rehabilitation submitted by businesses and individuals.

Summary of existing public assistance and tax benefits at each level of government:

System	Objective	Participation	Financing
Rehabilitation of urban areas (ROP; Regional Operational Programmes)	Redevelopment of communal spaces and building rehabilitation	Local Authorities, Proprietors of Buildings and Administrators	<b>European Development</b> (ERDF) and resources from the participants <b>Regional Fund</b>
Building rehabilitation and thermal modernization	Energy supply efficiency and improvement in structural building conditions	All building owners (or administrators)	Government financial assistance and loans taken out by participants
Creation of housing for vulnerable families	Housing Needs	Municipalities (Local authorities and non profit organizations)	Government financial assistance and participants' own resources

Existing inter-relation between the different public administrations to stimulate housing and/or building rehabilitation.

System	State	Regions	Local Administration
Rehabilitation of urban areas	Promotion, supervision, coordination	Subsidies	Implementation
Building rehabilitation and thermal modernization	Legislation and co-financing	----	Participation and co-financing
Creation of housing for vulnerable families	Legislation and co-financing	----	Participation and co-financing

## 5. Role of Architecture

Poland does not respond to this part of the questionnaire.

## 22 PORTUGAL



<b>Country code</b>	PT	<b>GDP (PPP) EU-27</b>	76
<b>Area, sq. km</b>	92,152	<b>Unemployment</b>	9.6%
<b>Population</b>	10,627,250	<b>HDI</b>	0.909
<b>Density, p/km<sup>2</sup></b>	115.3	<b>Urban population</b>	57.6%
<b>Construction sector/GDP</b>	6.40%		
Political System: Parliamentary Republic. Centralised			

### 1. Rehabilitation: General aspects

The Portuguese Housing Authorities agree with all the aspects of the definition proposed for dwelling and building rehabilitation, and also for rehabilitation of urban areas.

The Central Government, the regional governments (of Azores and Madeira) and the local governments have competences over rehabilitation policies.

There are specific regulations regarding the scope and definition of rehabilitation. The regulations establish that urban rehabilitation should be integrated.

Further information can be found on:

- [www.portaldahabitacao.pt](http://www.portaldahabitacao.pt)  
Legal System for Urban Rehabilitation: Decree – law \*307/2009, October 23  
Resolutions of the Council of Ministers 143/2005, August 2 and 189/2007, December 31  
Urban Rehabilitation Society (SRU), Decree- law 104/2004, May 7

The “integrated” rehabilitation is not mandatory to obtain some kind of European funding or government assistance via national programs, although “integrated” rehabilitation may be framed by specific advantaged regulations specified above.

\*Decree-law is a decree, with “law force”, emanating from the Government and foreseen in the Portuguese Legislative System.

The set of regulations regarding the rehabilitation of the existing housing stock covers the dwellings, the buildings and the urban areas.

Portuguese legislation on urban rehabilitation can be found at [www.portaldahabitacao.pt](http://www.portaldahabitacao.pt).

- Legal System for Urban Rehabilitation: Decree-law 307/2009, October 23
- Critical Urban Areas Initiative: Resolutions of the Council of Ministers 143/2005, August 2 and 189/2007, December 31
- Urban Rehabilitation Society (SRU), Decree-law 104/2004, May 7
- Urban Regeneration partnerships (PRU), approved within the framework of the National Strategic Reference Framework (QREN) Portugal 2007-2013

The Regulations concerning rehabilitation includes elements related to urban architectural, financial, tax/fiscal and energy aspects, as well as the adaptation to the needs of elderly/seniors and people with disabilities /accessibility.

Urban aspects:

- Decree –law 307/2009, October 23
- Resolutions of the Council of Ministers 143/2005, August 2 and 189/2007, December 31
- Three different aspects:
  - Multilevel governance (central and local administrations, formal or informal local organizations, private stakeholders);
  - “Multi-sector” /integrated actions at all the territory;
  - “Multi-resource” financial plan

Architectural aspects:

- Promotion of buildings rehabilitation and urban “requalification” /rezoning of urban settlements (Decree-law 307/2009, October 23)

Financial aspects:

- Subsidized financing and contributions
- Grants; low-interest loans; private investments; stakeholders resources

Fiscal aspects:

- According special national law:
  - reduced value added tax (VAT) to rehabilitation works;
  - subsidized loans.

Energetic aspects:

- Promote the adoption of energy efficiency standards to public and private buildings (Decree-law 307/2009, October 23)

Adaptation to the needs of persons with disabilities/access problems:

- Comfortable Housing Programme for elderly persons- Order 6716-A/2007, March 22 (Office of the Secretary of State for Social Security) intends to qualify housing in order to improve the basic “livability”/housing and mobility of seniors/older people who are beneficiaries of home support services.

Adaptation to the needs of persons with disabilities/access problems

- Decree-law 307/2009, October 23 - Promotes the creation and improvement of accessibility for persons with disabilities.
- Decree-law 163/2006, August 8- Approves the accessibility rules to the buildings and establishments “receiving public,” streets and residential buildings.

In Portugal, there are specific regulations for the rehabilitation of historical city centres:

- Decree-law 307/2009, October 23- Promotes the rehabilitation of degraded urban areas or “in degradation”. Those urban areas are often located in historical city centres.
- Decree-law 105/96, July 31 and Decree-law 329-A/2000, December 22: approves programme REHABITA (programme to support urban rehabilitation in old urban areas) that gives financial aid/finance assistance to the municipalities in the recovery of old urban areas.

The rehabilitation of rural areas is also addressed:

- The SOLARH programme, approved by Decree-law 39/2001, February 9, has often been used for the rehabilitation in rural areas.

## 2. Fulfilment of housing needs

Number of housing units that has been rehabilitated with government assistance:

Year	2000	2005	2008
Dwellings		1919 (2007)	28190

Number of buildings that has been rehabilitated with government assistance:

Year	2000	2005	2008
Buildings		91 (2007)	256

The rehabilitation of buildings and dwellings in Portugal carried out with the aim of satisfying the housing needs of owners or tenants can be carried out, simultaneously, with “urbanization” “re-urbanization” or equipment supply in the affected public housing spaces.

Decree-law 307/2009, October 23, specifically refers:

- 
- “urbanization” of green spaces, urban areas and equipment for collective use
- Insuring equal opportunities for citizens in the use of infrastructure, equipment and urban services.

The Urban Rehabilitation Society (SRU) (approved by Decree-law 104/2004, May 7) also provides for such actions.

The Critical Urban Areas Initiative also provides to improve the living conditions and mobility of people.

It is possible for landlords/ investors to (partly) transfer investment cost to tenants. The revision/increase of rents is scheduled at RECRIA programme (Decree-law 329-C/2000, December 22).

## 3. Job creation

Portugal believes that rehabilitation can contribute to maintain and create employment. In the context of the crisis of the last two years, Portugal has not yet applied fiscal or financial measures to stimulate and strengthen rehabilitation with the aim of supporting the economy and the maintenance or creating jobs.

It is not possible to quantify the relation between rehabilitation of the housing stock and the creation or maintenance of employment in Portugal, but it is thought that rehabilitation contributes to create and/or maintenance of employment. It is supposed that, in the future, that relation will be increased.

Portugal considers that the availability of professionals and skilled/specialized labour in the country falls short of the existing needs of the rehabilitation sector. When the

rehabilitation sector become stronger, will be necessary a greater number of specialized professionals.

The educational system offers training specifically geared to the rehabilitation sector at university and vocational training levels and also at intermediate level (professional training).

#### **4. Financing and agreement between public administration and the private sector**

Regarding the new the possibilities granted by the amendment. 1080/2006 of the Commission Regulation (EC), the Urban Regeneration Association (PRU), approved by the National Strategic Reference Framework (QREN), promotes improvements in energy efficiency.

It will allow the generalization of energy efficiency improvement in the neighbourhoods "elected" to be intervened under those programmes. The interventions will be mainly focused on building energy efficiency

Building rehabilitation is crucial to push and enhance urban revitalization impacts in their integrated aspects.

Therefore, the creation of a taskforce is required, supported by public and private investment.

The extent of the problem (urban degradation and the development of critical urban areas) and the property tenure structure (social and economic debilities of dispersed individual tenure) recommends allocating public funds in the housing sector to reinforce synergies to achieve urban, social and economic improvement.

In Portugal there are tax benefits for housing units rehabilitation at the State, regional (Azores and Madeira) and local levels. The grants are awarded at the state and local levels. Preferential and subsidized loans can only be allocated by the State.

In Portugal there are tax benefits for the rehabilitation of residential building at the state, regional and local levels..The grants may be awarded by the state and local administration and the preferential loans can only be allocated by State.

An special Social Security Special Programme makes available public financial assistance for the rehabilitation of dwellings and/or buildings to adapt them to the needs of elderly persons.

Concerning people with disabilities, although some financial assistance (subsidized loans) was preview in Nacional Plan 2007-2009, it did not have positive results. It is preview for the next National Plan.

As regards public financial assistance for the rehabilitation of housing units and/or buildings used for low-income households, SOLARH is a special programme for financing the maintenance of dwellings owned by low-income families. This programme has special impact on rural areas and for people over sixty years old and pensioners.

The Housing and Urban Rehabilitation Institute (IHRU) is the Portuguese public institution that provides technical support to housing associations and corporations, municipalities and individuals regarding the applications/requirements to obtain financial aid/help for housing rehabilitation.

The Urban Rehabilitation Society (SRU) also provides information and some municipalities have services for that purpose.

The IHRU and also the municipalities centralised the management of requests for financial help for housing rehabilitation presented by companies and individuals.

Concerning the systems of public financial aid, in Portugal, the public financial structure is defined for each Programme under the responsibility of the central administration (varying in the combination between grants, subsidized loans and stakeholders - local administration and private- own investments and tax benefits).

The regional and local administrations provide often specific local programmes, which combine mainly grants reinforcement, task benefits and other preferential conditions.

The activities of the Portuguese public administration for promoting rehabilitation are carried out on the following responsibility levels:

- Legal framework: State/Central Administration
- Technical support: Local Administration/Municipalities
- Technical assessment of the granting of incentives/benefits: State/Central Administration
- Supervision of rehabilitation work: Local Administration/Municipalities
- Monitoring the complete process: State/Central Administration

## 5. Role of Architecture

Regarding the existence of organizations whose purpose is to regulate issues related to architecture, in the case of Portugal, the State provides the legal framework. Specifically, the Housing and Urban Rehabilitation Institute (IHRU) is in charge of setting out specific controlled-cost housing regulations and at local level there are municipal regulations.

The Housing and Urban Rehabilitation Institute (IHRU) depends on the Ministry for Environment and Spatial Planning. Some specific matters, related with engineering regulations, for instance, depend of the intervention of the Ministry of Public Works, Transport and Communications.

In Portugal there is no delineated architectural policy in spite of the existence of several regulations such as: "General Framework for urban buildings and technical recommendations for social housing". Those regulations define standards for:

- (i) Housing developments/settlements"
- (ii) Minimum size for dwellings
- (iii) Minimum size for controlled-cost housing.

However, a public debate is taking place in Portugal on what should be an architectural policy.

There are regulations that establish architectural standards in terms of housing, fitness for use/living conditions, public space, and urban layout. "Fitness for use/living conditions"

includes stability concerning earthquakes (earthquakes protection), thermal and acoustic comfort / well-being with specific regulations.

In Portugal architecture is related mainly to: culture, the environment/landscape, energy/sustainable development, innovation/technology, social representation, industry and urban planning/ public spaces/ city. They believe that “architecture has an effect on the conservation/improvement of the urban environment considered as a landscape”.

Within the context of integral housing rehabilitation, the architectural quality of existing buildings is taken into account in buildings and in listed housing developments.

They believe also that when architectural characteristics are initially scarce or non-existent, the existence of architectural quality characteristics is enhanced in buildings and listed housing developments. Even neighbourhoods and some urban areas are included in special cases, they are not generalized in integrated and systemic “architectural quality criteria”.

For Portugal, the architectural quality of “communal” and public spaces is taken into account in the processes of comprehensive rehabilitation in neighbourhoods, listed housing developments and urban areas.

Quality architecture can contribute to: (i) the generation and maintenance of cultural, tourism or economic resources; (ii) the generation or improvement of self-esteem of the population living in an area with certain differentiating architectural characteristics; (iii) the generation of an identity with the urban environment, and thus of a sentiment of pride, together with the improvement in the maintenance of shared and public spaces; (iv) the generation/improvement of employment; (v) the reduction of gas emissions having a greenhouse effect, and of energy consumption.

According to Portugal, it is advantageous to invest material resources and management efforts in the improvement of architectural quality in: (i) what is already constructed/rehabilitated; (ii) the consolidated city; (iii) new isolated buildings; (iv) new urban development; (v) the “rururban space\*” (\*as it is defined).

In Portugal it is considered as belonging to the domain of architecture: only unique works and also works related to the construction of cities/homes.

There are, in Portugal, concrete mechanisms that control the quality of architecture/rehabilitations carried out by public administrations and mixed urban and housing management entities.

In fact, in Portugal there are different awards and competitions. The oldest and most important has been promoted by the National Housing Institute since 1989. In 2008, was created PRÉMIO IHRU”, that consists in the assignment of awards/distinctions for social housing developments and urban rehabilitation. PRÉMIO IHRU is structured in two different “intervention types”: Construction and Rehabilitation, each one with specific guidelines /regulations. Another concrete mechanism is the “quality mark

LNEC for construction projects” (MQ LNEC), created in 1990 by Decree- law 310/90, October 1. This is a quality certification process and it is regulated by the National Laboratory of Civil Engineering (LNEC). The principles and conditions for application were defined and establish by the Decree- law.



. There is no established mechanism for citizen participation in the decision of architectural policies.

Portugal does not consider useful to have EU guidelines setting out a common architectural policy to all EU Member States.

As concrete experience in Portugal, “PRÉMIO INH” (award) and later “PRÉMIO IHRU” (award) are two good examples of the development of policies to promote architecture in Portugal.

The Professional Association of Architects is a member of the IHRU Advisory/Consultant Board.

## 23 ROMANIA



<b>Country code</b>	RO	<b>GDP (PPP) EU-27</b>	34.7
<b>Area, (sq. Km)</b>	238,391	<b>Unemployment</b>	5.0% (6,9% in 2009)
<b>Population</b>	21,498,616	<b>HDI</b>	0.837
<b>Density, p/km<sup>2</sup></b>	90.2	<b>Urban population</b>	53.7% (55% according to NSI in 2009)
<b>Construction/GDP</b>	11.90%		
Political System: Republic. Parliamentary Multiparty Republic. Centralised			

### 1. Rehabilitation: General Aspects

The Romanian Housing Authority agrees with almost all the aspects of the definition proposed for housing rehabilitation (living conditions, energy efficiency, environmental protection and the use of renewable energy), except for the item *physical access*.

Actions relating to access are regarded as particularly important for urban regeneration and, in some cases, for building renovation.

The Romanian Housing Authorities agree with all the aspects of the definition proposed for building rehabilitation and urban area rehabilitation.

The Central Government and local Government have competency over rehabilitation policies.

Regulations are in place that govern the scope and concept of rehabilitation. These regulations do not require rehabilitation to be integrated.

In the case of urban rehabilitation projects must have an integrated approach to be financed through a Regional Operational Programme (ROP). In accordance with the method of evaluation for this type of projects, integration implies identification of the urban area in question, identification of the main problems and opportunities in the area under study, development of a strategic and operational plan and identification of a management plan structure that ensures its appropriate enforcement as well as citizen participation. Interventions aimed to rehabilitating of an urban area are carried out only in the spaces within the public or private domain of the administrative territorial unit.

Only buildings will be subject to rehabilitation regulations. The regulations in place are the following:

- Government Emergency Ordinance no. 18/2009 on the increase of energy efficiency of multi-family residential buildings.
- Order no. 362/2009 for the approval of the National Multi-annual Programme on the increase of energy efficiency of multi-family residential buildings.

The main aspects encompassed by rehabilitation regulations are the following:

- Architectural aspects: Any works undertaken on buildings designated as monuments must not alter their external characteristics.
- Financial aspects: the housing association pays 20% of the total costs involved in rehabilitation of existing housing stock. The remaining 80% is supplied by the state (50%) and by the local governments (30%).
- As to the protection of historical monuments, according to Art. 39, (1) of Law no. 422/2001 on the conservation of historical monuments, the costs related to the design, expert assessment, conservation, repair, consolidation, restoration and valuation of historical monuments, whatever their classification, as well as the preservation of other buildings from historic sites, situated on the public or private domain, included in important national or international programmes, are fully or partially funded by the State or the territorial administrative units that participate in the programmes.
- Tax-related aspects:  
According to Art. 40, (1) of Law no. 422/2001 on the protection of historical monuments, private owners who, at their own expense, carry out total or partial maintenance, repair, preservation, consolidation, restoration or valorisation works in such buildings qualify from a minimum 50% tax relief for the expenses incurred.
- Energy aspects: Law no. 372/2005 on energy efficiency in buildings establishes minimum requirements for energy efficiency; these criteria apply differently for different categories of both new and existing buildings. The requirements established take into account the condition the inside of the property is in (for example, inadequate ventilation), local conditions, the function the property is set to serve according to the project and the age of the building. In the special case of rehabilitation works carried out to increase energy efficiency in multi-family buildings, the annual energy consumption for heating must be decreased to less than 100kWh/m2..
- Adaptation to the needs of disabled persons/accessibility:  
There are regulations that stipulate required size of access and circulation areas to ensure circulation of persons with disabilities. These are applicable to the rehabilitation of existing buildings according to Regulation no. 051/2001 on minimum quality requirements for the needs of different users (persons with disabilities).

There are specific provisions for the rehabilitation of historical centres.

- At a local level, the General Urban Plan is the legal basis for carrying out development action and programmes, including short, medium and long term regulations and provisions for all administrative units. One of the provisions mentioned in this document designates protected areas and regulates the protection of historic monuments. For certain areas, an Area-based Urban Plan will be developed for protected areas that will include in the details of the regulations of the General Urban Plan for that protected area. These documents establish the protection measures and the interventions allowed, identify buildings that require renovation and determine how these works must be carried out (type of construction elements, type of roofing, surroundings, etc.)

Romania has specific provisions for the rehabilitation of rural areas.

- The rural development programme includes the works needed to achieve an integrated rehabilitation system of water distribution, water treatment and sewerage management. Actions are also planned for the rehabilitation, modernization and/or paving of roads of local interest.

At a local level, the General Urban Plan identifies areas where action is necessary and what type of action should be taken.

As a summary of the different regulations, the National Rehabilitation Programme was designed for housing associations that wish to increase energy efficiency in multifamily housing buildings built during the 1950-1990 period, whatever their heating system.

Thermal rehabilitation implies:

- Thermal insulation of outer walls of multi-family housing buildings.
- Replacement of doors and windows in multi-family housing.
- Weatherproofing of roofs and terraces.
- Thermal insulation of cellar roofs, if the building design includes a cellar.
- Dismantling of facilities and equipment on building façades and terraces.
- According to the results of the technical assessment and energy audit processes conducted in multi-family housing buildings, the following words may be added:
  - Repair of elements in danger of collapse and/or that affect the functionality of the building.
  - Installation of thermal distributors for the heating of communal spaces within multi-family housing buildings.

The main objectives of the National Thermal Rehabilitation Programme are:

- To improve hygiene and thermal comfort.
- To reduce energy consumption and heating waste.
- To reduce heating and hot water maintenance costs.
- To reduce contaminating emissions caused by the production, transport and consumption of energy.

Thermal rehabilitation spending is financed in the following manner:

- 20% is paid by owners
- 80% is paid by the state and local governments
- 20% the total rehabilitation costs will be divided among the owners. If one or more owners cannot pay their instalments, the local administration may partially or totally cover these and then recover the money from the respective owners. The remaining 80% will be covered in the following way: 50% by the State through the Ministry of Regional Development and Tourism and 30% by the local government, within the limits approved annually by the Thermal Rehabilitation Programme.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Dwellings		1209	1149

Number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Buildings		26	22

In 2009, in the context of the world economic crisis and climate change, the Romanian Government included housing rehabilitation in its list of priorities. In this connexion, the Ministry of Regional Development and Housing allocated 360 million RON (about 100 million euro) to the thermal rehabilitation Programme, which covered rehabilitation of about 51,484 housing units.

Rehabilitation action can simultaneously benefit from public assistance for urban planning, redevelopment, or equipment for communal spaces.

Urban rehabilitation is aimed at reintegrating functional areas into the city by increasing their attractiveness, guaranteeing a wide social mix (with the aim of preventing segregation), increasing safety and increasing the number of housing units and their facilities and equipment.

In Romania, the current Housing Act does not include any specific clause that contemplates the possibility of owners transferring investment costs total or partially to lessees. This transfer would be possible if the owner and the lessee agree on the matter.

### **3. Job Creation**

Romania considers that rehabilitation contributes to the maintenance and/or generation of employment.

Romania considers that the direct consequence of thermal rehabilitation programmes is the creation of jobs. The figures of the number of job-places created are not available, but in the context of severe deterioration of the real estate market, the rehabilitation programme represents an effective measure for construction companies to combat the crisis, generating a significant number of jobs in this field. It must be pointed out that in 2009, 360 million RON (about 100 million euro) was allocated.

In Romania, the educational system offers (advanced and intermediate) university education that is especially geared to the rehabilitation sector.

### **4. Financing and Concert between Government and the Private Sector**

ERDF funds are used to cover housing expenses in the following manner:

The Regional Operational Programme 2007-2013 (ROP), executed by the Ministry of Regional Development and Tourism, encompasses housing financing, activities related to renovation and change of use of existing local government-owned buildings, and the distribution of modern high-quality social housing.

When launching the call for proposals for priority ROP Axis 1 to finance housing projects, the Regional Management Authorities of the Operational Programme (MAROP) did not have the agreement of the Commission on the provisions in the EU regulations to finance this type of investment. Therefore, the Monitoring Committee of the Regional Operational Programme decided to call for proposals for this priority axis, without the possibility to financing housing-related projects.

The 2007-2013 Regional Operational Programme only finances existing buildings that are public administration property for housing or other uses.

It is thought that energy efficiency measures and the use of renewable energies in homes will be financed within the ROP. However, inclusion of such measures in this programme is up to the public authorities.

Enforcement of the recently modified Commission Regulation EC no. 1080/2006 will open up the possibility for a new approach to financing energy efficiency measures in housing. The authorities of the Regional Operational Programme are studying the possibility of using these funds to finance the introduction of energy efficiency measures and the use of renewable energy in the existing housing stock.

Local Authorities inform companies and individuals about the requirements they must fulfil to obtain financial aid for housing rehabilitation and the Ministry of Regional Development and Tourism centralize nationally the information and the processing of applications received from the local authorities.

## 5. Role of Architecture

The agency whose purpose is to regulate issues related to architecture is the Order of Architects of Romania. The profession of architect is represented nationally and internationally, promoted and protected by this entity that is regulated by Law 184/2001. Its attributions include: protection and promotion of the quality of architecture and urban planning, ensuring a that the profession of architect is discharged according to the Code of Ethics, granting of right to sign as an architect.

The Ministry of Regional Development and Tourism is in charge of the development of government policies on town planning and architecture.

In Romania there is no regulated architectural policy. However, the Order of Architects of Romania recognizes the need for said policy and therefore has taken steps to address this matter. On the other hand, in 2009 the Prime Minister expressed an interest in the promotion of said policy.

Some of the elements at the basis of future architectural policy include:

The 4 pillars of architecture:

- Social-educational (the social space)
- Economic (sustainable architecture keeping in mind buildings' lifecycle)
- Environmental (essential for the welfare of society)
- Cultural (generating identity, quality, diversity and resources)

The tools for an architectural policy include:

- To educate society through architecture;
- To base public purchasing on quality criteria;
- To make transparent decisions and use consultation mechanisms;
- For society and the State to recognise architecture.

In Romania there are regulations that establish architectural standards in terms of housing, fitness for use and urban layout.

According to Law 50/1991 related to the authorization of construction works, in Romania architecture is recognised as a profession that encompasses only one part (the one related to architecture) of the projects requiring authorization.

Quality is covered by Law 10/1995, which authorizes the execution of construction works. However, the Law refers only to some requirements that do not cover the global complexity and specificity of architecture, since the Law mainly establishes requirements related to the quality of materials. However, there is some legislation related to architectural quality of housing, as well as a series of regulations arising from town planning documents (alignment, height, construction regimen, etc.).

Romania can say that quality in architecture is ensured and controlled, since to granting of a construction permit requires that the project be signed and stamped by an architect recognised by the Order of Architects of Romania (in accordance with Law 184.2001 related to the architectural profession).

Romanians tend to associate architecture mainly with culture, urban planning/ public spaces/ the city

In Romania, any works on buildings and constructions that have been declared monuments, requires a permit from the Ministry of Culture, according to the provisions of Law 50/1991, with its subsequent amendments related to the authorization of construction works.

According to Law 350/2001 with its subsequent amendments, related to territorial development and town planning, obtaining authorization for construction projects entails compliance with urban planning regulations.

In the case of constructions for tourism, it is necessary to obtain a permit from the Ministry of Regional Development and Tourism.

Romania sets store by the existing architectural quality of buildings in urban areas.

A great deal of attention is given to the protection of national heritage, but no reference is made to integrated rehabilitation. Therefore, although there is no national architectural policy, there are local actions mainly directed at comprehensive rehabilitation of historical centres (e.g. Sibiu, Baia Mare).

According to Romania, quality architecture helps generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; and reduce greenhouse gas emissions and energy consumption.

According to Romania, it is advantageous to invest material means and management efforts in the improvement of architectural quality of what is already constructed/rehabilitated, the consolidated city, new isolated buildings, new urban development, in urban and rural areas.

Romania, signed the Charter of Leipzig for the sustainable development of European cities and accepted the responsibility of enforcing its provisions. Romania has made efforts to increase the capacity of cities to become development and growth poles, to stimulate the

association between urban and rural areas, to pay special attention to the redevelopment of cities and improve life conditions in rural areas. Romania is also making efforts to protect national heritage and landscapes.

In Romania all construction is considered architecture. Romania promotes architectural quality in the building/rehabilitation interventions of the Public Administration.

There are no practical mechanisms to control the quality of architecture because regulations only control the quality of construction. The Order of Architects of Romania has drawn up a law draft that will set up the architectural competitions.

Citizen participation is only mentioned in the Urban Planning Act. However, urban planning instruments contribute to the promotion of architectural quality in some protected areas. The Ministry of Regional Development and Tourism has also designed a mechanism for citizen participation in urban and spatial planning to be adopted in the near future.

Romania considers the introduction of EU guidelines setting out EU architectural policy, for all member-states of the EU useful.

Architecture is considered differently by each member state, just as culture and outlook vary from one EU country to another. Nonetheless, the existence of shared principles and assumptions may contribute to drawing up a set of common guidelines, while still giving each member state the freedom to apply specific measures. Keeping in mind that one of the main characteristics of Europe is its network of cities and its rural heritage, protection of territorial diversity is an essential instrument for preserving European identity and territorial competitiveness. Since the European Union has no competence over spatial or urban planning, architectural guidelines could contribute to the preservation of territorial diversity.



## 24 SWEDEN



<b>Country code</b>	SE	<b>GDP (PPP) EU-27</b>	120
<b>Area, (sq. km)</b>	450,295	<b>Unemployment</b>	8.3%
<b>Population</b>	9,256,347	<b>HDI</b>	0.963
<b>Density, p/km<sup>2</sup></b>	20.6	<b>Urban population</b>	84.3%
<b>Construction sector/GDP</b>	5.10%		
Political System: Constitutional Monarchy. Parliamentary. Decentralised			

### 1. Rehabilitation: General Aspects

The Swedish Housing Authorities agree with all the aspects of the definition proposed for housing and building rehabilitation, except with the global concepts. In the specific case of dwelling rehabilitation they do not agree with the item improvement of architectural aspects.

The Swedish legislation does not contain a formal definition of dwelling or building rehabilitation, since this concept was removed from their Planning and Buildings Act in July 1995 and replaced by the concept of "Change." Everything that is not new construction or maintenance is now called "Change." This concept can be added/extended construction work or "other changes." "Other changes" is understood to allude to internal or external measures that produce a change, for example, planning solutions, a new façade, construction, facilities or changes in interior decoration. In the public debate on rehabilitation and the improvement of energy efficiency of housing and buildings, great emphasis is made is on reduction of CO2 and accessibility, but the necessity to preserve the cultural heritage by means of careful renovation is also taken into account, more than architectural aspects. However, in everyday usage, rehabilitation is construed as the improvement of the condition of dwellings and buildings in different ways so that the alternatives proposed would probably be covered.

As regards rehabilitation of urban areas, Sweden does not concur with the global concept and does not express itself as to the different items of the proposed definition.

In Sweden, there is no formal definition of the concept of rehabilitation of urban areas. However, most of the items in the questionnaire would seem to be included in the general, everyday meaning of the word. Political debate is centred on the extent to which different measures may contribute to sustainable cities and the reduction of CO2 emissions. The government has appointed a special Delegation for Sustainable Cities for the period 2008-2010. The objective of this delegation is to work on the sustainable development of cities, residential areas and urban communities. Further information may be found on the delegation website: <http://www.hallbarastader.gov.se>

Only local authorities are competent in matters of rehabilitation.

There are no regulations that govern the scope and concept of rehabilitation; these only exist with reference to taxes on old buildings. In the case of rehabilitation, every building is

assigned a “value year.” For all buildings not rebuilt the construction year will be the same as the value-year. If a building is rebuilt it will get a new value-year according to the costs for the rebuilding activities compared with the average costs for construction of a new building.

In Sweden, there are no regulatory provisions that mention that rehabilitation must be “integrated”.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation:

Year	2000	2005	2008
<b>Dwellings with subsidies gov.</b>	23,033	28,176	6,264
<b>without subsidies gov.</b>	1,590	1,607	1,855
<b>Total</b>	24,623	29,265	8,119

Sweden provided financial support (subsidised interest rates) for the new constructions and rebuilding projects started before 1 January 2007.. The information above shows the number of housing units that have undergone rehabilitation. Most of these housing units have benefited from subsidised interest rates.

Rehabilitation of buildings and housing units, carried out with the aim of meeting the housing needs of their owners or tenants, may simultaneously receive public assistance for development, redevelopment or supply of equipment for affected residential public spaces.

Owners/investors may transfer investment costs to lessees. When a landlord carries out small refurbishment works to a housing unit, he/she is allowed to increase the rent paid by his/her tenants, since Sweden has a rent regulation based “use value.” Refurbishment will probably increase the “standard value” and the “use value.” However, the increase in rent must be negotiated or, if challenged, decided by a Rent Tribunal.

## 3. Job Creation

Sweden considers that rehabilitation may contribute to the maintenance and/or generation of employment.

In fact, it has applied fiscal and/or financial policy measures to promote rehabilitation with the purpose of supporting economic activity and the maintenance and/or generation of employment. Owners may obtain tax benefits (HUS-avdrag) of up to 50% up to a sum of 100,000 SEK Swedish krona (about 10,000 euro) of the cost of the works involved in reconstruction and renovation of a housing unit. The tax benefit is only applicable to

labour costs (not the materials used). The tax benefit, in place since 2009, has not yet been officially assessed.

Sweden considers that the availability of professionals and skilled labour in the country is not sufficient to cater for the existing needs of the rehabilitation sector. A significant number of housing and buildings will be subjected to renovation/rehabilitation/refurbishment over the next few years. At the same time, age structure of labour in this sector is such that many professionals will retire in a not too distant future. Therefore, an imbalance is to be expected between supply and demand.

The Swedish educational system (both university education and vocational training) does not offer instruction specifically oriented to the rehabilitation sector.

#### **4. Financing and Concert between Government and the Private Sector**

Sweden has not made use of EDFR funds nor does it have imminent plans to avail itself of the possibilities opened up by Commission Regulation EC1080/2006.

In Sweden only state-level tax benefits are available for the rehabilitation of dwellings. The (HUS-avdrag) tax benefit is described above. Guarantees are also offered for dwelling rehabilitation, exclusively at state level.

There are no tax benefits for the rehabilitation of buildings, except for the “HUS-avdrag” tax deduction described above. Other State-sponsored public funding for building rehabilitation includes: non-subsidised loan guarantees for new construction of multi-family housing and single-family housing and for the renovation of multiple-family housing. This guarantee may be for up to 90% of market value.

There is public funding to adapt dwellings and/or buildings to the needs of elderly persons.

There is public funding available for rehabilitating dwellings and/or buildings so that they can be adapted to the needs of disabled persons. Housing subsidies are directed towards actions whose aim is to adapt already existing housing (units) to the needs of elderly or disabled persons, as for example, threshold removal, replacement of bathtubs by showers and installation of entrance ramps. This assistance will only be granted if the measures are necessary to adapt the housing unit to the needs of persons with impaired mobility.

No public funding is available for rehabilitating dwellings and/or buildings inhabited by low-income families.

No public institutions are available in Sweden that provide guidance to businesses and individuals or which centralise the information on the conditions to be met to qualify for financial support for housing rehabilitation. However all the information on existing rules, regulations and subsidies can be found the website of the National Board of Housing, Building and Planning.

In Sweden there are no public institutions where the management of requests for financial help for housing rehabilitation presented by companies and individuals is centralized.

Summary of existing public assistance and tax benefits available at each level of government: According to legislation introduced in 2007 local governments have the right to issue a rent guarantee. This is a guarantee commitment made by the municipality that

covers the tenant's obligations to pay the rent. The purpose of a municipal rent guarantee is to provide support to the families that have the financial capacity to defray the costs of their own housing, but that, in spite of this, have difficulties entering the housing market or finding rented accommodation with security of tenure. To compensate municipalities for the administration and the risk involved, the state makes available a subsidy for each rent guarantee granted. The municipality also has the possibility of intervening on behalf of persons or families who are even worse off, according to social service regulations.

Existing interaction between the different public administrations to stimulate housing and/or building rehabilitation: The National Board of Housing, Building and Planning – “Boverket” – is the central government authority competent in urban development, spatial management, water resources, construction and housing. Among other things, it publishes reports on what to do, how to do it, examples of best practices, guidelines and recommendations, and organises conferences on matters within its field of competence, including matters related to housing and building rehabilitation.

## 5. Role of Architecture

Sweden has organizations whose purpose is to regulate issues related to Architecture. The Swedish National Heritage Board is responsible for Cultural Heritage and matters of historical interest. However, the National Board of Housing, Building and Planning - Boverket –also has some responsibility with reference to rehabilitation/renovation of old buildings, etc.

Competent Ministry: The Swedish National Heritage Board reports to the Ministry of Culture oversees the work of the Swedish Cultural Heritage Board and the Ministry of the Environment is responsible for the National Board of Housing, Building and Planning.

Sweden has no specific architectural policy.

Agencies responsible for establishing architectural policies: The local authorities (municipalities) are responsible for urban planning and local architectural matters.

There are regulations that establish architectural standards in terms of the architectural functionality of the solutions to be used.

Consideration of quality of existing construction: Architectural quality must be taken into account if the building is of cultural value. These matters are addressed at local level, i.e. by the municipalities, unless the building is recognised as national cultural heritage, in which case the “County Administrative Board” is involved.

Sweden attaches great significance to the architectural quality of communal and public spaces. Planning is governed by regulations on Planning and Construction and this is within the competence of local authorities. According to the Planning and Building Act the Municipal Building Committee (“Byggnadsnämnd”) shall have assistance by at least one person with architect education and also have access to staff in the necessary extent and with such special competence as is needed for the Committee to fulfil its duties in an acceptable manner.

Sweden is of the opinion that high-quality architecture can help generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the

condition of communal and public spaces; and reduce greenhouse gas emissions and energy consumption.

Sweden considers that high quality architecture does not contribute to/improve employment.

It is difficult to perceive the contribution of architecture as such to employment, except for the contribution of construction and rehabilitation projects as such. Otherwise it would be evident (from the point of view of common sense) that quality architecture can have an impact on generation and maintenance of resources, generation and boosting of the self-esteem of the population living in areas with differentiating architectural characteristics; generation/creation of an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; the reduction of greenhouse gas emissions and energy consumption.

Sweden does not answer the question related to what is considered architecture in Sweden. In general architecture is involved in almost all construction.

In Sweden architectural quality in the building/rehabilitation interventions carried out by the Public Administration is promoted. The regulations for the construction of buildings govern the design and construction of buildings, even if their main emphasis is placed on the construction aspects of the building.

In Sweden, there are established participation mechanisms whereby citizens can have a say in potential architectural policies: Regulations on Planning and Construction also stipulate what is known as “planning consultation,” which must be carried out before a new local plan comes before the local government for approval.

Sweden does not answer the question related to the potential development of EU guidelines setting out EU architectural policy for each Member State of the EU, since this is considered a political decision to be made at political level. However, they would be inclined toward answering in the negative, since they believe that architecture reflects local and national traditions and also different needs and conditions. They argue that it would be preferable to exchange good examples, such as best practices and experiences.

## 25 SLOVENIA



<b>Symbol</b>	SI	<b>GDP (PPP) EU-27</b>	90.9
<b>Area, sq. km</b>	20,273	<b>Unemployment</b>	6.0%
<b>Population</b>	2,032,362	<b>HDI</b>	0.929
<b>Density, p/km<sup>2</sup></b>	100.2	<b>Urban population</b>	49.5%
<b>Construction sector/GDP</b>	8.30%		
Political System: Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: General Aspects

The Slovenian Housing Authorities agree with all the aspects of the definition proposed for dwelling rehabilitation: living conditions, efficiency of energy supply, environmental protection, renewable energy use, and physical accessibility to the dwelling.

They equally agree with all the aspects of the definition proposed for building rehabilitation: improve the structural conditions of a building, enhance environmental protection, improve renewable energy use, guarantee a building's safety and weathertightness and improve its architectural qualities.

Finally, in relation to urban areas, the Slovenian Housing Authorities agree with all the aspects of the definition proposed. Rehabilitation of dwellings and buildings, citizen participation, urban development works, installation of centralized air-conditioning systems fed with renewable energy, re-zoning and universal accessibility, installation of hot water networks fed with renewable energy, demolition and substitution of buildings, zoning or re-zoning of the area, development of equipment and facilities and improvement of accessibility to public spaces.

Local Governments are the only level of government that has competence over rehabilitation policies.

Slovenia has regulations that govern the scope and concept of rehabilitation.

Article 2 of the Spatial Planning Law (ZPNactr, Official Bulletin of the Republic of Slovenia # 33/2007) defines urban rehabilitation in the following manner:

- “Integral renovation is a set of different activities aimed at improving functional, technical, spatial design, housing, economic, social, cultural and ecological conditions in a certain area by means of the application of appropriate territorial planning, which guarantees preservation of constructions and reactivation of urban and other areas. Comprehensive renewal in areas of cultural heritage is carried out along with preservation of notable characteristics of the space occupied by the protected area and its cultural values. ([http://www.mop.gov.si/en/legislation/spatial\\_planning/](http://www.mop.gov.si/en/legislation/spatial_planning/)).

Based on Article 133 of the Spatial Planning Law (published in the Official Gazette of the Republic of Slovenia, # 110/2002, 8 /2003) owners of real estate in areas of urban

rehabilitation are obliged to carry out rehabilitation of their property, always in compliance with the regulations of the Municipal Law related to urban rehabilitation. According to this Law a contract must be drawn up between the Municipality and the owners of real estate, which establishes reciprocal rights and obligations. The Law also establishes the right of the Municipality to limit the owners' rights of free use of their real estate when the process of rehabilitation is underway. Owners have the right to be reimbursed should any damage be caused due to rehabilitation, whereas the Municipality has the right to claim the money spent on rehabilitation from the private owner. The Municipality is obliged to reimburse the owner for loss of income if the property is used for business purposes. If an owner cannot live in his home during rehabilitation works, the Municipality must provide them with temporary housing.

Article 6 of the Construction Law (Official Bulletin of the Republic of Slovenia 110/2002), sets out some building maintenance measures in the public interest. Municipal Law determines the area where renovation of buildings and works must be carried out. The Municipality can grant subsidies for rehabilitation to the owners of the affected properties. If the owner does execute the Municipal decision to rehabilitate their property, the Municipality itself will carry out the rehabilitation works. The Municipality also has a right to demolish a building that cannot be rehabilitated due to technical reasons.

The regulations on rehabilitation in Slovenia include aspects related to energy and to the adaptation of dwellings and buildings to the needs of persons with disabilities or accessibility problems.

In Slovenia there are specific regulations for the rehabilitation of historical town centres and rural areas.

In Slovenia the Cultural Heritage Conservation Act (Zakon o varstvu dediščine kulturne, ZVKD, Official Gazette of the Republic of Slovenia # 7 / 1977) defines that cultural heritage must be protected if it is registered in the public register for protected assets. The declaration of an asset as part of the Slovenian Cultural Heritage is an official act, whereby the said asset is entered into the Land Registry. Urban planning decisions must be accompanied by an assessment of the potential risks that the interventions involved may entail for the Slovenian architectural heritage. All renovation work on properties registered as cultural heritage must be subjected to prior consideration by official heritage authorities. The said renovation can only be carried out on the basis of instructions from those official authorities.

## 2. Fulfilment of Housing Needs

In the case of non-profit tenure, owners/investors cannot transfer investment costs to lessees.

No further answers on this chapter have been received.

### 3. Job Creation

Slovenia considers that rehabilitation contributes to the maintenance and/or generation of employment.

However, it has not applied fiscal and/or financial policy measures to stimulate rehabilitation with the purpose of supporting economic activity and the maintenance and/or generation of employment.

There is a dearth of skilled workers for rehabilitation such as electricians, masons, carpenters, decorators, etc. because most people have a higher degree of education. The lack of qualified workers is compensated by immigrants, mainly from ex-Yugoslavia, recently also from Slovakia, Bulgaria and the Ukraine.

The Slovenian educational system offers instruction geared specifically to the rehabilitation sector at universities and vocational training institutions.

### 4. Financing and Concert between Government and the Private Sector

There are no non-refundable loans or guarantees for housing rehabilitation, although there are low-interest loans and subsidised for the rehabilitation of housing. These are granted by the Central Administration.

As to financial support for building rehabilitation, there are no non-refundable loans or guarantees, even though the Central Administration does provide low-interest loans and subsidised loans.

In Slovenia no public funding is available to adapt dwellings and/or buildings to the needs of elderly persons, or public funding available to adapt dwellings and/or buildings to adapt them to the needs of disabled persons, or public funding available for rehabilitating dwellings and/or buildings occupied by low-income families.

The Slovenian Environmental Fund (Eko Sklad - Slovenski okoljski sklad javni) is the public institution tasked with providing housing guidance to businesses and individuals on how to apply for financial aid for residential rehabilitation, and centralising this information.

### 5. Role of Architecture

Agencies charged with regulating architecture-related issues in Slovenia include:

- The Ministry of Spatial Planning and the Environment
- The Chamber of Architecture and Spatial Planning of Slovenia (arhitekturo zbornica za en prostor Slovenije)

In Slovenia there are regulations that set minimum architectural quality standards applicable to living conditions and urban design, but there are no regulations applicable to the architectural quality of housing, rehabilitation works, or public spaces.

Slovenians tend to associate architecture mainly with culture, the environment/landscape, energy/ sustainable development, innovation/technology, social representation, industry and urban planning/ public spaces/ the city.



Slovenia sets store by the existing architectural quality of buildings and listed sites, but not by that of neighbourhoods or urban areas.

Slovenia attaches great significance to the architectural quality of communal and public spaces.

According to Slovenia, quality architecture helps generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; and reduce greenhouse gas emissions and energy consumption.

Slovenia considers it advantageous to make an investment in material means and human effort to improve architectural quality in:

- Existing (rehabilitated) buildings.
- The consolidated city.
- New isolated constructions.
- New urban developments.
- Urban areas.
- Rural areas.

Slovenia promotes architectural quality through the building/rehabilitation activities carried out by the Public Administration.

Slovenia considers the introduction of EU guidelines setting out EU architectural policy for all member-states of the EU, useful.

## 26 SLOVAKIA



<b>Country Code</b>	SK	<b>GDP in PPS EU-27</b>	72.2
<b>Area, (sq. Km)</b>	49,037	<b>Unemployment</b>	11.8%
<b>Population</b>	5,424,925 <sup>7</sup>	<b>HDI</b>	0.880
<b>Density, p/km<sup>2</sup></b>	110.6	<b>Urban population</b>	56.2%
<b>Construction/GDP</b>	8.30%		
Political System: Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: General Aspects

The Slovak Housing Authorities do not agree with all the aspects of the definition proposed for dwelling rehabilitation. They only agree with two of the five points: *living conditions* and *efficiency of energy supply*.

It must be kept in mind that in the Slovak Republic there are no subsidies for single-unit housing, since their concept of rehabilitation is for wholly residential buildings.

For this reason, the Slovak Housing Authorities agree with all the items in the definition proposed for building rehabilitation, except for *improvement of the environmental protection* and *improvement of using the renewable energy*.

Lastly, there is also partial agreement in the definition of rehabilitation of urban areas. The Slovak Housing Authorities agree with all the aspects of the definition proposed for urban area rehabilitation, except for the items *citizen participation*, *installation of centralized air-conditioning fed with renewable energy*, *Installation of hot water networks fed with renewable energy* and *demolition and substitution of buildings*.

Both the Central and the local governments have competencies over rehabilitation policies in Slovakia. Regulations are in place that govern the scope and concept of rehabilitation.

There are no regulatory provisions that mention that rehabilitation must be "integrated".

To have access to some type of European funds or public assistance from national programmes it is not mandatory for the rehabilitation project to be integrated, with a sole exception: The Regional Operational Programme. This Programme, funded by the Structural Funds, envisages the "revitalization of towns", for which an comprehensive development programme is a prior requirement. However, this has not yet been implemented.

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<sup>7</sup> 31.12.2009

Rehabilitation regulations are aimed at buildings. Information on the aforementioned regulations can be found on the following websites:

- <http://www.build.gov.sk/mvrrsr/source/legislation/002806.zip>
- <http://www.build.gov.sk/mvrrsr/source/legislation/000337.pdf>

Rehabilitation includes the following:

- Financial aspects:  
Subsidies (50% of total costs, with a maximum of 18€/sq. m) for specific structural rehabilitation of housing complexes of units.  
Low-interest loans from the State Fund for the Housing Development – 20 years, 1% interest rate for general refurbishment works.
- Energy-related aspects: Energy saving  
Minimum 20% reduction on energy consumption.

There are no specific provisions for the rehabilitation of historic town centres: In general, the same rules apply as those for the conservation of historical monuments. There are no specific provisions for the rehabilitation of rural areas.

## 2. Fulfilment of Housing Needs

Number of housing units that have undergone rehabilitation with government assistance. As said before, government assistance in Slovakia is directed at residential buildings. The estimates below indicate the total number of units renovated per year with government funds.

Year	2000	2005	2008
Dwellings	4,660	11,174	22,501

Number of buildings that have undergone rehabilitation with government assistance:

Year	2000	2005	2008
Buildings	136	258	418

Rehabilitation of buildings and housing units, carried out with the aim of meeting the housing needs of their owners or tenants, may simultaneously receive public assistance for development, redevelopment or supply of equipment for affected residential public spaces.

Owners/investors may transfer investment costs to tenants: In the Slovak Republic the percentage of owner-occupiers is 97%. The cost of rehabilitation is transferred to rents in case of rental housing and to obligatory payments into fund for management, maintenance and repair in case of owner-occupation.

### 3. Job Creation

The Slovak Republic considers that rehabilitation may contribute to the maintenance and/or generation of employment.

In fact, it has applied fiscal and/or financial policy measures to promote rehabilitation with the purpose of supporting economic activity and the maintenance and/or generation of employment.

Number of direct jobs generated by the measures applied:

Year	2008	2009
Jobs		8,000

The Slovak Republic considers that the availability of professionals and skilled labour in the country is commensurate with the existing needs of the rehabilitation sector.

The educational and professional training system in Slovakia offers instruction specifically geared to the rehabilitation sector at all levels.

Furthermore, approximately 50% of dwellings in Slovakia are single-family dwellings in rural areas. Most of the housing units are self-built. Many owners take insulation courses and apply the knowledge gleaned to their own homes.

Specific cases of housing stock rehabilitation and creation and/or maintenance of employment considered best practices in the Slovak Republic: the thermal insulation Government Programme:

- This programme was introduced in the year 2009, as a measure to confront the economic crisis. The programme was applied by the State Housing Development Fund. Through this programme, the government provides a 15-year loan that covers 100% of construction costs for up to 80 €/sq. m for the insulated area. In the case of multi-family residential buildings, applicants can be owners' associations or owners represented by a management company. Seventy-one (71) million euro was allocated to this programme to finance thermal insulation in approximately 20,000-25,000 housing units. This programme has created approximately 8,000 jobs.

### 4. Financing and Concert between Government and the Private Sector

Use of ERDF funds to cover housing expenses:

- Scope. In Slovakia there are two operational programmes to subsidise housing costs: the Regional Operational Programme (operates in the whole country, except for the region of Bratislava): 70 million euro; the Operational Programme of the Bratislava Region: 6 million euro.
- How this has affected existing housing stock: The sum allocated (76 € million) is only a small portion of the funds necessary (about 0.6%) to complete the rehabilitation of the existing housing-stock in the Slovak Republic. It has not been used yet, Slovakia considers the option to use available funds for JESSICA mechanism.

- Extent to which this will affect the improvement of energy efficiency and the use of renewable energy in existing housing: the sum allocated represents only a small part of the resources necessary to reduce energy consumption and introduce renewable energy in the Slovak housing-stock.

The Slovak Republic has no plans to avail itself of the possibilities opened up by the modification of Regulation EC no. 1080/2006 to finance improvements in energy efficiency and promote the use renewable energies in existing housing with EFDR resources.

In terms of the role of housing spending within the regulation of structural funds earmarked financing regional policies in member-states as from 2014, the Slovak Republic considers it would be advisable to establish separate criteria for the general population and for marginal groups.

In the Slovak Republic, dwelling rehabilitation does not enjoy any tax benefits. However, low-interest loans are available for housing rehabilitation, but only at state level.

There are no tax benefits for building rehabilitation. However, the state offers public assistance for the rehabilitation of buildings, in the form of non-refundable loans, low-interest loans, guarantees and others (Building Conservation).

There is no public assistance for the rehabilitation of housing and/or buildings.

- To adapt them to the needs of elderly persons
- To adapt them to the needs of persons with disabilities
- For low-income families

Institutions in Slovakia tasked with informing businesses and individuals about the requirements to obtain financial support for housing rehabilitation include.

- State Housing Development Fund
- District Office
- Regional Building Office

Public institutions that process and centralise applications for financial help for housing rehabilitation submitted by businesses and individuals include:

- State Housing Development Fund – loans
- Ministry of Construction and Regional Development - Subsidies

Summary of existing public assistance and tax benefits at each level of government:

- All existing instruments are funded from the state budget under the authority of the Ministry of Construction and Regional Development of the Slovak Republic.
- The State Housing Development Fund (SHDF) is a revolving fund created in 1996). Initially financed exclusively with state budget, it is now funded with its own funds together with state budget. Low-interest loans are available for the purposes and beneficiaries determined by the SHDF law. One of the purposes is reconstruction of residential buildings. According to SHDF regulation no. 607/2003 Z.z., renovation of residential buildings includes thermal insulation of single-family or multiple-family housing, reconstruction or modernization of communal areas and equipments in residential buildings and the removal of structural defects. For this there are long-term low-interest loans available (annual interest: 1%, term: up to 20 years, sum made available: 80% of the value of the real estate, up to a maximum of 420€/sq. m). These loans are given to associations of owners and to owners of residential property represented by management companies. In 2009,

the SHDF granted loans for a total of 26.36 million Euros to finance renovation of approximately 5,700 housing units.

- Thermal insulation Government Programme: This Programme was introduced in the year 2009, as a measure to confront the economic crisis. The programme is implemented by means of the SHDF. The scheme grants 15-year loans that cover 100% of the eligible insulation costs for up to a maximum of 80 €/sq. m for the insulated area. In the case of multiple-family residential buildings, applicants can be associations of owners or owners of residential property represented by management company. 71 million Euros have been allocated from this Programme, and thermal insulation of 20,000-25,000 housing units has been completed.
- State Housing Reconstruction Assistance Programme. This programme grants bank guarantees for loans. By means of this programme the Slovak Guarantee and Development Bank grants bank guarantees for loans (from commercial banks and the SHDF) taken out to undertake housing renovation works, both by owner associations and by owners of residential and non-residential real estate.
- Subsidies for Removing Structural Defects in Multiple-family Housing Buildings granted by the Ministry of Construction and Regional Development. These subsidies are awarded for purpose of removing defects in multiple-family buildings caused, not by lack of maintenance and repair, but by the use of inappropriate materials and design, poor construction techniques or non-compliance with proposed construction processes. The subsidies are particularly aimed at reconstruction of prefabricated buildings. Eligible for this subsidy are the associations of owners or owners of residential property represented by management company. The subsidy may cover up to 50% of construction costs, up to 18€/sq. m. In 2009, 18.56 million euro was granted under this scheme, and this assistance covered 18,500 housing units.
- Additional to these direct assistance economic instruments, there are loans granted by "building savings schemes," which can be used to supplement own resources or loans from commercial banks to rehabilitate housing. "Building savings schemes" are a state-subsidised saving scheme, which consists of an obligatory period of saving, followed by the granting of a loan on a beneficial interest rate. This loan is primarily used for the reconstruction of housing stock. Building savers may be natural persons or legal entities. Building saving is subsidised from the state budget in the form of a state bonus to the building saving account, which is attributed annually and is not subject to income tax. The amount of state premium for year 2009 was 12.5% of the annual deposit, with a maximum of 66,39 Euro. In the year 2009 the government allocated 49.79 million euro to these schemes.

Existing interaction between the different public administrations to stimulate housing and/or building rehabilitation: All existing instruments are funded from the state budget under the supervision of the Ministry of Construction and Regional Development of the Slovak Republic. The Ministry ensures for very good communication between all participants.

## 5. Role of Architecture

The services that deal with architectural matters are:

- Chamber of Slovakian Architects
- Slovakian Architects' Association

These are independent professional associations.

There is no architectural policy in Slovakia.

There are regulations that govern the quality of architecture, such as Regulation no. 50/1976 Zb on urban planning and the Building Code.

In the Slovak Republic, architecture is chiefly related to culture, innovation/technology, social representation and town planning/public spaces/the city and others.

Architectural qualities are taken into account for listed sites. If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of existing buildings, neighbourhoods, listed sites and urban areas.

In the Slovak Republic the architectural quality of communal and public spaces is dealt with on the urban/spatial planning stage. There are still no examples comprehensive rehabilitation projects encompassing whole neighbourhoods.

In the Slovak Republic, high-quality architecture can help generate and preserve resources; generate and boost self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; and reduce greenhouse gas emissions and energy consumption.

The Slovak Republic considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, and in rural areas.

In general any construction is considered architecture.

In Slovakia, there are established participation mechanisms during the planning period whereby citizens may have a say in potential architectural policies.

The Slovak Republic would consider the introduction of EU guidelines setting out EU architectural policy useful. For example, it would be useful to hold architectural competitions for any type of construction financed with public funds.

## 27 UNITED KINGDOM



Country code	UK	GDP (PPP)	116.2
Area (sq. km)	242,514	Unemployment	6.3%
Population	61,634,599	HDI	0.947
Population density	254.1	Urban population	89.7%
Construction sector/ GDP	6.10%		
Form of government: Constitutional Monarchy. Parliamentary Democracy. Decentralised			

### 1. Rehabilitation: general overview

The British housing authorities agree with all aspects of the definition of rehabilitation proposed, except for the item installation of centralised air conditioning systems fed by renewable energies in the definition of urban area rehabilitation.

Building Regulations for England and Wales set minimum standards for structure, fire spread, resistance to contaminants, energy efficiency and accessibility for new buildings and when people elect to carry out work on existing buildings. Similar arrangements exist for the devolved administrations in Scotland and Northern Ireland.

Competencies over rehabilitation fall within the responsibilities of the Regional Development Agency which is part of the Regional Government.

Regulations on the rehabilitation of existing housing stock deal with dwellings. There are statutory provisions stating that rehabilitation must have an “integrated” character.

The aim of the Decent Homes programme is to address the backlog of repairs to social housing, estimated in 1997 to be £19 billion. A minimum level of decency known as the “decent homes standard” was set out in guidance as the minimum standard that all social housing should meet.

- <http://www.communities.gov.uk/publications/housing/decenthome>
- <http://www.communities.gov.uk/documents/planningandbuilding/pdf/158490.pdf>

Urban planning regulations set out norms concerning planning, architectural, financial, tax-related, and energy-related aspects, as well as aspects relative to the adaptation of dwellings and buildings to the needs of seniors/accessibility.

Good urban design is essential to produce attractive, high-quality, sustainable places in which people will want to live, work and relax. It is fundamental to our objective of an urban renaissance.

Good design is important in helping to bring rundown, neglected places back to life. The creation of successful places also depends on the skills of designers and the vision and commitment of those who employ them. Good design always arises from a thorough and caring understanding of place and context.



Code for Sustainable Homes provides a single national standard to guide industry in the design and construction of sustainable new homes.

The Code measures the sustainability of a home against nine different categories. Energy/CO<sub>2</sub>; Water; Waste; Materials; Surface water run-off; Pollution; Ecology; Health and well being; and Management.

Depending on the level of performance achieved in each area, a number of points are awarded. These are then added up to give the star rating (1-6) for the whole home (1 star being slightly better than building regulations, 6 stars being a zero carbon and an exceptionally sustainable home). "Points make prizes."

For energy and water there are mandatory minimum requirements at each star level. For waste, materials and surface water run-off there is a single minimum requirement for all star levels. Other categories are tradable, so you can chose to focus your efforts more in one area and less in another.

Adaptation to the needs of elderly persons/accessibility:

- Lifetime Homes Standards are a set of simple features designed to make homes more flexible and functional for all.
- The Government's 'Delivering Lifetime Homes, Lifetime Neighbourhoods -A National Strategy for Housing in an Ageing Society' document was published in December 2008. This sets out the roadmap to phase in the implementation of Lifetime Homes Standards for new housing. See the link below for more details:  
<http://www.communities.gov.uk/documents/housing/doc/deliveringlifetimehomes.doc>

Adaptation to the needs of disabled persons/accessibility:

- The Government has a strategy in place to help people with disabilities. Details of this can be found in 'Delivering Lifetime Homes, Lifetime Neighbourhoods -A National Strategy for Housing in an Ageing Society'
- This strategy is about helping disabled people and people with mobility impairments to continue to live independently in their own homes funded through the Disabled Facilities Grant (DFG). See link below for more details:
- <http://www.communities.gov.uk/documents/housing/doc/deliveringlifetimehomes.doc>

Planning Policy Statement 7 (PPS7) sets out the Government's planning policies for rural areas, including towns, villages and the wider, largely undeveloped countryside up to the fringes of larger urban areas. See below website:

- <http://www.communities.gov.uk/planningandbuilding/planning/planningpolicyguidance/planningpolicystatements/planningpolicystatements/pps7>

## 2. Fulfilment of Housing Needs

The Government Decent Homes programme has now made over one million dwellings into decent homes between 2001 and 2009. The Government has put following into council housing:

- 810,000 new kitchens,
- 610,000 new bathrooms
- 1,140,000 new central heating systems
- over one million new (doubled glazed) windows.
- re-wired 850,000 council homes to ensure that they meet fire and safety requirements
- 882,000 have had improvements to their insulation.

Local authority tenants do not contribute towards capital repairs but leaseholders (i.e. tenants who exercised their right to buy a local authority property) will make any contribution towards capital repairs.

### 3. Job Creation

The Government recognises the impact of the current global financial market on UK housing sector and has responded to the short-term market conditions through measures taken since the start of the downturn by providing support for construction, jobs and skills.

As part of Building Britain's Future, the Government announced a Housing Pledge in June 2009. This was a commitment to invest £1.5 billion into new affordable housing. The Pledge will help create an estimated 45,000 additional jobs in the construction and related industries over the next three years.

The UK considers that the availability of professionals and skilled labour in the country is commensurate to the existing needs of the rehabilitation sector. The UK educational system offers training specifically geared to the rehabilitation sector both at university level and at vocational training institutions.

The Homes and Communities Agency recognises particular higher education courses for built environment professionals that equip those people with the broad, non-technical skills that help to ensure that better places are being delivered by professionals. The Homes and Communities Agency is also working with higher education providers to establish a foundation degree in sustainable communities. These programmes are at both higher and intermediate levels of university education. The Homes and Communities Agency also offers access to online learning and particular short courses that aim to improve the generic skills of existing professionals. The emphasis of these courses is improving thematic understanding of particular issues (such as climate change) or generic skills aimed across the professions working in the built environment.

In all cases, the emphasis is on helping to join-up activity between the different technical professions, so they better understand each other and are more effective in delivering excellent places, which includes as part of rehabilitation of existing places (e.g. Decent Homes, Housing Market Renewal).

### 4. Financing and Concert between Government and the Private Sector

ERDF resources can be used for expenditure in energy efficiency and renewable energy use in the existing housing stock - retrofitting activity must be innovative and the expenditure not more than 4% of the total programme.

In the UK there are no tax benefits for housing or for residential buildings rehabilitation at Central, regional or local levels.

### 5. The role of Architecture

In the UK architectural design policy is a devolved matter. The Department for Culture, Media and Sport is responsible for architectural design policy in England, and represents the UK at a EU level.

In each of the home countries there are organisations that play an advisory role on design, and one that regulates the professional registration of architects for the UK.

- In England: Commission for Architecture and the Built Environment:(CABE; [www.cabe.org.uk](http://www.cabe.org.uk) ), and the Architects Registration Board (ARB; [www.arb.org.uk](http://www.arb.org.uk). Only ARB has a regulatory role, over the professional qualification of architects in the UK; the other bodies are advisory.
- In Scotland: Architecture + Design Scotland (A+DS: [www.ads.org.uk](http://www.ads.org.uk))
- In Wales: Design Commission for Wales ([www.dcfw.org](http://www.dcfw.org) )
- In Northern Ireland: Ministerial Advisory Group for Architecture and the Built Environment ([www.dcalni.gov.uk/index/arts\\_and\\_creativity/architecture\\_\\_\\_the\\_built\\_environment/ministerial\\_advisory\\_group.htm](http://www.dcalni.gov.uk/index/arts_and_creativity/architecture___the_built_environment/ministerial_advisory_group.htm)).

The Department for Communities and Local Government has a role as it is responsible for the Architects Registration Board and the planning system. The Department for Business, Innovation and Skills is responsible for the construction industry.

There is no UK-wide architecture policy as such, but as specified below two of the home countries have formal architecture policies.

In the case of England, the approach is holistic and embedded, it is about “quality of Place” not just architecture and is implemented mainly by CABE. The latest expression of this approach is given in “World Class Places; the Government’s strategy for improving quality of place”,

- [www.communities.gov.uk/publications/planningandbuilding/worldclassplaces](http://www.communities.gov.uk/publications/planningandbuilding/worldclassplaces).
- See also the Action Plan:  
[www.culture.gov.uk/reference\\_library/publications/6439.aspx](http://www.culture.gov.uk/reference_library/publications/6439.aspx)

Government policies to promote better quality of place are as follows:

- 1999 Creation of Commission for Architecture and the Built Environment (CABE), with remit to promote good standards of architecture, urban design and (later) public space.
- 2000 Establishment of Better Public Buildings programme, including the creation of ministerial design champions, promotion of design champions throughout public services, and introduction of the Prime Minister’s Better Public Building Award.
- 2001 Publication of The Historic Environment: A Force for Our Future which recognised that heritage is all around us and can contribute to achieving objectives across government
- 2003 Establishment of Building for Life standards, demanding sustainability and design standards for new homes and neighbourhoods
- 2004 Passing of Planning and Compulsory Purchase Act, giving planning authorities a more proactive role in planning development and shaping places, with emphasis on sustainable, inclusive and well designed development
- 2004 Publication of Safer Places: the Planning System and Crime Prevention, emphasising the importance of designing out crime at the planning stage
- 2005 Issuing Planning Policy Statement 1, creating a positive obligation on all planning authorities to promote sustainable development and good design
- 2005 Creation of mandatory Common Minimum Standards for Procurement of built environments in the public sector, intended to ensure investment is cost effective across the whole life of the building and promotes sustainability and good design
- 2006 Publication of Better Public Building provided advice on making new public building that is value for money, sustainable, and a source of civic pride.
- 2006 Issuing of Planning Policy Statement 3 (Housing), creating a positive obligation on all planning authorities to promote the achievement of high quality homes and neighbourhoods
- 2007 Publication of the Manual for streets, emphasising the need to design residential streets as social spaces
- 2007 Publication of the White Paper Heritage Protection for the 21st Century, setting out a more efficient, transparent and flexible approach to protecting our heritage
- 2008 Publication of Communities in Control White Paper, with proposals for increased promotion of public engagement in planning and design, including establishment of a ‘duty to involve’ and creation of the Community Involvement in Planning Fund
- 2008 Creation of Homes and Communities Agency, with an explicit mission to promote good design
- 2008 Publication of Lifetime Homes and Lifetimes Neighbourhoods Strategy, laying out how government will create homes and neighbourhoods for every age group including older people

- 2008 Passing of the Planning Act, placing all planning authorities under an explicit obligation to promote sustainability and good design
- 2009 Launch of the Engaging Places website, to support teaching and learning through the built environment, helping young people to see the value of well-designed places
- 2009 Publication of World Class Places, and an Action Plan setting out how the strategy will be delivered.
- 2009 Local Democracy, Economic Development and Construction Act embeds design and sustainability duties into regional bodies' objectives.

With regard to organisations responsible for setting architectural policy, Scotland and Northern Ireland have formal architecture policies, while Wales and England do not.

In the UK, Architecture is mainly associated with culture, environmental/landscape, energy/sustainable development, innovation/technology, Social representation, industry, town planning/public spaces /city.

In the UK the approach is not just to buildings by themselves but as much to the spaces around them, hence we speak of architecture and the built environment. In legislation the built environment includes:

- any structure or area built or designed for human use (such as squares, parks and recreation areas);
- any area available for public use which is in the vicinity of such a structure or within or in the vicinity of such an area.

As set out in World Class Places, the UK considers the quality of place is made up of four elements which includes design and upkeep of buildings and spaces and the treatment of historic buildings and places. The other two elements are the range and mix of homes, services and amenities, and the provision of green space and green infrastructure.

The quality of existing buildings is taken into account especially as regards buildings, neighbourhoods, listed housing developments, and urban areas.

The UK attaches great significance to the architectural quality of communal and public spaces.

In the UK, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the condition of communal and public spaces; create jobs/foster employment and reduce greenhouse gas emissions and energy consumption.

The UK considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban milieu and rural areas.

The UK government believes the quality of place matters in all contexts – bad planning and design and careless maintenance encourage crime, contribute to poor health, undermine community cohesion, deter investment, spoil the environment and over the long term costs more.

In general, architecture is considered to be about unique works and works related to the construction of cities/homes, but the concept can also be applied to any type of construction.

The UK promotes architectural quality in construction/rehabilitation work undertaken by Government.

The UK does not consider the introduction of EU guidelines setting out EU architectural policy useful. They believe the European Forum for Architecture Policy already provides advice on architecture policy ([www.efap-fepa.eu](http://www.efap-fepa.eu)).

CABE provides an 'enabling' service and advice to public sector clients, and through CABE's design review process provides advice on specific significant schemes as they come through the planning application process. For example all new schools built under the Building Schools for the Future programmes are reviewed and must meet a minimum design threshold before they can be built.

## 28 CROATIA



Country code	HR	GDP (PPP)	62.6
Area (sq. km)	56,594	Unemployment	9.5%
Population	4,435,056	HDI	0.871
Population density	78.4	Urban population	56.5%
Construction sector/ GDP	8.30%		
Form of government: Parliamentary Republic. Centralised			

### 1. Rehabilitation: General Overview

The Croatian housing authorities fully agree with the definitions proposed for dwelling and building rehabilitation.

As regards the definition of the concept rehabilitation of urban areas, Croatia agrees with the items housing and building rehabilitation, citizen participation, urban planning works, redevelopment and universal accessibility but does not make any comment on the items establishment of centralised hot water networks operated by renewable energies, establishment of air-conditioning networks fed with renewable energies, demolition and replacement of buildings or creation of facilities and equipment.

Croatia has developed several instruments to promote rational use of spaces, limit urban sprawl and prioritise reconstruction of dwellings and urban structures. These instruments are the National Urban Regeneration Plan and the Programme for Spatial Planning of the Republic of Croatia.

Urban renovation is defined as a series of measures and interventions that result in functional qualitative changes in the economic, social and cultural condition of degraded areas.

Even if some norms are in place that establish that rehabilitation must have an “integrated” character,” rehabilitation projects need to be “integrated” in order to qualify for governmental subsidies.

All three levels of government have competences over rehabilitation policy: the Central Government and the regional and local administrations.

Croatia has the following legislation at the state level:

- Legislation on reconstruction (1996)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/1996\\_03\\_24\\_428.html](http://narodne-novine.nn.hr/clanci/sluzbeni/1996_03_24_428.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/1996\\_10\\_87\\_1522.html](http://narodne-novine.nn.hr/clanci/sluzbeni/1996_10_87_1522.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2000\\_06\\_57\\_1260.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2000_06_57_1260.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2009\\_03\\_38\\_836.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_38_836.html)
- Legislation on special-interest areas (2008)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2008\\_07\\_86\\_2750.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2008_07_86_2750.html)
- Legislation on the Reconstruction and Development of the city de Vukovar (2001)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2001\\_05\\_44\\_728.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2001_05_44_728.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2005\\_07\\_90\\_1778.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2005_07_90_1778.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2008\\_07\\_80\\_2605.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2008_07_80_2605.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2009\\_03\\_38\\_835.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_38_835.html)

- Legislation on urban planning and construction (2007)  
[http://www.mzopu.hr/doc/ZPUiG\\_7607.pdf](http://www.mzopu.hr/doc/ZPUiG_7607.pdf)
- Acts on subsidies for housing construction  
<http://hidra.srce.hr/arhiva/263/18315/www.nn.hr/clanci/sluzbeno/2001/1794.htm>  
<http://hidra.srce.hr/arhiva/263/26986/www.nn.hr/clanci/sluzbeno/2007/2407.htm>  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2009\\_03\\_38\\_834.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_38_834.html)
- Provisions on accessibility for disabled persons and persons with impaired mobility.  
<http://narodne-novine.nn.hr/clanci/sluzbeni/290469.html>
- Procedures for the adaptation of the access to building and dwellings to the needs of the veterans of the Croatian Civil War affected by impaired mobility.  
<http://hidra.srce.hr/arhiva/263/18315/www.nn.hr/clanci/sluzbeno/2002/0671.htm>
- Acts regulating the protection and preservation of Croatia's cultural heritage.  
<http://www.min-kulture.hr/default.aspx?id=81>
- Legislation for the renewal of damaged or threatened urban architectural ensembles in the city of Dubrovnik  
<http://www.min-kulture.hr/default.aspx?id=81>
- Procedures for the establishment of the National Agency for the Reconstruction of Osijek Tvrđa  
<http://hidra.srce.hr/arhiva/263/18315/www.nn.hr/clanci/sluzbeno/1999/0560.htm>
- Act on personal income tax.  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2004\\_12\\_177\\_3066.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2004_12_177_3066.html)  
[http://narodne-novine.nn.hr/clanci/sluzbeni/2008\\_06\\_73\\_2421.html](http://narodne-novine.nn.hr/clanci/sluzbeni/2008_06_73_2421.html)
- Act on Housing Savings and Encouraging the State Housing Savings  
<http://hidra.srce.hr/arhiva/263/18315/www.nn.hr/clanci/sluzbeno/1997/1660.htm>  
<http://hidra.srce.hr/arhiva/263/18315/www.nn.hr/clanci/sluzbeno/1997/1748.htm>  
<http://hidra.srce.hr/arhiva/263/18315/www.nn.hr/clanci/sluzbeno/1999/1362.htm>

Croatian legislation on rehabilitation comprises urban aspects, architectural aspects, financial aspects, tax-related aspects, energy-related aspects and measures for adaptation of buildings and dwellings to the needs of disabled persons (accessibility). Nevertheless, there are no specific regulations concerning adaptation of buildings and dwellings to the needs of elderly persons (accessibility).

In addition, there are specific regulations for the rehabilitation of historical town centres and rural areas.

## 2. Fulfilment of housing needs

During the period 1995 – 2000, 18,207 dwellings were destroyed in Croatia. The Croatian Government, through the Ministry of Regional Development, rehabilitated 145,972 housing units during the period 1995-2008.

The Government, through the Ministry of Environmental Protection, Spatial Planning and Construction, reconstructed 1,029 dwellings in 26 residential buildings in the period 2004-2008.

Rehabilitation projects in buildings and dwellings, carried out to meet the needs to their owners or tenants, may benefit from additional public subsidies for urban planning or redevelopment work or for the supply of equipment in public spaces.

Owners/investors can transfer investment costs to tenants.

### 3. Job Creation

Croatia considers that there exists an evident relationship between rehabilitation and job creation. In Croatia, rehabilitation of roofs and façades offers great potential.

Croatia has not applied tax and/or financial policy measures to promote the rehabilitation, thereby stimulating economic activity or the maintenance and/or creation of employment.

Availability of specialised professionals is attuned to the needs of the Croatian rehabilitation sector. The country has traditionally boasted qualified professionals in the field of civil engineering and other disciplines related to civil works.

Croatia offers instruction geared specifically to the rehabilitation sector at advanced and intermediate university level and in advanced and intermediate vocational training institutions.

### 4. Financing and Concert between Government and the Private Sector

The regulation of the structural funds granted to EU-Member States for housing purposes should contain specific provisions for the expense involved in rehabilitating urban centres and municipal infrastructures, as well as for the cost of promoting alternative energies.

Tax benefits for housing rehabilitation are granted by the Central Government and by the regional and local administrations. Tax benefits for the rehabilitation of buildings are only available at state and local level.

Non-refundable loans for housing rehabilitation are offered at state and local level.

On the other hand, low-interest loans for building rehabilitation only exist at state level, whereas subsidies and other loans for building rehabilitation are available both at state and local level, but not at regional level. No guarantees are offered by any level of government.

There are public subsidies addressed at adapting dwellings and/or buildings both to the needs of elderly persons and those of disabled persons.

No public subsidies are available for the rehabilitation of dwellings and/or buildings occupied by low-income families.

The Croatian Real Estate Agency, the Ministry of Culture and the Ministry of Regional development, Forestry and Water Management are the institutions in charge of providing information about the requirements to be met to obtain subsidies. Croatia also has an institution that is specifically tasked with centralising all this information.



## 5. Role of Architecture

The Ministry of Environmental Protection, Spatial Planning and Construction, the Croatian National Spatial Planning Council, the Croatian Architects' Association and the Croatian Chamber of Architects are the organizations in charge of anything related to architectural policy in Croatia.

There is no specific document that lays down the specific architectural policy of the country. Nonetheless, both the Ministry and other organisations act jointly to draw up standards and implement the relevant legislation, in accordance with the country's strategic development goals.

Croatia has regulations for housing policy, fitness for use, public spaces and urban design, but not for rehabilitation

Architecture in Croatia is associated mainly with culture, the environment, urban planning and public spaces.

Importance is attached to the architectural qualities of existing buildings, listed sites, urban areas and neighbourhoods.

Qualitative enhancements to the architecture of these areas makes it possible to introduce installations that may enhance the population's quality of life. By contributing to the generation and maintenance of culture and tourism, architecture is an economic source that creates a sense of satisfaction in the people living in areas of different architectural characteristics, it helps them identify with the environment and is also a source of employment.

Croatians consider efforts to enhance architectural quality, both in existing buildings and urban developments and in new ones extremely beneficial.

Croatia would welcome the introduction of EU guidelines setting out EU architectural policy.

## 29 FORMER YUGOSLAV REPUBLIC OF MACEDONIA



<b>Country code</b>	MK	<b>GDP (PPP)</b>	:
<b>Area (sq. km)</b>	25,713	<b>Unemployment</b>	
<b>Population</b>	2,048,619	<b>HDI</b>	0.817
<b>Population density</b>	79.7	<b>Urban population</b>	65.4%
<b>Construction sector/ GDP</b>	:		
<b>Form of government:</b> Republic. Centralised			

### 1. Rehabilitation: General Overview

The housing authorities of the Former Yugoslav Republic of Macedonia agree with all the items in the definitions proposed for dwelling rehabilitation, building rehabilitation and rehabilitation of urban areas.

Both the Central and the local governments have competencies over rehabilitation.

Regulations are in place that regulate the scope and concept of rehabilitation.

There are statutory provisions that state that rehabilitation must have an “integrated” character:

- Construction Act
- Spatial and Urban Planning Act
- Housing Act
- National Housing Strategy of the Republic of Macedonia (2007-2012)

Macedonian legislation uses the terms “reconstruction and adaptation” to refer to rehabilitation.

Access to any kind of European funds or national subsidies requires that rehabilitation projects should be of an “integrated” nature .

Regulations on housing stock rehabilitation are focused on urban areas. Listed below are the websites that contain the information on these regulations:

- [www.slvesnik.com.mk](http://www.slvesnik.com.mk)
- [www.pravo.org.mk](http://www.pravo.org.mk)
- Construction Act (Official Gazette of the FYRM 130/09)
- Housing Act (Official Gazette of the FYRM 99/09)
- Local Government Act (Official Gazette of the FYRM 5/02)
- FYROM Local Government Spatial Planning Act (Official Gazette 55/04, 12/05 and 98/08)
- Act on the City of Skopje (Official Gazette of the FYRM 55/04)
- Act on Construction Land (Official Gazette of the FYRM 82/08 and 143/08)
- Urban and Spatial Planning Act (Official Gazette of the FYRM 137/07 and 91/09)
- Act on Communal Affairs (Official Gazette of the FYRM 45/97, 23/99 y 45/02)
- Act on the Supply of Drinking Water and Drainage of Urban Waste Water (Official Gazette of the FYRM 68/04, 28/06 103/08)

- Energy Act (Official Gazette of the FYRM 63/06), Rules for Energy Efficiency in Building Structures (Official Gazette of the FYRM 143/08)
- Act on the Environment (Official Gazette of the FYRM 53/05)
- Weather Works Act (Official Gazette of the FYRM 19/92 y 5/03)

Protocols and Conventions ratified by Macedonia:

- Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (1998)
- Espoo Convention on Environmental Impact Assessment (1991) - ratified (Official Gazette of the FYRM 44/99)
- Provisions for Drinking Water Safety (Official Gazette of the FYRM 52/2004).
- Regulation on minimum acceptable housing standards.
- Regulation on the criteria and methodology to be used in determining (i) real estate value; (ii) market-rate and subsidized rental prices; (iii) terms of payments for lease agreements; (iv) spatial norms; (v) use of the dwelling; (vi) procedures for granting subsidized housing; (vii) formal requirement for temporary leases; (viii) leases for a specific purpose.
- Regulations on the conditions to be met by legal or natural persons to become administrators.
- Regulation of the procedure to be followed to apply for subsidised rental housing and the methodology to be used by applicants to calculate the amount of rental subsidy they are entitled to.
- Criteria and methodology to classify dwellings and residential buildings
  - Rules on the standards of housing in residential buildings.
  - Rules on the structure of the reserve fund, its minimum funding level, and the kind of expenses can be paid out of the fund.
- Quality and safety of drinking water (1984)
  - Sampling and laboratory analysis of drinking water (1987)
  - Hygiene of drinking water (1987)
  - Changes in the quality and safety of drinking water (1991)
  - Water classification (1999)
  - Classification of stream and lake water (1999)
- Habitat Agenda – United Nations Human Settlement Programme
  - Water Act (Official Gazette of the FYRM 15/2008)
- Act on the Economy of Water Communities (Official Gazette of the FYRM 85/2003 and 95/05)
- Water Communities Act (Official Gazette of the FYRM 51/2003);
- Act on the Enforcement of the Spatial Plan of the FYRM (Official Gazette 39/04)

Aspects covered by rehabilitation are as follows:

- Urban aspects: preservation of the cultural and natural heritage, healthy lifestyle promotion, improvement of technical spatial planning criteria, distance between buildings, urban planning, compatibility between different uses, minimum planning criteria, etc.
- Architectural aspects: Building security in terms of health protection, protection against natural hazards, construction standards (special focus on seismic aspects), energy savings, energy efficiency, etc.
- Financial aspects: encouragement of space economies aimed at a more rational use of space; promotion of building specifications that improve dwellers' quality of life; development of new investments and projects in different sectors of the economy (textile industry, wood industry, housing equipment industry, ceramic industry, etc.)
- Tax-related aspects: Decrease of funds assigned to construction of new housing, promoting the use of existing housing so as to avoid unnecessary expenses.
- Energy-related aspects: utilization of central heating and cooling systems, building insulation; installation of thermal windows and doors (to avoid thermal bridging), fostering of alternative sources of energy to increase energy efficiency, etc.

- Adaptation to the needs of elderly persons/accessibility:  
In accordance with the Housing Law, provisions are in place for construction of new buildings for elderly persons and for the rehabilitation of existing elderly-occupied dwellings. The construction of nursing homes is also contemplated. Legislation on social housing is expected to be adopted in the future.
- Steps are being taken to improve accessibility of disabled persons (installation of signposting, and technical aids).

Specific provisions are in place for the rehabilitation de los historical town centres: Cultural Heritage Protection Act (Official Gazette of the FYRM 20/04 y 117/07)

The FYROM also has specific regulations for the rehabilitation of rural areas:

- These have the same characteristics as urban areas – protection of the natural and cultural heritage, promotion of a healthy lifestyle, improvement of technical spatial planning criteria, distance between buildings, urban planning, compatibility between different uses, minimum planning criteria, etc

The difference between rural and urban areas are related to land regulation and infrastructures (the former lack waste water drainage system, proper lighting, quality roads, dependable telecommunications networks, etc.).

More work needs to be done in the FYROM in terms of the way in which the subsidised housing system is organised. Information about the experiences of other countries in this area would be useful.

## 2. Fulfilment of housing needs

The Former Yugoslav Republic of Macedonia has not rehabilitated dwellings or buildings with public in the periods indicated.

In accordance with el Annual Programme for the Construction and Maintenance of State-owned housing, the total number of housing units owned by the FYRM stands at 4,950.

A small number of these dwellings is being subjected to partial repairs, which tend to include the roofing and public utilities (plumbing, sanitation, electrical installations, heating, etc.).

Rehabilitation projects in buildings and dwellings, carried out to meet the needs to their owners or tenants, may benefit from additional public subsidies for urban planning or redevelopment work or for the supply of equipment in public spaces.

These interventions require availability of land that is amenable to zoning and to the installation of infrastructures as a prerequisite for the reconstruction, adaptation or construction of the new building.

Owners/investors cannot transfer investment costs to tenants.

The Housing Act contains provisions that ensure that tenants live in appropriate conditions. Maintenance of rented dwellings is a duty that corresponds to the landlord. Should the latter default on this obligation, tenants are entitled to carry out the necessary works to bring their units up to scratch and have their landlord reimburse them for the costs incurred.

### 3. Job Creation

The Former Yugoslav Republic of Macedonia considers that rehabilitation can make a contribution to the maintenance and/or creation of employment.

However, the country has implemented no tax-related and/or financial measures to promote rehabilitation as an instrument to dynamise economic activity and foster the maintenance and/or creation of employment.

Relationship between housing stock rehabilitation and the creation and/or maintenance of employment: rehabilitation generates new investments and stimulates productivity in the different sectors of the economy (textile industry, wood industry, housing equipment industry, ceramic industry, construction product industry, etc.)

The Former Yugoslav Republic of Macedonia considers that the availability of professionals and specialized labour in the country is commensurate to the needs of the rehabilitation sector.

The Macedonian educational system offers instruction geared specifically to the rehabilitation sector both at university and at vocational training level.

Specific experiences related to housing stock rehabilitation and the creation and/or maintenance of employment that may be considered best practices:

In the Former Yugoslav Republic of Macedonia, the owner or property has the right to rehabilitate his assets, which means that he/she is responsible for any rehabilitation works required. This has a positive and a negative side.

The negative side is that rehabilitation projects carried out in the country not always comply with European standards. It is thought that enforcement of these European standards should be reinforced.

The positive side is that rehabilitation of old existing buildings boosts the value of these assets and stimulates others to jump on the rehabilitation wagon.

### 4. Financing and Concert between Government and the Private Sector

The Former Yugoslav Republic of Macedonia does not provide tax benefits for housing rehabilitation, or any other kind of public support.

Nor are there any tax benefits available for building rehabilitation, or any other public subsidies.

Public subsidies are in place to adapt buildings and dwellings to the needs of elderly and disabled persons. These are accessible to low-income households. At local level, these groups benefit from exemption from certain rates and assistance for the construction that may be necessary.

The Former Yugoslav Republic of Macedonia has several public housing guidance institutions that centralise the information on the requirements that businesses and individuals must meet in order to qualify for dwelling rehabilitation subsidies. The most important of these is the Housing Regulatory Commission.

There are no public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining subsidies for housing rehabilitation.

Interaction between the different levels of government to promote housing and/or building rehabilitation:

In accordance with the Housing Act, the FYRM Government is enforcing the National Housing Strategy and the Annual Programme for the Construction and Maintenance of State-owned housing, and supplying the funds for their correct implementation. In this context, the Government is promoting housing development policies.

In accordance with the Housing Act and the National Housing Strategy, local administrations identify their own housing needs and adopt annual programmes as well as measures and activities to fulfil them.

## 5. Role of Architecture

The following government departments deal with architectural matters:

- The Ministry of Transport and Communications, St.Cyril and Methodius University, the School of Architecture and the School of Civil Engineering, the Spatial Planning Agency of the Former Yugoslav Republic of Macedonia, the Public Retail Property Management Corporation of the Former Yugoslav Republic of Macedonia, the Chamber of Architects and Engineers, the Societies and Associations of Architects and Engineers, local governments, the city de Skopje, public communal entities, urban planning institutions, the FYRM Cadastral Office and other non-profit making organizations.
- The Ministry of Transport and Communications is responsible for architecture and urban planning. Part of those responsibilities correspond to the local administrations.

The FYROM has a specific architectural policy whose basic principles are set out in:

- The FYROM Spatial Planning Programme
- The National Housing Strategy of the FYRM  
[www.mtc.gov.mk](http://www.mtc.gov.mk) (Legislation>> Strategies)

Main features of architectural policy:

- In accordance with Macedonia's National Housing Strategy, the rehabilitation and upgrading of the existing housing stock (integrated urban rehabilitation) is tackled with a systematically planned approach. The government also makes available the mechanisms and systems required to revitalize existing residential buildings.
- Architectural policy in the FYRM is formulated at state and local levels.

There are standards in place that regulate architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

Macedonians tend to associate architecture mainly with: culture, the environment/landscape, energy/sustainable development, innovation/ technology, social representation, industry and urban planning/public places/ the city.

Relationship between rehabilitation and the environment/landscape: respect for the environment/landscape is guaranteed by the use of natural materials akin to those used in traditional architecture.

Architecture is considered to influence the preservation/upgrading of the urban milieu, regarding the latter as a landscape. Architecture is adapted to the natural and urban milieus.

Importance is attached in Macedonia to the architectural qualities of existing buildings, listed sites, urban areas and neighbourhoods.

If initially scarce or nonexistent, the quality features of existing buildings, neighbourhoods, listed sites and urban areas are promoted.

The architectural quality of communal and public spaces is highly regarded.

According to the Former Yugoslav Republic of Macedonia, high-quality architecture can help generate and preserve resources; generate and boost self-esteem in the population living in an area with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the conditions of communal and public spaces; create jobs, foster employment and reduce green house gas emissions and energy consumption.

Macedonia considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, new isolated buildings, new urban developments, the rururban milieu and rural areas.

In general, architecture is considered to be about building a city or constructing dwelling. The notion of architecture is also associated to any type of construction.

The Former Yugoslav Republic of Macedonia promotes architectural quality in construction/rehabilitation work undertaken by Government and private initiative.

Specific mechanisms used to promote architectural quality: the Construction Act, the Spatial and Urban Planning Act and the Environmental Protection Act provide a strong framework for the development of architecture in the FYROM.

The Former Yugoslav Republic of Macedonia has established citizen participation mechanisms to design potential Architectural policy: public debates enrich the general administrative procedure leading to construction and rehabilitation works.

The Former Yugoslav Republic of Macedonia would welcome the introduction of EU guidelines setting out EU architectural policy.

Specific experiences regarding the development of architecture promotion policies:

Macedonian architecture biennales, international architecture biennales, international architecture and construction competitions, workshops, architectural and urban planning seminars organized by the School of Architecture and Civil Engineering, architects' associations, engineers' associations, public debates on architecture, protection of the cultural and historical heritage, constructions, new construction products, etc.

## 30 TURKEY



<b>Country Code</b>	TR	<b>GDP in PPS EU-27</b>	45.5
<b>Area, (sq. Km)</b>	780,580	<b>Unemployment</b>	9.7%
<b>Population</b>	72,561,312	<b>HDI</b>	0.806
<b>Density, p/km<sup>2</sup></b>	94	<b>Urban population</b>	67.3%
<b>Construction/GDP</b>	5.20%		
Political System: Republic. Parliamentary Democracy. Centralised			

### 1. Rehabilitation: General Overview

Turkish housing authorities agree with all the items in the definitions proposed for dwelling rehabilitation, building rehabilitation and rehabilitation of urban areas, but citizen participation is not being applied because of the existing legislation.

Two levels of government, the Central Government and the local governments have competencies over rehabilitation policy.

There are regulations that determine the scope and concept of rehabilitation. Ministry of Public Works and Settlement (MPWS) has legislative responsibilities; A new draft law on urban regeneration has been sent to the Turkish Parliament for approval. However there are special laws for historical areas and dwellings.

There are provisions that stipulate that rehabilitation must have an “integrated” character. Regulations on housing stock rehabilitation focus on urban areas.

Aspects covered by rehabilitation are as follows:

- Urban aspects
- Architectural aspects: existing and traditional requirements
- Energy-related aspects
- Adaptation to the needs of disabled persons/accessibility

There are specific regulations for rehabilitation of historical town centres: the main goal of these norms is protection and prevention of demolition.

There are provisions in place for rehabilitation of rural areas; Rural Areas Department of MPWS and Ministry of Agriculture and Rural Affairs are implementing these provisions.

### 2. Fulfilment of housing needs

Turkey has approximate statistical data about the number of dwellings and buildings that have been rehabilitated with public subsidies. The exact numbers can not be obtained due to some local governments which have insufficient capacity to take exact data.



Rehabilitation projects in buildings and dwellings, carried out to meet the needs to their owners or tenants, may benefit from private bank crediting. Urban planning or redevelopment work or for the supply of equipment in public spaces are being carried out by public sector especially for infrastructure.

Owners/investors are not allowed to transfer investment costs to tenants.

### **3. Job Creation**

Turkey considers that rehabilitation can make some contribution to the maintenance and/or creation of employment especially during the period of construction. Nor has the country introduced tax-related and/or financial measures to promote rehabilitation in order to support economic activity and the maintenance and/or creation of employment.

Turkey considers that availability of professionals and specialised labour in the country is commensurate to the needs of the rehabilitation sector. However these professionals are not equally spread within the regions of Turkey.

In Turkey, it is university education (especially for historical preservation and restoration issues at master level of architectural departments) that offers instruction geared specifically to the rehabilitation sector.

### **4. Financing and Concert between Government and the Private Sector**

Turkey does not make available tax benefits for housing rehabilitation.

There are other public subsidies for housing rehabilitation, but exclusively at state level: low-interest loans, subsidies and other loans. Mass Housing Administration (TOKİ)

There are no tax benefits for building rehabilitation.

There are no other public subsidies for building rehabilitation.

No public subsidies are in place to adapt buildings and/or dwellings to the needs of elderly persons.

No public subsidies are in place to adapt buildings and/or dwellings to the needs of disabled persons.

No public subsidies are in place to rehabilitate buildings and/or dwellings occupied by low-income families. Mass Housing Administration (TOKİ) is providing affordable housing for low-income families at some projects.

There are no public institutions that provide guidance on housing matters or that centralise the information available on the conditions to be met to obtain subsidies for housing rehabilitation. Nor are there any public institutions that centralise the processing of applications by businesses and individuals aimed at obtaining subsidies for housing rehabilitation.

## 5. Role of Architecture

There are government departments within ministries in central level and local units at municipalities that deal with or regulate architecture-related matters.

There is framework legislations on architectural, land use and urban development issues to regulate the construction and the architectural applications but these regulations don't include aesthetics aspects.

There are standards that regulate architectural quality, applicable to different aspects of the public space and urban layout.

Turks tend to associate architecture mainly with: culture, the environment/landscape, energy/sustainable development, innovation/ technology, social representation, industry, and urban planning/public spaces/ the city.

Importance is attached to the architectural qualities of existing buildings, listed sites, urban areas and neighbourhoods.

If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings, neighbourhoods, listed sites and urban areas.

Architectural quality of communal and public spaces is taken into account as much as possible.

In Turkey, high-quality architecture can help generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the conditions of communal and public spaces; and create jobs/foster employment.

Turkey considers it advantageous to make an investment in material means and human effort to improve architectural quality in: existing buildings/rehabilitation, the consolidated city, and new urban developments.

Generally speaking, the term architecture tends to evoke a unique work. However, it is also associated with the construction of a city or a dwelling and with any construction in general.

Turkey promotes architectural quality in construction/rehabilitation work undertaken by Government and private initiative.

There is no established citizen participation mechanism to design potential Architectural policy.

Turkey would welcome the introduction of EU guidelines setting out EU architectural policy.

## 31 SWITZERLAND



Country code	CH	GDP (PPP)	140.7
Area (sq. km)	41,285	Unemployment	
Population	7,701,856	HDI	0.960
Population density	186.6	Urban population	73.3%
Construction sector/ GDP	5.5%		
Form of government: Parliamentary Confederation. Centralised			

### 1. Rehabilitation: General Overview

The Swiss housing authorities agree with all the items in the definitions proposed for *dwelling rehabilitation* and *building rehabilitation*. However, their disagreement is almost complete with the proposed definition for rehabilitation of urban areas since they only concur with the item *rehabilitation of their buildings and dwellings*.

All three levels of government possess competences over rehabilitation (the Central Government and the regional and local governments).

Switzerland has legislation in place that regulates the scope and concept of rehabilitation. Nevertheless, there are no statutory provisions that state that rehabilitation must have an “integrated” character.

Regulations on housing stock rehabilitation focus on dwellings and buildings.

Aspects covered by rehabilitation are as follows:

- Architectural aspects: Switzerland has stringent requirements in terms of ecology and energy efficiency, as well as in terms of assessing housing functionality.
- Financial aspects: availability of interest free or low-interest loans, subsidies for measures to promote energy efficiency.
- Tax-related aspects: the Swiss may apply for tax relief on (some) rehabilitation costs
- Energy-related aspects: promotion of energy economies and the use of renewable energies.
- Adaptation to the needs of elderly persons/accessibility: specific requirements for dwellings of up to three bedrooms in the social / non-profit housing sector.
- Adaptation to the needs of disabled persons/accessibility: enforcement of construction guidelines and standards.

There are no specific provisions for historical town centres or for rural areas.

### 2. Fulfilment of housing needs

Switzerland has no information on the number of dwellings and /or buildings that have been rehabilitated with public subsidies in the period indicated. Nor can it make any reliable estimation.

Rehabilitation projects in buildings and dwellings, carried out to meet the needs to their owners or tenants, may benefit from additional public subsidies for urban planning or redevelopment work or for the supply of equipment in public spaces.

Owners/investors are allowed to transfer investment costs to tenants. The amount transferred cannot exceed the cost of the part of the works that result in an increase in the value of the property.

### **3. Job Creation**

Switzerland considers that rehabilitation can make a contribution to the maintenance and/or creation of employment. In fact, it has introduced tax-related and/or financial measures to promote rehabilitation aimed at supporting economic activity and the maintenance and/or creation of employment. They state, however, that it is impossible to provide an estimation of the number of direct jobs created by such measures.

Switzerland believes that availability of professionals and skilled labour in the country is commensurate to the needs of the rehabilitation sector: Switzerland has highly skilled and specialized professionals in this sector.

In Switzerland, both university education and vocational training offer instruction geared specifically to the rehabilitation sector, through postgraduate courses and ongoing training.

### **4. Financing and Concert between Government and the Private Sector**

Switzerland makes available tax benefits for housing rehabilitation only at state level.

In addition, non-refundable loans and low-interest loans are available, but only at state level.

As far as the rehabilitation of buildings is concerned, subsidies are only granted at state level (in the form of tax benefits and non-refundable loans).

Public subsidies are also made available to adapt buildings and/or dwellings to the needs of elderly persons: these are the same public subsidies assigned for housing rehabilitation (low-interest loans). Such subsidies are also provided to adapt buildings and/or dwellings to the needs of disabled persons, or to cater for the housing needs of low-income families.

Switzerland has public institutions that provide guidance to businesses and individuals on housing matters. These entities centralise the information available on the conditions to be met to obtain subsidies for housing rehabilitation. As regards energy renewal, each canton has a specific unit for dealing with this issue.

There are also public institutions that centralise the processing of applications aimed at obtaining subsidies for housing rehabilitation: In terms of energy policy, it is the cantons and the specialized municipal departments that process these applications. As regards housing, a specific Central Government office deals with the relevant applications.

Summary of the public subsidies and tax benefits available at the different levels of government:

- Support for housing rehabilitation: low-interest loans, available only to non-profit housing developers (housing cooperatives, trusts, etc.). A maximum of 30,000 CHF is assigned per dwelling for up to 20 years.
- Support for increasing energy performance of buildings (from 2010): non-refundable loans to cover a part of the cost of upgrading insulation in existing residential and commercial buildings. Funds for this programme will be raised from a tax on CO2 emissions conceived as a fiscal incentive to reduce fossil fuel use.
- Tax benefits: The owners of buildings get tax relief for the investment costs.

Interaction between the different levels of government to promote housing and/or building rehabilitation:

The State is responsible for subsidies granted as part of Swiss housing policy. For the delivery of this financial support, the State works in close collaboration with non profit housing developers' organizations.

The "Buildings" Programme (energy policy) is funded by the Federal Government (from the tax on CO2 emissions) but implemented at the level of the different cantons. Moreover, some cantons make available additional subsidies on top those offered by the state Programme.

Proposals have been formulated to introduce a "one stop shop" for all subsidies, but nothing has been done in this respect as yet.

## 5. Role of Architecture

Switzerland has government departments (in the cantons and municipalities) that deal with and regulate architecture-related matters.

- Construction-permit granting authorities
- Professional associations

There is no specific architectural policy in Switzerland.

There are standards that regulate architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and urban layout.

- Standards for construction policy and urban planning
- Regulations for energy use (at canton level)

Housing Assessment System, applicable to subsidised new constructions and to rehabilitation projects that involve floor plan modification.

The Swiss tend to associate architecture mainly with: culture, the environment/landscape, energy/sustainable development, innovation/ technology, urban planning/public spaces/ the city, and with regional "savoir-faire".

The link with the environment/landscape is guaranteed by the existing legal provisions and the right to an effective remedy that benefits landscape/heritage protection associations.

Architecture influences the preservation/upgrading of the urban environment (city densification and extension).

In the subsidised non-profit sector, great importance is given to the existing quality features of architectural works. If such qualities are initially scarce or even nonexistent, an effort is made to enhance the architectural quality of the existing features in buildings.

An evaluation is made of the utilisation value of dwellings (this is measured based on the property's fitness for use).

This instrument does not measure the architectural quality in communal and public spaces, except in entrances to buildings.

In Switzerland, high-quality architecture can help generate and preserve resources; create jobs, foster employment and reduce green house gas emissions and energy consumption.

Switzerland considers it advantageous to make an investment in material means and human effort to improve architectural quality in existing buildings/rehabilitation, such as:

- Adapting constructions to elderly and disabled persons
- Improve the energy balance of buildings
- Increase the buildings' fitness for use

In Switzerland, in general, the notion of architecture is associated with any type of construction, except for minor projects that do not require a construction permit (tool-sheds in a garden, small store-rooms, etc.)

Switzerland promotes architectural quality in construction/rehabilitation work through Architecture competitions.

Switzerland has an established citizen participation mechanism to design potential architectural policy through popular initiative, as a result of which an determinate number of citizens has the right to propose the amendment or the creation of a law.

Switzerland would not consider the introduction of EU guidelines setting out EU architectural policy useful.

## 32 NORWAY



Country code	NO	GDP (PPP)	191.2
Area (sq. km)	323,802	Unemployment	2.9%
Population	4,799,252	HDI	0.971
Population density	14.8	Urban population	77.3%
Construction sector/ GDP	4.80%		
Form of government: Parliamentary Constitutional Monarchy. Decentralised			

### 1. Rehabilitation: General Overview

Norway fully agrees with the definitions proposed for housing and building rehabilitation.

As regards the definition proposed for rehabilitation of urban areas, Norway agrees with the majority of items included: building and housing rehabilitation, citizen participation, urban planning works, redevelopment and universal accessibility and the establishment of centralised hot water systems fed with renewable energies.

Rehabilitation in Norway falls within the responsibility of the owner of the dwelling or building in question. The role of government is basically limited to urban planning policy.

There is no specific legal for regulatory framework for rehabilitation, but the Planning and Building Act regulates some aspects of this to a certain degree. This law lays special emphasis on factors such as universal design and the visual design of the surroundings.

No provisions exist in Norway that stipulate that rehabilitation must have an “integrated” nature.

There is no specific regulation regarding the rehabilitation of historical city centres or rural areas. All these matters are governed by more generic regulations such as the Planning and Building Act, the Cultural Heritage Act and the different regulations concerning agricultural land, etc.

Spatial planning falls within the responsibility of municipalities, which are tasked with adopting planning regulations. Local authorities use these regulations to introduce specific norms for the preservation of historical town centres or rural areas that may have some special significance, etc. Such norms dictate what can be demolished, what can be built and how existing building can be rebuilt.

Planning regulations stipulate all that is concerned with the outer part of a building, including its use, but do not have a say on what goes on inside a building.

The government may decide to protect any buildings or areas of historical value. This protection covers the inside and outside of a building and entails that any rehabilitation work must be regulated.

The new Planning and Building Act is expected to come into force in July 2010 and will permit a large-scale upgrading of buildings, bringing them up to universal design standards.

## 2. Fulfilment of housing needs

Estimation of dwellings rehabilitated with public money in Norway:

Year	2000	2005	2008
<b>Households</b>	15,195	10,124	7,798
	Loans for home renewal: 15,014	Loans for home renewal: 5,877	Loans for home renewal: 3,477
	Subsidies for home renewal: -	Subsidies for home renewal: 3,389	Subsidies for home renewal: 3,294
	Subsidies for first home owners: 181	Initial Loan/ Subsidies for first home owners: 858	Initial Loan/ Subsidies for first home owners: 1,034

It should be noted that the Housing Bank, which is the governmental entity that grants subsidies for housing purposes, does not keep a record of the number of buildings that benefit from loans or subsidies for rehabilitation. This means that rehabilitation of a residential building with 16 housing units will be registered on the basis of the 16 units rehabilitated, without considering whether those units were all in the same building or in different ones.

Rehabilitation projects may benefit from additional public subsidies for urban planning or redevelopment work or for the supply of equipment in public spaces.

En principio, private property rehabilitation works can be carried out simultaneously with public improvements in the neighbourhood (services, parks, etc) as part of the overall rehabilitation of an urban area. This means that public aid is granted in kind rather than in cash.

As a general rule landlords cannot transfer investment costs to tenants with existing rental agreements. However, the landlord can annually adjust rent payments in line with the increase in the consumer price index. In addition, every third year the rent can be adjusted to a pegged market rent. For new tenants, landlords are entitled to charge market rent. This set of rules gives landlords the opportunity to (partly) transfer investment costs to tenants when new tenancy agreements are entered or every third year when existing agreements are renewed.

## 3. Job Creation

According to Norway, rehabilitation contributes to the maintenance and/or creation of employment.

As regards the relationship between rehabilitation and the creation and/or maintenance of employment, it has estimated that 40% of rehabilitation work is performed by professionals, implying that 60% of rehabilitation work is performed by non-professionals, usually the owner of the dwelling. About 8 out of 10 dwellings in Norway are privately owned, which explains the large extent of own effort invested in the rehabilitation of the housing stock.

Quality of the Norwegian housing stock is generally good. However, a study from 2008 indicated that a need for rehabilitation of buildings owned by local authorities; the cost of these works was estimated at about 17 billion euro.

Neither university education no vocational training offer instruction geared specifically to the rehabilitation sector. Students gain the knowledge and skills in this area through a variety of educational programmes.



#### 4. Financing and Concert between Government and the Private Sector

As Norway is not a member of the EU it does not qualify for the ERDF funds.

No tax benefits are awarded to private households who wish to rehabilitate their owned home.

There are non-refundable loans for housing rehabilitation at the level of the Central Government and of the local administrations.

Low-interest loans are offered for housing rehabilitation at state and local level.

There are no subsidies or other kinds of loan for housing rehabilitation, nor are any guarantees offered for that purpose.

No tax benefits are available for the rehabilitation of residential buildings.

There are grants and preferential loans building and housing rehabilitation at state and local levels.

There are no guarantees offered for building rehabilitation.

The state provides local authorities with grants (20% of investment costs) for the construction of new dwellings/buildings or the rehabilitation of existing dwellings/buildings for elderly persons (nursing homes and rented dwellings for those with special needs).

Public subsidies are in place for housing and/or building rehabilitation work intended to adapt dwellings/buildings to the needs of disabled persons.

The state provides local authorities with grants (up to 40 % of investment costs) for building, buying new dwellings or rehabilitating existing rented dwellings and/or rented residential buildings for persons with disabilities and in need of continuous care

Local authorities provide grants and loans to owners with disabled family members in order to bring their dwellings more in line with the needs of the disabled family member. There are also grants for the planning of such adjustments.

Grants and preferential loans from local authorities are available to low income households subject to individual consideration. Funding may be used for acquisition, construction, adaptation and rehabilitation purposes.

The Housing Bank (Husbanken) and the local administrations are the public institutions that provide guidance to businesses and individuals and centralise information related to subsidies for housing rehabilitation.

Husbanken and other public administrations organize conferences, seminars and meetings where the different public administrations, local authorities or private companies like entrepreneur's, landlords etc., can come together for learning, exchanging ideas and information about rehabilitation of housing and buildings.

The Housing Bank is also the public institution that centralizes the processing of applications by businesses and individuals aimed at obtaining subsidies for rehabilitation

The questions in this section are not really applicable to a Norwegian context for several reasons. For instance, the publicly owned housing sector in Norway is very small, urban planning/urban development including regeneration are a responsibility of municipalities and not the Central Government. Having said this, the Central Government does intervene in areas that face particular challenges or are scoring lower on certain social indicators. This is the case of the Grorud valley (Groruddalen) in Oslo. The Government has given priority to regeneration efforts in the four city districts of Groruddalen – Bjerke, Grorud, Stovner og Alna. The Government and the City of Oslo have entered into an agreement to ensure long-term sustainable development, higher standards of living and improved environmental conditions. Improvements will be made in the areas of transportation and environmental quality. Action will be taken to target living conditions and stimulate neighbourhood development, better housing, and local culture. Groruddalen is an important arena for encouraging integration and the participation of ethnic minorities. This programme does however not involve a high degree of building rehabilitation.

## 5. Role of Architecture

The field of architecture is complex and spans many sectors and several public and private entities. Therefore there is no single organization that regulates architecture or generates architectural policy in Norway. There are several bodies in charge of architecture in different contexts and at different levels.

Architecture in new buildings is regulated by the Planning and Building Act. The Ministry of the Environment is responsible for the planning part of the Act and the Ministry of Local Government and Regional Development is responsible for the building part. The municipalities are the acting planning and building authority. There are several other institutions that task themselves with other parts of the architectural policy, e.g. cultural aspects or conservation issues.

The following website can be visited in order to obtain further information on Norway's architectural policy,

- [http://www.regjeringen.no/upload/KKD/Kultur/Rapporter%20og%20utredninger/KKD\\_architecture.now.pdf](http://www.regjeringen.no/upload/KKD/Kultur/Rapporter%20og%20utredninger/KKD_architecture.now.pdf)  
A document by the title "Architecture Now" describes the three main challenges of architecture:
  - Sustainability and climate
  - Change and transformation
  - Knowledge and innovation

Norway's architectural policy contains six main areas:

1. Architecture should stand out by proposing ecological and energy-efficient solutions.
2. Cities and human settlements must be developed with high-quality architecture.
3. Government must safeguard the cultural environment and the architectural heritage
4. Architecture should be promoted by knowledge, competence and dissemination
5. The Government should be a role model
6. Norwegian architecture should be visible internationally.

In Norway, there are standards that regulate architectural quality, which are applicable to dwellings, their fitness for use, rehabilitation, public spaces and the urban layout. The Planning and Building Act and the Building Codes set out the minimum standards (usually through functional requirements) to be complied with by new buildings and buildings undergoing major renovations.

Norwegians tend to associate architecture mainly with culture, the environment / landscape, energy / sustainable development and urban planning/ public spaces / the city.

The current understanding of the current meaning of architecture is very wide. There is not one single official definition of architecture in Norway. There may be different understandings of what constitutes architecture and what it is mostly related to. This will vary from person to person and will depend on each individual's knowledge or interests. Or it may vary from case to case. The Ministry of Local Government and Regional Development often prefer to use the term "Byggeskikk" (≈Good building practice) rather than simply architecture. The Ministry of Local Government and Regional Developments definition of good "Byggeskikk" entails that buildings and installations are aesthetically pleasing, durable and suited to their purpose. This involves a merging of visual design qualities, environmental qualities, universal design, the use of materials, user-friendliness etc. and the term is generally used in a broader sense than architecture.

In Norway great importance is attached to the architectural quality characteristics of existing buildings, neighbourhoods, listed sites and urban areas.

Norway also believes in promoting the architectural quality of communal and public spaces to generate and preserve resources; generate and boost the self-esteem of the population living in areas with differentiating architectural characteristics; generate an identity for a certain urban environment instilling into its inhabitants a sense of pride and an urge to improve the conditions of communal and public spaces; create jobs, foster employment and reduce green house gas emissions and energy consumption.

Architecture is considered to be about a unique work, and is also associated with the construction of cities and of dwellings.