Co-funded by the European Union

RENOINVEST
sustainable renovation of buildings

Action Plan

Measures and Actions to Facilitate Investments in Renovations in Austria

January 2026

Submitted deliverable - under approval by European Climate, Infrastructure and Environment Executive Agency (CINEA)

RENOWAVE.AT · IBW Institute for Real Estate, Construction and Housing Ltd. Vienna/Austria | www.ibw.at · Institute for Transport Sciences and Quality Control in Building · ARCHENERG International Innovative Cluster for Renewable Energy and Building Trade · Gospodarska zbornica Slovenije Chamber of Commerce and Industry of Slovenia · Chamber of Construction and Building Materials Industry of Slovenia · ZAG Zavod za gradbeništvo Slovenije Slovenian National Building and Civil Engineering Institute

RENOINVEST PROJECT	
Project no.	101120673
Project acronym	RENOINVEST
Project title	Roundtables Enhancing smart investments in sustainable renovation of buildings
Call	EU-LIFE 2022–CET-FINROUND
Start date of project	02.10.2023
Duration	30 months

Deliverable Control Page	
Deliverable Title	Action Plans
Deliverable Number	D4.1
WP number	WP4
Author(s)	IIBW - Institute for Real Estate, Construction and Housing Ltd.
Short Description	The national Action Plans contain recommendations for specific measures to facilitate investments in energy efficiency in the building sector.
Contributors	KTI, Archenerg, ZAG, CCSI, RENOWAVE, IIBW
Type R = Report, DEC=Websites, videos etc. O = Other,	R
Language	English
Dissemination level	☐ CO (Confidential, only for members of the consortium and Commission Services) ☒ PU (Public)
Requested deadline (dd/mm/yyyy)	01/02/2026

Document history			
Version	**Date**	**Changes**	**Revised by**
#0.1	15.09.2025	Draft version	Wolfgang Amann, Christina Böckl, Susanne Formanek, Samuel Kok
#0.2	01.10.2025	Revised version	Winfried Braumann, (Austrian member of External Advisory Board)
1.0	30.01.2026	Final version	Wolfgang Amann, Christina Böckl, Susanne Formanek, Samuel Kok

Disclaimer

This document outlines the approach, methodological framework and strategic objectives of the Action Plan developed within the framework of the RENOINVEST project. Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or CINEA. Neither the European Union nor the granting authority can be held responsible for them.

Table of Contents

Table of Tables

Table of Figures

1 RENOINVEST PROJECT

The RENOINVEST project is co-funded by the European Union under the LIFE programme. The project intends to reflect cross-border challenges and opportunities for sustainable building renovation in the private and public sectors. The main aim of the project is to develop Action Plans on smart investments in sustainable renovation of buildings for 2025-2030 for Austria, Hungary and Slovenia by establishing three national roundtables building on the activities of the Sustainable Energy Investment Forums.

RENOINVEST provides a platform for open dialogue involving key financial, private and public experts through the green finance thematic working group activities to identify barriers to the upscaling of long-term financing instruments and propose improvements to support the development of large-scale investment programmes in existing private and public buildings. Three national policy briefs and a cross-border recommendation package will also be delivered.

Assessing the implementation of the Long-term building renovation strategies and documents and reviewing existing financial solutions and market conditions for stimulating financing of energy efficiency improvement of the existing building stock is an important starting point of the project.

Sharing knowledge among project partners, experts, national stakeholders and similar EU projects three international cross-border exchange events with site-visits will be organized to showcase collected 50+ good practices and elaborate six case studies to foster the roll out of smart financing possibilities.

The added value of RENOINVEST is that the consortium is providing specific technical knowledge by engaging key actors representing legislative advisory organizations, research institutes, large engineering manufacturers, SMEs and financial experts in three CE countries fostering sustainable investments.

2 PROJECT CONSORTIUM

1. Institute for Transport Science and Quality Control in Building (KTI) legal successor of ÉMI Építésügyi Minőségellenőrző Innovációs Nonprofit Kft (ÉMI)- HUNGARY, coordinator

Institute for Transport Sciences and Quality Control in Building

2. Solar Tech-Investment Tervezési Fejlesztési Tanacsado Kft. (ARCHENERG CLUSTER) - HUNGARY

ARCHENERG
INTERNATIONAL INNOVATIVE CLUSTER FOR RENEWABLE ENERGY AND BUILDING TRADE

3. Zavod za gradbeništvo Slovenije (ZAG) - SLOVENIA
   Slovenian National Building and Civil Engineering Institute

ZAG

4. Gospodarska zbornica Slovenije (CCIS) - SLOVENIA

Gospodarska zbornica Slovenije
Chamber of Commerce and Industry of Slovenia
Chamber of Construction and Building Materials Industry of Slovenia

5. RENOWAVE.AT eG (RENOWAVE) - AUSTRIA

RENOWAVE.AT

6. Institut für Immobilien, Bauen und Wohnen GmbH (IIBW) - AUSTRIA

IIBW Institut für Immobilien, Bauen und Wohnen GmbH
www.iibw.at

3 EXECUTIVE SUMMARY

Austria has committed to achieving climate neutrality by 2040 - ten years ahead of the European Union target. The building sector is pivotal to reaching this objective, as it accounts for a substantial share of national energy consumption and greenhouse gas emissions. Despite well-developed technical solutions and a historically strong system of public subsidies, renovation activity remains far below the level required. **The core challenge is therefore not only technological feasibility, but the mobilisation of private investment under stable, predictable and socially balanced framework conditions.**

This Action Plan, developed within the EU-funded RENOINVEST project, provides a strategic roadmap until 2030, with a long-term perspective towards 2040 and 2050. It builds on extensive stakeholder consultations, national round tables, technical working groups and an assessment of Austria's regulatory, financial and market conditions. The Action Plan identifies concrete and implementable measures to reduce investment barriers, improve risk allocation and enhance the overall attractiveness of renovation projects for private and institutional investors.

Austria's current renovation rate is insufficient to decarbonise the building stock in time. Fragmented building regulations across the nine *Länder*, insufficient tenancy and housing laws, and a complex and insufficiently coordinated subsidy landscape create uncertainty and weaken investment incentives - particularly in the private rental sector. At the same time, declining public budgets make it increasingly necessary to leverage private capital more effectively. Without targeted legal reforms and improved financing frameworks, Austria risks missing its climate objectives in the building sector despite its high level of ambition. To address these challenges, the Action Plan structures its recommendations around **three priority action areas**:

1. **Legislative Frameworks (L)**
   Legal and administrative barriers are a major impediment to renovation activity. The Action Plan calls for harmonised building regulations, adaptations of tenancy, condominium and limited-profit housing legislation, and clearer rules on cost allocation and decision-making. These reforms are essential to enable deep renovations while safeguarding affordability and social balance. Recommended measures are:
   - ✓ L.1: Adapt building-codes to better facilitate renovation measures
   - ✓ L.2: Creating an enabling legal framework for renovations
   - ✓ L.3: Funding programmes and practical support for municipal
   - ✓ buildings
   - ✓ L.4: Use subsidies more targeted and efficient
   - ✓ L.5: Establish nationwide One-Stop-Shops

2. **Financing Frameworks (F)**
   Public subsidies alone will not be sufficient to meet future investment needs. The Action Plan therefore proposes measures to reduce financial risks and transaction costs, including longer loan maturities, flexible repayment models, public guarantees and the establishment of a Housing Development Bank. A key recommendation is the nationwide rollout of One-Stop Shops, which bundle technical, financial and regulatory advice, increase transparency and standardisation, and significantly improve the scalability of renovation projects. Recommended measures are:
   - ✓ F.1: Establishment of a Housing Development Bank
   - ✓ F.2: Facilitate Contracting Models
   - ✓ F.3: Enhancing the attractiveness of financing frameworks
   - ✓ F.4: Provide financing models for staged or industrialised renovations

3. **Awareness, Knowledge Transfer and Market Development (A)**
   Successful implementation requires informed decision-making and coordinated action among stakeholders. Permanent national and regional platforms for dialogue, improved data availability, renovation roadmaps and passports, targeted information and capacity-building measures are critical to accelerating market uptake and strengthening investor confidence. Recommended measures are:
   - ✓ A.1: Establish regional advisory services regarding financing
   - ✓ and implementation of renovations
   - ✓ A.2: Implementation of renovation roadmaps and passports
   - ✓ A.3: Dissemination activities regarding renovations

Conclusion:

Austria's climate neutrality target in the building sector remains achievable - but only if structural barriers are addressed in a coordinated and timely manner. Public funding must be complemented by legal reforms and financing frameworks that unlock private investment at scale. The measures outlined in this Action Plan provide a coherent, realistic and actionable basis for policymakers to accelerate renovation activity, safeguard social equity, strengthen economic resilience and ensure long-term climate and energy security. The national round tables held as part of RENOINVEST were based on the SEI forums and therefore already have a certain establishment advantage. As cross-sector cooperation and coordination is one of the major challenges, it is recommended that the meetings within the framework of the national hubs of the European Energy Efficiency Financing Coalition are continued.

4 INTRODUCTION

4.1 Purpose and Scope

The renovation of existing buildings is a crucial element in achieving climate neutrality. The aim of the Action Plan is to provide an overview of the most significant challenges and needs, and to propose measures that address these. Although there are already various technical possibilities to achieve climate neutrality in the building sector, the implementation of such measures lags behind requirements. One key reason for this is the lack of attractive financing options. This Action Plan focuses on that aspect. The Action Plan is the result of more than two years of project work and intensive involvement of stakeholders and various experts, underpinned by practical knowledge of pilot cases and best practice examples. Therefore, the plan represents a well-founded and meaningful basis for future decision-making. The aim of this Action Plan is not to develop new and innovative financing models. Rather, it aims to identify the measures and actors required to better channel private investment into building renovation by improving existing financing frameworks and their coordination. The Action Plan focusses on the period 2025–2030, while also considering Austria's long-term targets for 2040 and 2050.

In conjunction with Hungary and Slovenia, two countries with very different financing and funding systems, a common definition of innovative financing was established:

> **Innovative financing** includes more effective ways to finance sustainable measures in the building sector. This encompasses new financing methods that go beyond traditional tools, as well as more effective combinations of existing instruments.

Austria already has sophisticated funding mechanisms and an interplay of debt financing and subsidies. As this Action Plan shows, there are nevertheless untapped potentials and new impulses to allow more private capital to flow into renovation measures. The goal is not to completely invent new, alternative financing models from scratch, but rather to better coordinate established financing models and supplement them with additional elements.

4.2 Development of the Action Plan

Within the overall project consortium, the Institute for Real Estate, Construction and Housing Ltd. (IIBW) was responsible for coordinating and developing the Austrian Action Plan. The Action Plan was prepared jointly by the Austrian project partners IIBW and RENOWAVE, with substantial input from external experts.

4.2.1 Methodology of Action Plan Development

The findings and recommendations presented in this Action Plan are based on three main sources of information.

a) Results from the RENOINVEST project

The first source comprises the results generated within the RENOINVEST project itself. These include insights into current political priorities, market conditions in the construction and renovation sector, and existing financial frameworks. In addition, good practice examples of innovative renovation financing approaches were identified and analysed.

b) Stakeholder consultations

The second source is based on extensive stakeholder consultations. Over the course of the project, several dozen working group meetings, six national round tables and one international round table were conducted in Austria. Furthermore, targeted bilateral discussions were held with representatives of banks, public authorities and other relevant experts. At the beginning of the project, thematic working groups (TWGs) focused on four thematic areas. SWOT analyses were carried out to assess the current status of each topic. After the first project year, the analytical focus was broadened, and the results of the TWGs were integrated into a more comprehensive assessment aimed at identifying concrete measures to facilitate renovation financing. The outcomes of this second project phase are primarily reflected in the measures proposed in this Action Plan.

c) The current government programme

The third source is the current Austrian government programme adopted in spring 2025. During the project period, national elections took place, followed by a complex and prolonged government formation process Austria's political priorities and future strategic direction, for example with regard to the EU and common climate targets, particularly in the area of building renovation, were challenged due to the election outcome with the right-wing populist Freedom Party (FPÖ) as the party with the most votes. Ultimately, a three-party coalition consisting of the Austrian People’s Party (ÖVP), the Social Democratic Party of Austria (SPÖ) and the Liberal Party (NEOS) was formed. The coalition agreement reaffirmed Austria’s commitment to its existing climate and renovation objectives. As this agreement constitutes the authoritative policy framework until 2029, its relevant provisions were incorporated into this Action Plan and further elaborated to support effective implementation.

4.2.2 Results of National Round Tables and Technical Working Groups

The TWGs were purposefully composed of experts on the respective topic in the first half of the project period and opened up in the second half of the project to focus more strongly on financing aspects of the topics. During this process, it became apparent that legislative changes are equally important for all TWGs; therefore, legal adaptations are a main part of the Action Plan measures in Subchapter 6.1.

Topic 1: Staged and Serial Renovation

Staged and serial renovations represent promising approaches to address current challenges in the construction and renovation sector, such as labour shortages and the increasing uneconomical nature of renovations due to rising construction costs. Staged renovations allow measures to be carried out gradually, which is particularly advantageous when financial resources are limited. Serial renovations are characterized by their efficiency, enabling shorter renovation times and optimized use of construction facilities. Both approaches, combined with nature-based solutions (see Topic 2), offer additional potential to make renovation projects more attractive.

To fully exploit these models, stakeholders have identified priority action areas as follows:

- Legal framework: Urgent adjustments are needed in housing law (MRG – Tenancy Act, WEG – Condominium Act, WGG – Limited-Profit-Housing Act) and the guidelines of the Austrian Institute of Construction Engineering (OIB). Harmonizing administrative requirements and creating regulatory relief is essential to increase renovation rates.
- Market development and promotion: Targeted support for national market development for serial renovations is necessary to drive innovation.
- Financing models: The development and provision of specific funding and financing models for serial and stepwise renovation projects is crucial to facilitate practical implementation.

Topic 2: Circular Economy and Nature-Based Solutions (NBS)

The strategic focus on circular economy and nature-based solutions (NBS) in the construction sector aims to reduce the embodied energy of building materials and promote biodiversity in line with EU renaturation legislation. The increased use of environmentally friendly and sustainable building materials can generate positive effects across the entire value chain. Austria is already seeing a growing number of start-ups and good-practice examples driving this development.
To integrate circular economy principles and NBS into established construction practices, targeted measures are required. Financial incentives must first be created to offset the economic disadvantages compared to conventional, environmentally more harmful materials. At the same time, legal regulations are essential to ensure broad implementation.

Key measures identified by the working group include:

- Legal adjustments**:** Existing housing legislation (MRG, WEG, WGG) and OIB guidelines, should be adapted.
- Digitalization and data management: Digital recording of the building stock via Building Information Modelling (BIM) is crucial. This enables precise material accounting and promotes resource reuse.

- Integrated planning and training: Targeted training of relevant professional groups is required to strengthen interdisciplinary competencies and integrate sustainable concepts at an early stage.

Topic 3: Energy Communities & District Heating Networks

Austria is taking a pioneering role in implementing energy communities. The legislative framework for these communities was established in 2021. By 2025, over 6,500 such communities had been created. Despite rapid growth, there remains a need for action, particularly regarding simplified access and effective dissemination of information. Although energy communities can include heating networks, the focus is primarily on electricity, especially from decentralized photovoltaic systems. The potential of energy communities lies in integrating decentralized energy storage and increasing self-consumption, which can significantly reduce demands on the public electricity distribution networks. Additionally, energy communities generate positive social and economic effects at the individual level.

Priority measures identified by the working group to further develop energy communities include:

- Expanded access for Limited-Profit Housing Associations (LPHAs)**:** Currently, LPHAs are excluded from renewable energy communities (EEGs). Their inclusion would increase the potential for tenants to benefit from energy community advantages.
- Information campaigns: Comprehensive campaigns on EEGs and their benefits are needed to raise public awareness and incentivize the creation of additional communities, including heating networks.

Topic 4: Energy Consumption Monitoring & Visualisation

While the potential of energy monitoring to promote energy-saving behaviour is undisputed, the complexity of these systems has been identified as a major barrier. The working group has therefore identified the following priority measures to overcome these barriers:

- Introduction of low-tech solutions: In the existing building renovation sector, low-tech solutions are often more cost-effective and sustainable compared to fully automated building systems. OIB guidelines must be adapted to enable their use.
- Promotion of energy contracting: Energy contracting allows partial financing of renovation costs through the energy savings achieved.
- Awareness-raising: Increasing awareness of personal energy consumption and associated saving potential is crucial to reduce behaviour-driven energy use.

5 INITIAL SITUATION

5.1 Important Targets and Associated Policy Content

Austria aims to achieve climate neutrality by 2040 - ten years earlier than the European Union target. Achieving this objective requires a profound and accelerated transformation of the building sector, which plays a central role in national energy consumption and greenhouse gas emissions. Despite ambitious political targets, the renovation rate of the existing building stock remains far below the level required. To decarbonise the building sector by 2040, an annual renovation rate of approximately 3% would be necessary; current levels fall significantly short of this benchmark. This gap between ambition and implementation is exacerbated by structural developments such as the long-term increase in the number of principal residences (+42% between 1990 and 2025) and the substantial growth in usable floor area (+70% over the same period). These trends intensify energy demand and complicate the achievement of climate targets. The RENOINVEST project has identified several interrelated political, legal and financial barriers that explain why the urgently required investment push in building renovation is currently not materialising.

1. Lack of Strategic Coherence and Implementation

Fragmented energy policies and regulatory frameworks

Austria's energy and climate policies suffer from insufficient coherence and inconsistent implementation across governance levels - federal, *Länder* and municipal. This fragmentation creates planning uncertainty and weakens investment incentives. Relevant federal laws include:

- Federal Energy Efficiency Act (EEffG, Law No. 59/2023): Regulates energy efficiency targets and obligations for companies and the federal government.
- Renewable Expansion Act (EAG, Law No. 150/2021): Targets 100% renewable electricity on a net basis by 2030; relevant for energy supply in buildings.
- Climate Protection Act (KSG, missing since 2021): This is the core gap: without a KSG, there are no binding sectoral CO_2 budgets or reduction pathways toward 2040.

High ambition, insufficient measures

Given Austria's goal of becoming climate neutral by 2040, European targets should not merely be met but exceeded. The absence of a Climate Protection Act since 2021 prevents the necessary legal certainty for the required transformation.

- Reduction of Emissions
  Despite Austria's EU target of reducing non-ETS greenhouse gas emissions by 48% by 2030 (Effort Sharing Regulation, baseline 2005), the contribution of energy efficiency in the National Energy

and Climate Plan (NEKP) is considered insufficient. According to the latest climate report, Austria will achieve only a 33% reduction with current measures. Even scenarios including additional actions fall short of reaching the EU target. The building sector, however, has already reduced emissions by 53% between 2005–2024, suggesting that with continued decarbonization measures, climate neutrality in this sector appears achievable.

- Expansion of renewable energy
  The European Renewable Energy Directive (EU 2023/2413) requires a 49% share of renewable energy in buildings by 2030. Overall, the renewable energy share must reach 42.5%; Austria's NEKP sets a target of 57–60%. While the EU target seems reachable for Austria, the NEKP target cannot be achieved according to current calculations: by 2030, only about half of total energy demand can be covered by renewables. However, the building-specific target has already been met with around 75% renewable share in 2023.
- Expansion of energy efficiency
  The revised Energy Efficiency Directive (EU 2023/1791) requires an 11.7% reduction in final energy consumption by 2030. For Austria, this means a maximum of 920 PJ by 2030. This target cannot be reached - even with additional measures. Only a 2% reduction is considered achievable. In the building sector, though, reductions of up to 19% are possible, indicating that the major challenges lie in other sectors.

2. Legal and Administrative Barriers

Patchwork of building codes

Although the OIB guidelines exist as technical standards intended to harmonize the nine existing building codes of the *Länder*, their inconsistent implementation results in nine different regulatory frameworks. While federal (European) rules are uniformly applied, numerous detailed regulations and procedural rules differ across the *Länder*. This hinders the efficiency and scalability of renovation projects.

Constraints in tenancy and housing law

Insufficient regulations in tenancy law often block necessary renovations, e.g. the missing obligation of tenants to tolerate heating system replacement. Private landlords cannot pass renovation costs on to tenants, unlike in the LPHA sector, leaving them with insufficient investment incentives.

3. Financial Challenges

Investment needs

Achieving climate neutrality in the building sector by 2040 requires additional investments estimated at approximately €80 billion. Of this amount, around €60 billion corresponds to technically necessary maintenance, while an additional €20 billion is required specifically for decarbonisation measures.

Inadequate funding

Required annual subsidies for renovation measures is estimated at around €900 million. While federal and state programs offered generous support until 2024, these have been declining since 2025 due to budget consolidation. Policymakers must ensure that limited budgets are efficiently directed toward deep renovations and fossil heating replacement. Furthermore, reaching the zero-emission standard ("the last kilowatt hours") is disproportionately expensive and often not cost-efficient.

Level	Subject	Content
Federal	Sanierungsbonus for private households	Thermal renovation of single-family, two-family, and multi-unit residential buildings. Up to €42,000 for comprehensive renovations meeting the klimaaktiv standard; max. 50% of investment costs. Part of a total budget of approx. €3.6 billion until 2027 for renovation and heating system replacement.
Federal	Sanierungsoffensive 2026	Replacement of fossil heating systems with renewable systems (heat pumps, biomass, district heating). Applications possible from November 2025. Part of €3.6 billion until 2027.
Federal	Clean Heating for All	Social program enabling low-income households to replace fossil heating systems. Up to 100% of eligible costs (income-dependent), running until end of 2025.
State (*Länder*)	Housing renovation funding	Comprehensive thermal renovations of residential buildings. Loans or grants, with conditions varying widely across states.

Table 1: Overview of available funding (as of 01/2026)

4. Social Inequality and Complexity

Risk of energy poverty

It is a crucial political responsibility to ensure that housing refurbishment programmes effectively reach low-income households and enable access to necessary investments. This not only supports climate goals but also prevents energy poverty. Additional financial measures are required to mitigate acute energy poverty.

Administrative complexity

The complexity of the renovation challenge requires simpler processes. Policymakers must establish measures (e.g., One-Stop Shops, renovation coaches) on a nationwide and coordinated basis to improve access to information and funding.

5. Strategic Gaps in Data and Incentives

Insufficient data management

There is a lack of realistic, high-quality building data and standardized, digital energy performance certificates at the national level. Such data is essential for effective monitoring and evidence-based policymaking.

Lack of integration of added value

Policy frameworks - especially at state and municipal levels - should better integrate non-energy benefits of renovation (e.g., health, air quality, property value) into energy audits and decision-making processes to boost investment willingness.

Austria has set ambitious goals for decarbonising the building sector. Although the volume of subsidies from 2026 onwards will no longer reach the levels seen in 2024, it would still be sufficient provided that other political framework conditions are adjusted. This applies in particular to adjustments in housing law and a streamlining of building regulations. Alongside raising the renovation rate, structural barriers must be removed and investment incentives strengthened. The measures outlined in this action plan aim to contribute to these goals.

5.2 Practical Guidelines

As part of the RENOINVEST initiative, the project team collaborated to produce two key documents: One showcasing fifty exemplary renovation projects from the three countries involved[1], and another that takes a closer look at six specific cases (2 per country)[2], each representing different building types and funding strategies. Austria played an integral role in this effort, contributing both local case studies and active participation in the cross-country analysis.

Through this process, the Austrian team identified important insights and practical lessons, offering valuable perspectives on the challenges and potential solutions for financing comprehensive building renovations. These findings were instrumental in shaping the recommendations outlined in Austria's Action Plan.

5.2.1 Key Findings Best Practices

Austria has developed a robust approach to financing deep building renovations, characterized by public co-financing, risk mitigation, and innovative financial tools. The system's strengths, weaknesses, opportunities, and threats reveal a model that is both effective and vulnerable to systemic challenges.

Austria's deep renovation model excels through layered public funding, combining federal, provincial, and municipal subsidies to make high-quality upgrades financially viable while protecting tenants from steep rent hikes - especially in Vienna's social housing. Standardized quality frameworks like *klimaaktiv Gold*

[1] D2.3 Best Practice Handbook
[2] D 5.1 Report on Pilot Cases

and *Mustersanierung* act as financial enablers, reducing risk for funders by ensuring rigorous planning and performance. Creative tools such as densification (e.g., attic extensions), bridge financing, and municipal borrowing further enhance feasibility. However, the system's administrative complexity - with multi-source funding rules, audits, and procurement constraints - raises transaction costs and slows implementation, particularly for smaller municipalities. Rent regulation, while ensuring affordability, also limits financial flexibility, making projects heavily dependent on stable subsidies and cost control.
Many projects offer strong scalability potential, for example, *SüdSan* serves as a pilot for scaling to entire settlements, while municipal associations (*Hittisau*) show how small towns can co-finance shared infrastructure. Aligning these models with ESG and green finance standards could further attract investment. Yet, subsidy dependency poses the biggest threat: Delays or cuts can destabilize projects, while rising construction costs and operational uncertainties (e.g., energy tariffs, tenant cooperation) risk eroding projected benefits. For Condominiums (homeowner associations), success depends on overcoming coordination challenges and liquidity gaps, as financial disparities among owners can lead to conflicts. Projects like *DEKOOP*, *WEG zur Zukunft* or *MEIDLINGER L* proofs, that coordinated and cooperative approach leads to success. Balancing innovation with stability remains key to sustaining Austria's renovation ambitions.

Austria's model demonstrates how public intervention, standardization, and creative financing can drive deep renovations. However, its reliance on subsidies, administrative complexity, and social constraints also introduces systemic risks that require ongoing attention.

5.2.2 Key Findings Pilot Cases

Public Sector – Case Study "LeiSan"
Many Austrian municipalities provide social housing for their residents, much of which dates to the 1960s–1980s. Due to low rents and limited financial reserves, there is a significant backlog in renovations for these buildings. A case study of a residential neighbourhood in the market town of Eisenkappel-Vellach highlights the budgetary challenges and complexity of comprehensive energy-efficient renovations in municipal housing. Smaller municipalities, in particular, often see no way to use innovative financing tools. The reasons for this are varied, including a lack of expertise, conflicting opinions within the municipal council, fear of making wrong decisions, and concerns about cost overruns during the renovation process.

The municipality prefers a conservative financing model for renovations: The federal *Sanierungsoffensive 2026* covers up to 30% of costs for energy-efficient upgrades and heating replacements, while Corinthian state renovation grant provides additional subsidies. With minimal financial reserves, these grants are crucial to reduce the loan amount needed. A long-term loan (30–35 years) covers remaining costs, ensuring only slight rent increases. Without these subsidies, socially responsible renovations would be unaffordable, as the financial burden on tenants and municipalities would be too high. This approach balances public funding, limited reserves, and long-term credit to achieve sustainable, affordable housing. After evaluating alternatives like crowdfunding, tenant purchase offers, energy performance contracting, and public-private partnerships, the municipality found these models suitable for other projects (e.g., swimming pool renovation, energy communities with e-mobility hubs). For the comprehensive energy-

efficient renovation of municipal housing, the conservative approach was chosen as reliable and immediately feasible.

Private Sector – Case Study "MEIDLINGER L"

Renovating condominium owner associations is particularly challenging due to the need to align a wide range of stakeholders and to navigate complex legal and regulatory frameworks. *MEIDLINGER L* addresses these barriers by positioning its demonstration project not as a one-off intervention, but as a scalable and transferable model for climate adaptation and sustainable urban development in dense urban settings. The project explicitly aligns with Austria's Green Finance Agenda, recognising that scaling sustainable finance requires comparable evidence, clear eligibility criteria and robust, decision-ready business cases. Resilience is treated as a concrete risk and financing criterion, not merely a narrative objective. Accordingly, the project focuses on governance, legal certainty and transaction cost reduction at the interface of public space and privately owned buildings - key obstacles for investment in multi-owner contexts.

From a financing perspective, *MEIDLINGER L* develops and tests a replicable financing and business model for condominium settings, including cost-sharing mechanisms, contracting options and long-term operation and maintenance structures. The technical solution - a façade-mounted balcony trellis system combining greening, shading and photovoltaic potential, complemented by a mobility concept - is deliberately embedded in a broader retrofit logic. New balconies are framed not as pure amenities, but as part of an integrated renovation strategy with measurable energy, climate and comfort benefits, increasing eligibility for public funding and private financing. The project systematically addresses life-cycle costs (CAPEX and OPEX), verifiable impacts (summer comfort, reduced cooling demand, CO_2 effects, usability) and governance questions (who pays vs. who benefits). By monitoring performance and translating lessons learned into practical tools such as handbooks and decision templates, *MEIDLINGER L* strengthens its general applicability and provides a concrete pathway for faster, safer and more financeable renovation decisions in comparable condominium projects.

5.3 Key Stakeholder Network

The stakeholder groups presented in this subchapter and illustrated in Figure 1 collectively represent the **financial, institutional, and operational ecosystem of renovation financing**. This network is the outcome of numerous TWG meetings and national roundtables, which included extensive participation from external experts. The graphic identifies the most relevant stakeholders for addressing the long-term financing of renovations. A more detailed characterization of each stakeholder group is provided below the graphic.

Stakeholder groups are mapped along two axes: The X-axis reflects their actual influence within the ecosystem, while the Y-axis indicates the level of interest attributed to each group, ranging from low to high. The positioning and selection of these groups were determined by external experts and served as a critical foundation for developing the targeted measures described in Subchapter 6.2. Consequently, the

measures identified in the action plan incorporate the perspectives of all key actors within the renovation financing landscape.

Initially, the intention was to create two separate networks to distinguish between stakeholder groups in the public and private sectors. However, as the differences proved to be minimal, a consensus was reached with the external experts to develop a unified stakeholder mapping applicable to both sectors.

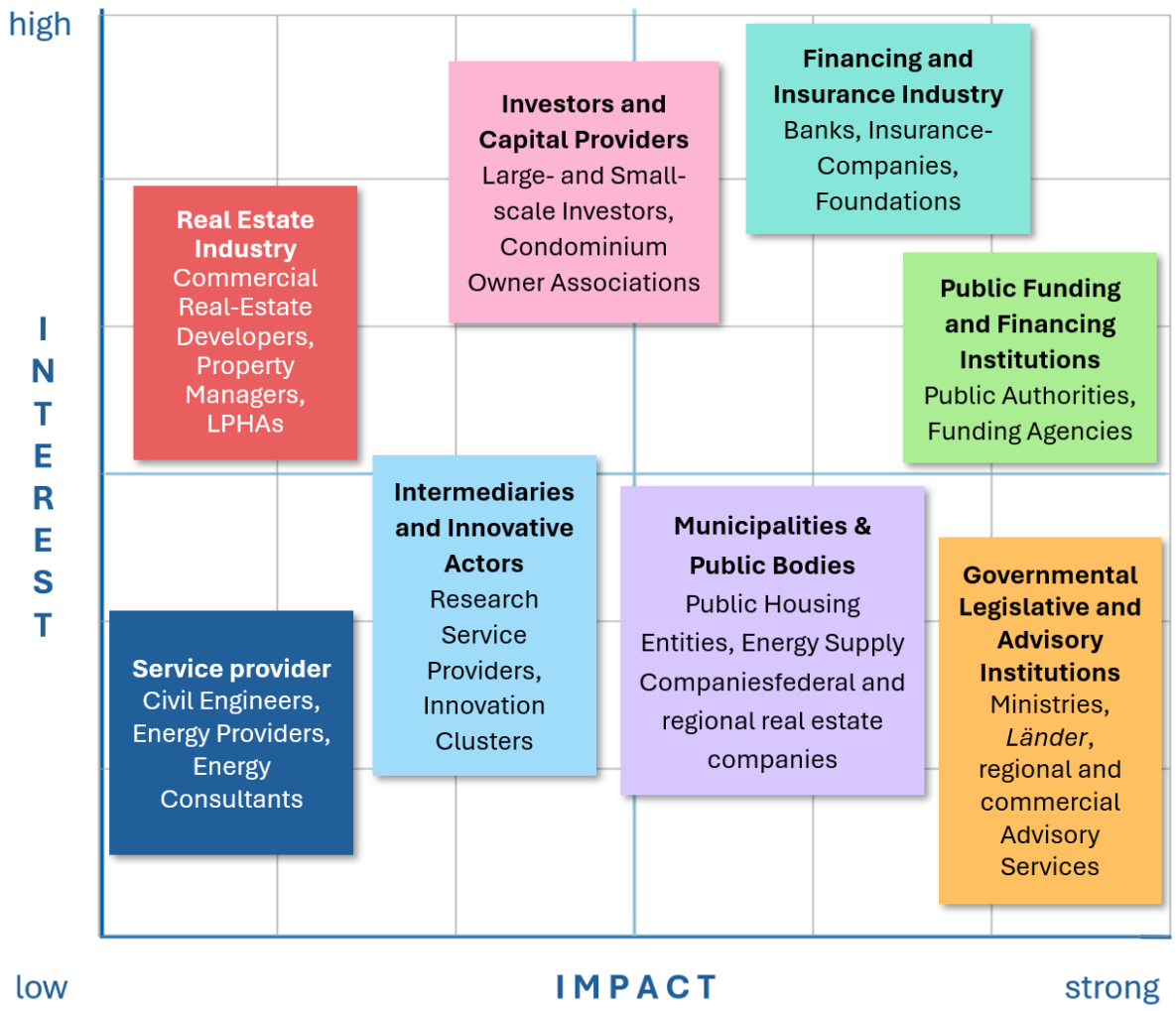


Figure 1: Austrian Stakeholder Mapping public & private Sector

- **Real Estate Industry**
  Including: Institutional property owners, commercial real estate developers and property managers, municipal housing entities and Limited-Profit Housing Associations (LPHAs).
  Motivation: Their primary motivation is to maintain or increase the long-term value of their property portfolios while ensuring regulatory compliance and tenant acceptance.

Demands and Needs: Their key needs include planning security, legal certainty, predictable costs, access to affordable financing, and reliable subsidy schemes. They also demand low administrative burden and technically proven renovation solutions that minimise vacancy and operational risks.

- **Investors and Capital Providers**
  Including: Large-scale investors, finance and insurance industry, small private investors, condominium owner associations, commercial developers, and single-family homeowners, energy saving companies (ESCOs), Contracting Providers.
  Motivation: Private and institutional investors seek stable, long-term returns with manageable risk profiles, and legal certainty.
  Demands and Needs: Their main demands are investment security, transparent project structures, reliable cash flows, and credible risk mitigation mechanisms. Public co-financing, guarantees, and standardised project pipelines are especially important to increase their willingness to invest in renovation.

- **Financing and Insurance Industry:**
  Including: Banks, insurance companies, and foundations.
  Motivation: These actors are motivated by creditworthy projects, regulatory compliance, and risk-adjusted returns.
  Demands and Needs: Their needs include robust project assessments, clear legal frameworks, stable policy conditions, and sufficient collateral. Standardisation of renovation projects and reliable performance data are critical to reduce transaction costs and financing risks.

- **Public Funding and Financing Institutions:**
  Including: Public authorities (Federal State, *Länder*, municipalities), funding agencies.
  Motivation: Their core motivation is the achievement of public policy goals such as climate protection, energy efficiency, and social affordability, plus corresponding multi-year budgets.
  Demands and Needs: They require high leverage of public funds, measurable impact, transparency, and compliance with eligibility rules. Their demand focuses on scalable projects, clear monitoring systems, and cooperation with private capital to maximise public value creation.

- **Service provider:**
  Including: Civil engineers, architects, construction industry, energy consultants, energy service provider, energy providers.
  Motivation: These stakeholders are driven by market opportunities and long-term service contracts.
  Demands and Needs: They need stable demand for renovation services, bankable contracting models, and reliable payment structures. Their key demand is for clear contractual frameworks, performance-based remuneration, and access to project financing for integrated energy service solutions.

- **Intermediaries and Innovative Actors:**
  Including: Research service providers, research funding agencies, innovation clusters, data service providers.
  Motivation: Their motivation lies in market activation, innovation diffusion, and network building.
  Demands and Needs: They require long-term program funding, political backing, and access to data and stakeholders. Their demand focuses on stable institutional frameworks that allow them to coordinate projects, bundle investments, and scale innovative financing models.

- **Municipalities & public bodies:**
  Including: Municipalities and public bodies, including public housing entities, energy supply companies, energy network operators etc.
  Motivation: These actors aim to modernise public building stocks, reduce energy costs, and fulfil climate targets while safeguarding affordable energy supply and budget stability.
  Demands and Needs: Their needs include multi-year budget security, high share of public funding, and legally compliant procurement and financing models. They demand simple, low-risk financing instruments and strong advisory support.

- **Governmental Legislative and Advisory Institutions:**
  Including: Several ministries (Ministry of Economy, Energy and Tourism; Ministry of Agriculture and Forestry, Regions and Water Management; Ministry for Transport, Innovation and Technology; Ministry of Justice, Ministry of Finance), *Länder*, Municipalities, commercial advisory bodies, regional energy and renovation advisory services, and interest groups.
  Motivation: Their main motivation is to implement political targets related to climate neutrality, affordability, and economic development.
  Demands and Needs: They require reliable market data, feedback from implementation practice, and policy coherence across administrative levels. Their demand is for effective instruments that are administratively feasible, socially acceptable, and capable of producing measurable impacts.

6 ACTION PLAN

6.1 Priority Action Areas

As an EU-funded research initiative, the RENOINVEST project positions this Action Plan as an expert-based policy instrument. It provides a structured set of recommendations to support governments and stakeholders in developing and implementing effective national strategies to facilitate investment in building renovation. The Action Plan is organised around three priority action areas, identified through iterative research, stakeholder engagement and expert consultation within the RENOINVEST consortium. The three priority areas, displayed in Table 2, reflect the main leverage points for increasing renovation activity and mobilising private capital:

- **Legislative Area (L)**
  This area focuses on legal and regulatory reforms at federal and *Länder* level. It includes adaptations of building regulations, housing and tenancy law, subsidies and the establishment of enabling instruments such as One-Stop Shops.
- **Financing Area (F)**
  The financing area addresses the core challenge of investment mobilisation. Measures aim to reduce financial risks, improve access to long-term capital and develop financing instruments that are compatible with the specific characteristics of renovation projects.
- **Awareness and Knowledge Transfer Area (A)**
  Complementary measures support market development through targeted dissemination activities, advisory services and capacity building for investors, professionals and decision-makers

Key Measures	
Legislative Area (L)	L.1 Adapt building-codes to better facilitate renovation measures
	L.2 Creating an enabling legal framework for renovations
	L.3 Funding programmes and practical support for municipal buildings
	L.4 Use subsidies more targeted and efficient
	L.5 Establish nationwide One-Stop-Shops
Financing Area (F)	F.1 Establishment of a Housing Development Bank
	F.2 Facilitate Contracting Models
	F.3 Enhancing the attractiveness of financing frameworks
	F.4 Provide financing models for staged or industrialised renovations
Awareness & Know-ledge Transfer Area (A)	A.1 Establish regional advisory services regarding financing and implementation of renovations
	A.2 Implementation of renovation roadmaps and passports
	A.3 Dissemination activities regarding renovations

Table 2: Priority Action Areas and Key Measures

6.2 Key Measures

The key measures form the core of this action plan and are therefore described in detail. The sequence of actions presented corresponds to the order shown in Table 2. Each proposed measure in the Action Plan follows a unified structure to ensure clarity and comparability. The **Initial Situation** outlines the current regulatory, financial, or market conditions and identifies the main barriers, gaps and opportunities that the measure seeks to address. The **Description of the Measure** details the specific policy actions, legal adjustments, or implementation steps proposed to overcome these challenges.

The **Affected Sector(s)** specify on which sector the measure has impact, the private, the public or both sectors. The **Target Group of the Measure** identifies those who benefit most or are directly impacted by the measure. The **Implementing Group of the Measure** shows which sector and institution or organisations are responsible to manage and implement the measure. The section **Involved Stakeholder Groups** shows which of the stakeholder groups from Subchapter 5.3 should be directly involved in the implementation process for the measure based on their responsibilities, expertise or assigned role. The **Added Value of Implementing the Measure** summarises the anticipated social, economic and environmental benefits. The **Timeline for Implementation** indicates until when the implementation

should be introduced. The **Current Level of Awareness of Decision Makers**, based mainly on the political agenda, reflects how well the topic is prioritised by the current decision makers:

- **Red:** Low awareness, little or no action taken or scheduled.
- **Orange:** Moderate awareness, limited action taken or planned.
- **Green:** High awareness, several actions taken or under implementation.

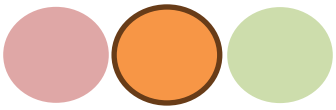
Finally, the **Monitoring of the Implementation Process** shows how the implementation of a measure can individually be tracked - identifying responsible bodies, data sources and key performance indicators that can be used to measure success of implementation and ensure transparency.

6.2.1 Legislative Area

Legislative Area (L)	**L.1 Adapt building-codes to better facilitate renovation measures**
	L.2 Creating an enabling legal framework for renovations
	L.3 Funding programmes and practical support for municipal buildings
	L.4 Use subsidies more targeted and efficient
	L.5 Establish nationwide One-Stop-Shops

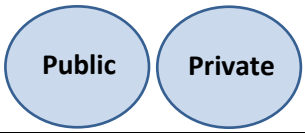
Table 3: Measures of Legislative Area

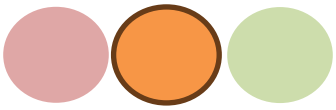
L.1 Adapt building-codes to better facilitate renovation measures	
Initial situation	The Austrian Institute of Construction Engineering (OIB) is a non-profit association founded in 1993 by the nine *Länder* of Austria to harmonise their building regulations. In view of Austria's EU membership 1995, the OIB acted as a mediator in the implementation of European legislation into national law. Since then, the OIB, with the participation of the *Länder*, has drawn up six guidelines on various aspects of building regulations, which are updated every four years. The federal states implement the OIB guidelines in their legislation but may also formulate deviations and exceptions. Overall, there are therefore nine building law matters in Austria that are harmonised but still differ from one another (particularly in procedural rules). Currently, building law distinguishes between new construction and renovations.
Description of the measure	**Building regulations should be designed to better accommodate deep renovations**. Possible examples include: • Making room heights more flexible, for example when retrofitting water-based ceiling heating (already included in the Vienna Building Regulations). • Allowing building lines and clearance areas to be exceeded when installing composite thermal insulation systems. **Introduction of a renovation code** based on a German model: Building Type E in the German Federal Building Code (Baugesetzbuch) created the possibility of stipulating deviations from recognised technical standards in contractual agreements between builders and contractors. This simplifies and reduces the cost of renovations without compromising safety aspects. Deviations may occur in areas such as comfort and accessibility (e.g. lower thickness of false ceilings, reduced electrical installations, one-sided handrails, etc.). A similar regulation is recommended for Austria, which differentiates in particular between the terms 'rules of technology' and 'state of the art'.
Affected sector(s)	**Public** **Private**
Target group of the measure	**Public and Private Sector:** The measure affects all stakeholders involved in building renovation, including single homeowners as well as large building-owners and investors. Also, LPHAs and municipalities are affected.

Stakeholders to implement the measure	**Public Sector**: The legislative implementation must ultimately take place in the building regulations of the nine *Länder*. In doing so, the *Länder* are guided by the OIB guidelines, which have to be incorporated to their building codes. The most important stakeholder is therefore the OIB.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the OIB and the nine *Länder*)
Added value of implementing the measure	Simplified and cheaper renovation options contribute: **Socially**, more households are benefiting from better living conditions and lower energy consumption. One risk is a potential reduction in quality of life due to lower building standards, such as a lack of accessibility or lower ceiling heights. **Economically**, the construction industry will be revitalised and regional value creation strengthened through renovations. Jobs will be secured, and innovative renovation solutions will have a better chance of market diffusion. Due to a lack of control, for example through self-declarations, there is a risk of poor-quality renovation work. **Environmental,** renovations reduce energy consumption and accelerate decarbonisation. However, reducing the environmental and energy requirements for renovations carries the risk of creating lock-in effects and, given ambitious climate targets, having too little impact.
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The measures and specific implementation proposals must be actively communicated to the stakeholders involved. Innovation laboratories, NGOs and non-profit organisations such as RENOWAVE play an important role in this regard. These information providers must use public relations work to highlight existing or lacking progress.

[3] **Red:** Low awareness, little or no action taken or scheduled. **Orange:** Moderate awareness, limited action taken or planned. **Green:** High awareness, several actions taken or under implementation.

L.2 Creating an enabling legal framework for renovations	
Initial situation	Currently, renovations are governed by four key housing-related legal frameworks: the Tenancy Act (MRG), the General Civil Code (ABGB), the LPHA Act (WGG), and the Condominium Act (WEG). The legal structures are complex, partly inconsistent, and vary significantly depending on the area of application. Experts have been calling for a comprehensive reform of these regulations for decades. Urgent need for action exists particularly regarding issues such as non-transparent rent levels, tenants' obligations to tolerate renovations, and the allocation of renovation costs to tenants.
Description of the measure	The goal is to establish clear frameworks that facilitate the implementation of renovations while ensuring social balance. **Removing implementation barriers:** • Adaptation of tenant's obligations to tolerate**:** While obligations to tolerate are sufficiently defined for thermal renovation measures, improvements are needed for heating system replacements to accelerate decarbonization. In particular, better legal provisions are required when centralizing individual or floor-level heating systems. • Decision making procedures on decarbonization measures under the Condominium Act (WEG): All measures aimed at decarbonizing buildings should be classified as part of "ordinary administration", allowing property management to implement them without owner consent. For low-income households, mechanisms should be considered to offset decarbonization costs, either through staggered payments or subsidies. **Removing financing barriers:** • Integration of the *Maintenance and Improvement Contribution* (EVB) model from the WGG into the MRG**:** Applying the EVB system (proven effective in the LPHA sector) within the Tenancy Act would provide property owners with an incentive to renovate. The building-specific budget pool ensures earmarked funds and represents a socially acceptable way for tenants to participate in renovation costs, alongside the existing "rent reserve". • Introduction of a bonus/malus system for regulated private rents based on energy performance**:** Flats in buildings constructed before 1945/1953 are subject to strict rent control. The thermal standard of these buildings has so far played no role in determining the permissible rent. A reform

	should make it possible to charge market rents after deep renovations. This would create investment incentives and resolve the tenant-investor dilemma in a socially balanced manner. The German modernization surcharge could serve as a reference model. • Addressing funding gaps in LPHA-managed buildings**:** While existing stock often has empty reserve funds (EVB pools) due to ongoing maintenance, funds for deep renovations or decarbonization are lacking. Additional resources could be generated, for example, by reserving an amount equivalent to the last annuity after the completion of initial financing. Such measures require careful evaluation and political consensus-building. • Efficient state subsidy regime**:** Implementation of targeted and streamlined public funding measures (e.g., measure L.4). • Empowering tenants**:** Tenants should be authorized to enforce thermal and energy efficiency renovation measures where necessary.
Affected sector(s)	
Target group of the measure	**Mainly Private Sector:** The measure affects actors who carry out deep renovations, including building owners and investors, LPHAs and, to a lesser extent, local authorities, where municipal housing exists.
Stakeholders to implement the measure	**Public Sector:** Implementation of housing legislation must primarily take place at federal level, although there are also cross-cutting issues that fall within the remit of the *Länder*, such as building regulations.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the ministries of justice and of economy as well as the nine *Länder*)
Added value of implementing the measure	A better Legal Framework regarding renovations contributes: **Socially,** tenants are empowered to obtain renovations, but in return they contribute to the costs of renovations. Lower energy requirements minimise the costs incurred, but additional measures are still needed for low-income households to prevent financial hardship. **Economically**, resolving the user-investor dilemma creates incentives for renovations and strengthens the construction industry and regional value creation. **Ecologically**, renovations reduce energy consumption and accelerate decarbonisation. In view of ambitious climate targets, the proposed measures are urgently needed.

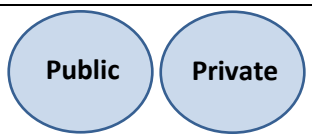
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The measures and specific implementation proposals must be actively communicated to the stakeholders involved. Innovation laboratories, NGOs and non-profit organisations such as RENOWAVE play an important role in this regard. These information providers must use public relations to highlight existing or lacking progress.

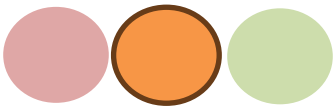
L.3 Funding programmes and practical support for municipal buildings	
Initial situation	Municipalities can access various federal funding programmes for the renovation of their buildings. However, the level of support is often insufficient for municipalities to carry out renovations, which frequently involve additional cost-intensive requirements, especially in listed or historically protected buildings. In 2020, in response to negative economic forecasts caused by the COVID-19 pandemic, the federal government introduced the Municipal Investment Programme (KIG 2020), providing one billion euros to support municipal infrastructure and stimulate regional economic activity. The allocation of funds was based on municipal population size, which meant that smaller municipalities were often unable to undertake cost-intensive renovation projects due to limited subsidies. Furthermore, the programme capped the cost contribution at 50%, further constraining the feasibility of projects. In 2023, the KIP was renewed (KIG 2023), allocating € 500 million for renewable energy and energy efficiency measures and € 500 million for general investments. In 2025, the programme was relaunched again (KIG 2025), this time eliminating the previously mandatory municipal co-financing requirement. Of the total funding, € 300 million was directed toward liquidity improvement, € 500 million for infrastructure, climate change adaptation and climate protection, and € 120 million for digital transformation. While the federal government provides financial support to municipalities for renovation projects, the scale of support remains insufficient. In addition, many municipalities lack the necessary implementation capacity. Due to the wide range of responsibilities and high expectations from local populations, medium-sized and smaller municipalities are often overwhelmed when it comes to planning and executing renovation projects. Although the federal-level funding agency KPC provides support for applications and administration, and the *Länder*-level energy advisory services offer general guidance on renovations, these services do not meet municipalities' full needs. In addition, the semi-public service providers KDZ and SIR provide assistance in securing subsidies. As a result of these financial and capacity constraints, municipalities frequently shy away from undertaking complex and cost-intensive renovation projects.

Description of the measure	• Municipalities require adequately funded federal programmes to renovate municipally owned buildings. While the current iteration of the KIP addresses existing needs, the level of funding remains insufficient. In addition, municipalities need the capacity and expertise to access available funds and use them effectively for renovation projects. • LPHAs act as regional partners for municipalities in creating affordable housing and enjoy a high level of trust. They could also play an expanded role in municipal non-housing renovation projects. Currently, such services are only permitted with a special authorization from the supervisory authority. In the event of a reform of this regulation, it would have to be ensured that fair competition with commercial providers is maintained, for example through restrictions on the use of equity capital.
Affected sector(s)	**Public**
Target group of the measure	**Mainly Public Sector:** The measure primarily affects municipalities and, subsequently, LPHAs.
Stakeholders to implement the measure	**Public Sector:** Implementation must primarily take place at federal level, although there are also cross-cutting issues that fall within the remit of the *Länder* as LPHA supervisory authorities.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the municipalities and their representative organisations as the Austrian Association of Municipalities)
Added value of implementing the measure	Better equipped municipalities contribute: **Socially,** increased renovation of municipally owned buildings improves the quality of social infrastructure in municipalities. **Economically**, regional value creation in the construction sector is enhanced. **Environmentally**, renovations lower energy consumption and accelerate decarbonization. Given ambitious climate targets, the proposed measures are urgently needed.

Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The measures and specific implementation proposals must be actively communicated to the stakeholders involved. Energy agencies, research institutions, clusters, innovation laboratories, NGOs and non-profit organisations such as RENOWAVE play an important role in this regard. These knowledge transmitters must draw attention to existing or lacking progress through public relations work as part of their activities.

L.4 Use subsidies more targeted and efficient	
Initial situation	Currently, Austria has ten different housing subsidy programs – nine at the *Länder* level and one at the federal level – which require more effective coordination. This fragmented funding landscape results in inefficiency and a lack of targeted impact, meaning that public money is not being used optimally. Regional disparities in funding arise, and important aspects such as targeted support for low-income households, the promotion of serial construction methods, or the use of recyclable and sustainable materials are not consistently or adequately supported. The absence of harmonization also complicates coordination and cooperation between the federal and *Länder* levels, hinders market development, and creates bureaucratic barriers for investors and developers. There is insufficient long-term strategic orientation beyond the creation of affordable housing. At the federal level, the last legislative period placed emphasis on decarbonization measures and support for low-income households, while some *Länder* – such as Salzburg – abolished existing energy performance requirements and additional incentives for bio-based building materials without replacement. A consolidation of efforts and a strategic realignment across all political levels would be necessary to increase the efficiency of public spending and to achieve climate targets in the building sector.
Description of the measure	**Austria's housing subsidies at both federal and *Länder* level must be better coordinated and made more efficient. The following aspects are essential:** **1. Financial and legal adjustments** The earmarking of housing subsidies should be reintroduced to prevent funds from flowing into the general budgets of the *Länder*. This would ensure a long-term, predictable financing structure, ideally based on revolving funds that can refinance themselves over time. In addition, the combination of federal and *Länder* subsidies must be simplified, and the framework conditions for new construction and renovation – for example, subsidy periods – should be harmonized. Additional tax incentives provide a strong motivation to undertake renovation measures. This includes the depreciation of renovation costs in commercial housing. Currently, the depreciation period is 15 years for subsidized projects and 67 years for unsubsidized ones. It is proposed to generally reduce the depreciation period to 15 years.

	2. Adjustment of subsidy content At the *Länder* level, the recyclability of building materials should be mandated across both small- and large-scale construction projects. The strategic orientation of housing subsidies should be better coordinated. While the *Länder* could continue to cover general aspects of housing support, the federal level should set complementary strategic priorities. For example, nationwide higher subsidy rates could be granted for low-income households, while simultaneously promoting the use of renewable raw materials and serial construction methods. **3. Reducing bureaucracy and increasing efficiency** To enhance efficiency, overlapping structures in the administration of subsidies between federal and *Länder* levels should be eliminated. This would reduce administrative burdens and make the process more user-friendly for citizens and investors. At the same time, subsidy efficiency should be improved. This requires a critical review of existing subsidy measures and the consideration of new legal instruments to ensure effective use of public funds.
Affected sector(s)	
Target group of the measure	**Mainly Private Sector:** The measure targets actors involved in both small-scale and deep renovations, including property owners and investors, LPHAs, and, to a lesser extent, municipalities with public housing.
Stakeholders to implement the measure	**Public Sector:** Implementation must be carried out cooperatively at both the federal and *Länder* levels. This includes not only strategic alignment but also the detailed coordination of subsidy content and priorities.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the responsible authorities for subsidies on national and *Länder* level)
Added value of implementing the measure	More targeted and efficient subsidies contribute: **Socially,** renovations are made accessible to low-income households, helping to combat energy poverty. By minimizing windfall effects, the social targeting of subsidies is improved. **Economically**, the measure provides the construction sector with planning certainty and generates economic stimulus, supporting stable demand for construction and renovation services. In addition, it actively promotes innovative and sustainable technologies.

	Environmentally, by focusing on circular economy principles and sustainable building materials, the sustainability of embodied energy in buildings is emphasized. Furthermore, it creates stable demand for renovations, reduces energy consumption, and accelerates decarbonization.
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The federal and *Länder* governments have formed a reform partnership with the aim of simplifying federal structures and improving efficiency and effectiveness. Discussions are focusing not only on the distribution of financial resources, but also on responsibilities. The reform partnership offers an opportunity to implement the content of this measure. To this end, external stakeholders must provide expertise and demand its implementation. This should be done both in direct exchange with the actors involved and through the media and public channels.

L.5 Establish nationwide One-Stop-Shops	
Initial situation	Up to date, Austria has not implemented state-run One-Stop-Shops (OSS) that, in line with the EU definition and the EPBD requirement, provide the entire renovation process from start to finish or act as intermediaries. Some OSS-like offerings exist, such as Vienna's privately organized Baurettungsgasse and the publicly funded Hauskunft in combination with the Qualitätsplattform Sanierung, as well as the Sanierungslotsen in Vorarlberg. In the other *Länder*, such services are either absent or still under development, for example in the form of the Sanierungscoach in Lower Austria. At the regional level, a network of state-run energy and housing advisory offices serves as the first point of contact for those interested in renovations. Additionally, the vocational construction academies run by regional Construction Guilds offer high-quality training programmes for skilled workers, which could be integrated as an additional service layer for professionals participating in OSS initiatives.
Description of the measure	From 2026 on, Austria must establish nationally organized One-Stop-Shops to guide renovation projects, providing energy advice, financing and information on available subsidies, technical and legal guidance, and access to skilled trades. This is based on the Energy Efficiency Directive (EED) 2023/1791. Existing regional energy and housing advisory offices can serve as a foundation, leveraging established networks. OSS can also function as knowledge transfer centres for professional training. Key supporting measures include standardizing consultation practices, Renovation Passports, and data management; creating a national fund co-financed with EU resources; scaling pilot projects; establishing clear roles for *Länder*, the Federal State, and municipal authorities; training OSS advisors; running communication campaigns; and involving property managers and construction companies as key multipliers. The combination of very different fields of knowledge and the complexity of the funding landscape place high demands on employee training and the combination of specialist expertise.
Affected sector(s)	**Public** **Private**

Target group of the measure	**Mainly Private Sector**: The measure targets actors involved in both small-scale and deep renovations, including property owners and investors, LPHAs, and, to a lesser extent, municipalities engaged in public housing projects.
Stakeholders to implement the measure	**Mainly Public Sector**: The implementing actors include *Länder*, political and administrative authorities, the construction guild, funding and financial institutions, energy and advisory agencies, as well as market actors responsible for carrying out renovation projects.
Involved stakeholder groups	**Municipalities & Public bodies** (especially *Länder* and Ministry of Economy) **Governmental Legislative and Advisory Institutions** (especially regional energy and renovation advisory services, associations, and interest groups) **Financing and Insurance Industry** (especially Banks) **Public Funding and Financing Institutions** (especially public consulting agencies) **Investors and Capital Providers**
Added value of implementing the measure	Nationwide One-Stop-Shops contribute: **Socially**, OSS improve accessibility to renovation guidance, financing, and technical support, enabling lower-income households to participate and strengthening local expertise through training and knowledge transfer. **Economically**, coordinated support increases renovation activity, stimulates demand for construction, installation, and advisory services, creates jobs, and improves the efficiency of public subsidies and investments. **Environmentally**, OSS promote energy-efficient renovations, renewable energy integration, and sustainable building practices, resulting in lower energy consumption and reduced CO_2 emissions, while contributing to Austria's broader climate goals.
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	

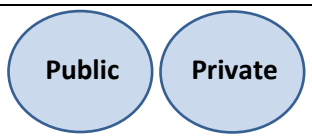
Monitoring of the implementation process	The implementation of One-Stop-Shops should be closely monitored through multiple layers of oversight. Federal and regional authorities track regulatory compliance, funding allocation, and geographic coverage, while OSS report operational metrics such as clients served, consultations provided, subsidies facilitated, and contractor referrals. Independent evaluators assess the impact on renovation uptake, energy efficiency, and CO_2 reductions, supported by centralized digital monitoring platforms for data aggregation and benchmarking. Crucially, concrete measures and implementation proposals must be actively communicated to all stakeholders. Innovation labs, NGOs, and non-profit organizations such as RENOWAVE play a key role as knowledge transmitters, raising awareness through public outreach about both progress achieved and gaps remaining. Publishing case studies and lessons learned ensures that insights from pilot projects and regional OSS inform ongoing scaling and improvement efforts.

6.2.2 Financing Area

Financing Area (F)	**F.1 Establishment of a Housing Development Bank**
	F.2 Facilitate Contracting Models
	F.3 Enhancing the attractiveness of financing frameworks
	F.4 Provide financing models for staged or industrialised renovations

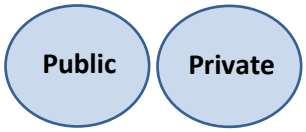
Table 4: Measures of Financing Area

F.1. Establishment of a Housing Development Bank	
Initial situation	In the mid-2010s, the necessary framework was created for the establishment of a private Housing Investment Bank (WBIB). Its main objective was to channel funds from the European Investment Bank (EIB) to housing developers, thereby providing affordable capital for the creation of housing. However, the WBIB never became operational and was ultimately liquidated, leaving only the legal basis in the WBIB Act in place. In the current government programme, the establishment of a new promotional bank has once again been identified as a policy measure. This time, the state-owned funding agency AWS (Austria Wirtschaftsservice) is intended for processing. Alternatives would be the housing funds from the interwar and post-war periods, which still exist today.
Description of the measure	The establishment of a Housing Development Bank offers significant advantages. Unlike the AWS, it could be classified under the private sector and would therefore not fall under the Maastricht criteria. With federal guarantees, low-risk loans from the European Investment Bank could be passed on to beneficiaries at favourable conditions. This would complement the housing subsidies provided by the *Länder* and reduce financing costs for both housing development and deep renovation of residential buildings. Moreover, such a development bank could enable smaller, nationally operating banks to access EIB funding and serve as a vehicle for channelling future European funds (EU Affordable Housing Plan) into the Austrian housing sector. For these reasons, it is essential to maintain this political objective and move forward with the establishment of a Housing Development Bank. The existing framework should be adapted and extended to not

	only benefit to new buildings but to focus on financing renovation in small and large scale.
Affected sector(s)	
Target group of the measure	**Private Sector:** Owners of small and large buildings and investors would benefit as well as LPHAs from an established Housing Development Bank.
Stakeholders to implement the measure	**Private and Public Sector:** A public-private partnership approach, involving banks and relevant actors at the national legislative level, is needed to establish the necessary regulatory and financial frameworks for a Housing Development Bank. In the original WBIB concept, a number of private housing banks should have been shareholders. This could be revived.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the Ministries of Finance and of Economy) **Financing and Insurance Industry** (especially Banks) **Public Funding and Financing Institutions** (especially funding authorities on Federal and *Länder* level)
Added value of implementing the measure	An established Housing Development Bank contributes: **Socially,** by making housing more affordable by lowering financing costs, thereby facilitating the creation of rental apartments and homeownership and facilitate deep renovation. Even lower-income households could benefit from reduced financing burdens, while smaller regional banks gaining access to EIB funds would help ensure more equitable development across urban and rural areas. **Economically,** such a bank would stimulate investments in the housing sector, supporting the construction industry, skilled trades, and supplier networks, while creating and securing jobs. Federal guarantees combined with EIB funds would leverage private capital efficiently, and stable, low-cost financing would reduce risks for developers, enhancing planning security. **Environmentally,** by encouraging climate-friendly construction practices by linking favourable financing to energy efficiency standards, renewable energy integration, and sustainable building materials. This could also promote the renovation of existing buildings, increasing the energy retrofit rate, reducing long-term energy consumption, and cutting CO_2 emissions, thereby contributing directly to Austria's climate goals.

Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The implementation of a Housing Development Bank requires careful monitoring of the critical steps needed to bring the institution into operation. National authorities and relevant ministries must oversee the establishment of the legal and regulatory framework, ensuring that all legislative requirements are met. Banks and potential financial intermediaries need to be engaged early to define operational structures, lending guidelines, and risk-mitigation mechanisms. Progress should be tracked through regular reporting on key milestones, including capital mobilization, federal guarantees, and integration with European Investment Bank funds. Independent evaluators or research institutes can provide oversight by assessing whether these preparatory steps are effectively implemented and identifying potential obstacles.

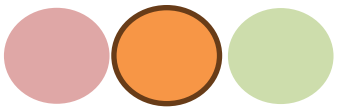
F.2 Facilitate Contracting models	
Initial situation	Energy Savings Contracting has been established in Austria for over 20 years, yet the market remains relatively small compared to Germany or Scandinavian countries. It is primarily applied in the public sector – such as schools, hospitals, and administrative buildings – where investment budgets are often limited. Support exists through national and regional funding programmes, for example via the funding agency KPC, and in some cases through integration into thermal renovation subsidy schemes. The main challenges lie in the high demand for information and advisory services – many building owners are unfamiliar with or sceptical about the model. The complexity of contracts often deters smaller actors, while in the private housing sector, uptake remains very limited, since investment decisions are typically made at a decentralized level (individual owners or homeowners associations). Another point of criticism is that such models often only implement highly profitable measures (e.g. heating replacement), while less profitable measures (renovation of the building envelope) could be further delayed as a result.
Description of the measure	Contracting has proven to be an effective financing and implementation model, particularly for public buildings and large property portfolios. In Austria, however, its use in the private sector remains limited, as the model is often perceived as complex and investment decisions are highly fragmented. For municipalities, contracting offers the advantage of helping to meet EPBD requirements by providing documented evidence of achieved energy savings. In the context of energy communities, contracting can also reduce complexity – especially for homeowner's associations – and provide incentives for investment. Key challenges include ensuring economic viability for both contracting partners and tailoring contractual conditions to the specific needs of building owners. While contracting models could also be applied to thermal renovation measures, they have so far been rarely implemented. Compatibility with subsidies shortens the payback period and makes the implementation of contracting models even more attractive. To expand their use, supporting measures are needed – such as more attractive financing conditions and improved legal

	frameworks for renovations. Monitoring energy savings remains a particular challenge, requiring scalable and user-friendly solutions that can be managed by property administrators while ensuring accurate results. Accompanying training programmes and accessible information materials can also help reducing rebound effects. Low threshold offers, such as free energy consultations focused on behavioural aspects, would complement the existing advisory services of the Austrian *Länder*. Although financing models based on energy cost savings for LPHAs have existed for years, they rarely function in practice. Certain legal measures (WGG) could make the model more attractive: focus on energy savings rather than cost savings; the possibility of defining a baseline for energy consumption, including for individual heating systems.
Affected sector(s)	
Target group of the measure	**Private and Public Sector:** Small investors and property owners (e.g., municipalities, companies, housing developers) benefit from little or no upfront investment, integrated planning–implementation–operation, and guaranteed energy and cost savings. Tenants profit indirectly from lower operating costs (heating and electricity) and improved comfort through modernized building technologies.
Stakeholders to implement the measure	**Private Sector:** Banks as well as small- and large-scale investors need to accept and implement those relatively low-risk investments, as savings are contractually guaranteed. Service Providers on the other hand need to open up new business opportunities and secure long-term client relationships through multi-year contracts.
Involved stakeholder groups	**Financing and Insurance Industry** (especially Banks) **Investors and Capital Providers** (especially Homeowners associations) **Real Estate Industry** (especially LPHAs and large-scale property owners) **Service Provider** (especially ESCOs and contracting providers)

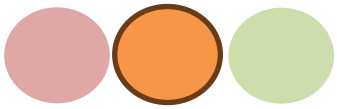
Added value of implementing the measure	More Contracting Models contribute: **Socially,** contracting makes renovations more affordable by spreading costs over time and linking repayments to achieved energy savings. Owners are relieved from high upfront burdens, while fair cost-sharing reduces conflicts between landlords and tenants. This ensures that even households with lower purchasing power can benefit, strengthening social equity in climate action. **Economically,** property owners such as municipalities, LPHAs, and other private actors do not need to provide large amounts of equity, while guaranteed savings offer a high level of planning security. At the same time, construction companies, installers, and energy providers benefit from increased demand, helping to secure and create jobs. **Environmentally,** renovations lead to significant energy and CO_2 savings through modernized buildings with lower demand for heating, hot water, and electricity. Contracting models also support the integration of renewable energy solutions, amplifying climate benefits.
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	Funding agencies such as KPC and AWS should monitor the uptake of contracting projects, subsidies, and financial instruments, as well as the effectiveness of liability schemes and other support mechanisms. ESCOs and property administrators should provide standardised reporting on energy savings, contractual performance, and investment flows, while independent evaluators from research institutes verify results, assess contract performance, and monitor potential rebound effects. This process can be supported by a digital monitoring platform collecting pre- and post-renovation consumption data and ensuring transparency. To strengthen market confidence, best practice cases should be systematically disseminated, highlighting successful projects and replicable models. In parallel, LPHAs and private property management bodies should be proactively informed and advised on contracting opportunities to enable their role as multipliers and decision-makers. Together, these measures of oversight, transparency, and knowledge transfer are essential to establishing contracting as a credible and scalable renovation model.

F.3 Enhancing the attractiveness of financing frameworks	
Initial situation	Traditional bank loans, such as mortgages and housing loans, are the most common form of third-party financing, but they are harder to access for renovations than for new construction. Banks perceive renovations as harder to value, and securing loans for multi-family buildings or homeowners associations is complex. Subsidies are fragmented and often insufficient. Standard loan terms (15–25 years) are typically too short for deep renovations, which would benefit from longer terms (30–40 years) and initial grace periods. Long-term, multi-generational repayment models are not yet established, and banks are cautious due to unclear risk assessments and legal as well as organizational issues. While high-income or creditworthy owners have reasonable access, broader populations – especially older owners or middle- to low-income households – face significant barriers, limiting renovation uptake crucial for climate goals and social equity.
Description of the measure	• **Frameworks for third-party financing** should be relaxed to provide broader access, ensuring equal treatment of renovations and new construction. • **Loan durations** should be extended to align with energy-saving payback periods, and repayment conditions made more flexible through grace periods and adaptable schedules. • **Generational loans** should be established with clear legal frameworks, and state-backed loans offered to financially vulnerable households. • **Green finance products**, such as Green Bonds and sustainable investment funds, should be integrated into building financing, while administrative processes are simplified and made transparent through One-Stop-Shops and digital platforms for subsidies and loans. • Existing products, such as **Contract Saving or Housing Bonds**, should be further promoted and become 'greener', for example through subsidies dependent on achieved energy and environmental standards (ESG).
Affected sector(s)	**Public** **Private**

Target group of the measure	**Mainly Private Sector:** The primary focus is on the private sector, including homeowner's associations, investors, and LPHAs, with tenants benefiting indirectly through lower operating and financing costs. In addition, small- and medium-sized investors, LPHAs, commercial developers involved in building renovations, as well as municipalities, schools, and hospitals, also benefit from more attractive financing and regulatory frameworks, even though the main emphasis is on the private sector.
Stakeholders to implement the measure	**Public and Private Sector:** Policymakers, funding agencies, banks, and insurance companies, together with implementation actors such as contractors and advisory services, play a central role in designing new financing and renovation models and bringing them to market.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the Ministries of Finance and Economy) **Governmental Legislative and Advisory Institutions** (especially associations, and interest groups) **Financing and Insurance Industry** (especially banks and insurance companies) **Public Funding and Financing Institutions** (especially funding authorities on federal and *Länder* level) **Service Provider** (especially financing agencies)
Added value of implementing the measure	Enhancing the attractiveness of financing frameworks contributes: **Socially**, subsidies make renovations more affordable and accessible to a wider population. Costs can be fairly shared between owners and tenants, and self-managed renovations are facilitated. Additional grants lower entry costs, enabling lower-income households to finance renovations, promoting social equity and higher acceptance. **Economically**, by enabling more renovations, subsidies strengthen the construction sector, craftsmanship, and regional value creation. They improve project profitability, shorten payback periods, and reduce risks for both property owners and financing institutions, thereby triggering additional investments. **Environmentally**, subsidies steer investments toward high-impact energy and climate measures, such as thermal insulation, renewable heating systems, and photovoltaics, maximizing CO_2 reduction and supporting climate protection goals.

Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The Austrian National Bank (OeNB) has introduced a Dashboard on housing markets. This could be expanded to building renovation. Implementation can be tracked through digital platforms and dashboards that centrally record subsidies, loans, renovation roadmaps, and Renovation Passports, while the Financial Market Authority (FMA) ensures regulatory compliance and monitors risk weighting for renovation loans. Banks and banking associations track loan volumes, advisory services, and integration with subsidies. Regular reporting aggregates data on the number, type, and scope of supported renovations, while qualitative surveys among property owners, banks, contractors, and advisory services identify barriers and potential improvements. Benchmarking across regions, funding programs, or financial institutions helps to highlight best practices. This combined approach of centralized data collection, regular reporting, qualitative evaluation, and benchmarking ensures that the measure's implementation can be monitored, successes made visible, and necessary adjustments made in a timely manner.

F.4 Provide financing models for staged or industrialised renovations	
Initial situation	Staged renovations are widely practiced but face financial disadvantages, as both subsidies and banks tend to favour deep renovations in one go. Industrialized renovations remain in the pilot phase and are particularly relevant for LPHAs and municipalities, yet they lack a dedicated financing framework. Current subsidies are fragmented and not sufficiently aligned with the logic of staged or industrialized approaches. Similarly, banking products remain standardized, without adapting to the specific needs of step-by-step or serial solutions.
Description of the measure	Banks should be encouraged to offer loan financing based on measure-specific renovation plans, for example through framework loans or staged financing. The focus is on building and stock renovations of small-scale and large assets, complemented by adjustments to subsidies, such as equal treatment for staged renovations, bonus systems, and special grants for industrial/serial solutions. Additionally, private capital sources like Green Bonds or contracting models should be integrated. Social protection measures, such as guarantees and interest subsidies, help ensure affordability for property owners. **Institutional Support:** • Establish One-Stop-Shop structures that combine financing, subsidy administration, and technical advice, including integration of the Renovation Passport. • The Renovation Passport documents planned renovation stages, providing security and certainty for banks and funding agencies. • Pilot projects under Public-Private Partnerships (PPP) should test serial renovations at larger scales and provide best-practice examples. This approach facilitates the implementation of staged and industrial renovation models, increases planning reliability, and reduces risks for property owners, banks, and funding agencies alike.
Affected sector(s)	**Public** **Private**

Target group of the measure	**Mainly Private Sector:** Homeowners, homeowner's associations, and LPHAs are key targets due to large building stocks and potential for economies of scale. Commercial developers are also relevant. Public buildings, such as schools and hospitals, are also suitable for serial renovations because of their large-scale structures.
Stakeholders to implement the measure	**Private and Public Sector:** Banking sector, policymakers, and funding agencies need to create regulatory and financial frameworks and offer advisory service.
Involved stakeholder groups	**Municipalities & Public bodies** (especially the Ministry of Economy) **Financing and Insurance Industry** (especially banks) **Public Funding and Financing Institutions** (especially subsidy departments of the *Länder*) **Real Estate Industry** (especially commercial housing developers and LPHAs, construction industry and prefab industry)
Added value of implementing the measure	Providing financing models for staged or industrialised renovations contributes: **Socially**, renovations become more affordable, with phased implementation allowing cost distribution over time. Subsidies reduce upfront expenses, and costs can be fairly shared between owners and tenants. **Economically,** the construction sector and regional value creation are strengthened. Subsidies shorten payback periods, reduce investment risks, and leverage additional private capital. **Environmentally**, targeted incentives make high-impact measures – such as thermal insulation, renewable heating systems, and PV installations – more attractive, maximizing CO_2 reduction per euro invested.
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	

Monitoring of the implementation process	Implementation can be monitored and overseen through a combination of quantitative and qualitative measures. Federal ministries coordinate overall progress and integrate reporting into national and EU frameworks (NEKP, EPBD). Funding agencies verify correct application of grants in connection with the Renovation Passport. Independent evaluators and research institutes provide ongoing assessment of effectiveness, efficiency, and scalability, supplemented by dashboards, benchmarking, and user surveys to capture feedback from property owners, banks, and construction professionals. This multi-level oversight ensures accountability, continuous improvement, and alignment with policy objectives.

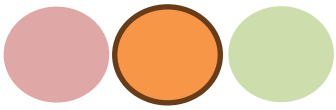
6.2.3 Awareness & Knowledge Transfer Area

Awareness & Knowledge Transfer Area (A)	**A.1 Establish regional advisory services regarding financing and implementation of renovations**
	A.2 Implementation of renovation roadmaps and passports
	A.3 Dissemination activities regarding renovations

Table 5: Measures of Awareness & Knowledge Transfer Area

A.1 Establish regional advisory services regarding financing and implementation of renovations	
Initial situation	The *Länder* have competent advisory centres for renovation and energy-saving, covering the technical aspects of building retrofits. However, comprehensive financing support for renovations is still lacking. In the past, Bausparkassen (Contract Saving Banks) played an advisory role by explaining and implementing financing while also informing clients about government subsidies. In this way, they also assumed the role of market intermediaries. From a governmental perspective, this arrangement offered the advantage of outsourcing to competent external providers, minimizing administrative workload. The banks were able to integrate state subsidies into the financial plan and manage both the subsidy process and additional financing. Due to last year's low-interest-rate environment, Bausparkassen loans became financially unattractive and lost significance. Nevertheless, the Federal States still maintains cooperation with banks regarding housing subsidies. Today, many commercial banks actively promote renovation loans and provide advice on available subsidies in this context. Additionally, independent advisory platforms (e.g., infina.at) exist on the market, offering comparisons of renovation loans and information on region-specific funding opportunities.
Description of the measure	**Role of Banks in Supporting Building Renovations** Renovation-interested parties (private owners, homeowners associations, developers, municipalities) require low-threshold, competent advisory points. Banks can play a threefold role: 1. Provide financing products: Offer attractive loans and long-term financing models for renovations. 2. Support subsidy guidance and administration: Act as an interface between funding agencies, property owners, and contractors. 3. Provision of technical services, such as energy consultants or renovation coaches.

	Regulatory context Bank regulations and supervision strongly influence which types of financing banks actively promote. By establishing the right legal framework and incentives, banks can be encouraged to increase activity in renovation loans and green finance. The Green Finance Alliance (GFA) can act as a key catalyst in advancing bank-supported renovation measures. It can establish common standards for green renovation loans aligned with the EU taxonomy, provide capacity-building for member institutions, and serve as a platform for sharing and scaling best practices such as soft loan integration and One-Stop Shop solutions. By acting as an interface between ministries, regulators, and financing institutions, the GFA can help shape regulatory adjustments that make renovation loans more attractive and accelerate investments in building decarbonization. **Good practice examples** • Salzburg Housing Subsidy: Interdependence in terms of content and process between the granting of a subsidy and a bank loan. • Lower Austria: Raiffeisenbank provides integrated subsidy advice. • Bausparkassen (Contract Savings Banks): Traditionally important in financing single-family homes, offering favourable renovation loans often combined with state grants or subsidy programmes. **Policy recommendations** • Combine technical expertise and financing through banks to provide a One-Stop Shop experience for owners, linking them to energy consultants, contractors, and contracting providers. • Use tools like the RENOWAVE subsidy chatbot to provide low-threshold, clear communication and avoid the "subsidy jungle". • Establish uniform standards so service takers are not caught between different subsidy agencies and banks. •
Affected sector(s)	**Public** **Private**
Target group of the measure	**Mainly Private sector:** Homeowners, homeowners associations, property developers, municipalities – in other words, anyone who wants to carry out renovations but needs financing and advice on subsidies.

Stakeholders to implement the measure	**Public and Private Sector**: Banking sector, politics & administration (framework & subsidies), banks & contract savings entities (financing + consulting), energy agencies & property management companies (technical support) and new OSSs (further implementation of renovations)
Involved stakeholder groups	**Financing and Insurance Industry** (especially banks) **Municipalities & Public bodies** (especially Ministries of Finance and of Agriculture, as well as the Green Finance Alliance)
Added value of implementing the measure	Regional advisory services regarding financing and implementation of renovations contributes: **Socially**, integrated financing and advisory services reduce barriers, improve transparency, and ensure fair cost distribution, increasing participation in building renovations. **Economically**, clear renovation roadmaps, attractive loans, and combined subsidies boost renovation rates, provide investment security, and strengthen local construction and service sectors. **Environmentally**, higher renovation uptake reduces energy use and CO_2 emissions, prioritizes measures with the greatest ecological impact, and advances national and EU climate targets (NEKP, EPBD).
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	Institutionalized cooperation between banks, funding agencies, and energy consultants should be embedded in One-Stop-Shop structures, offering integrated advisory, financing, and subsidy management. Standardized renovation roadmaps and digital interfaces will provide transparency and planning security. Systematic monitoring through bank reporting and independent evaluations will ensure accountability and allow for continuous improvement. In addition, the GFA can coordinate monitoring and reporting on renovation-related lending volumes and their emission impacts, ensuring transparency and accountability.

A.2 Implementation of renovation roadmaps and passports	
Initial situation	The Austrian Institute for Construction Engineering (OIB) has published a Renovation Passport guideline in 2025, based on EU Directive (EU) 2024/1275. The guideline provides a structured framework for the content and design of a renovation passport, including the following elements: documentation of current energy consumption, development of multi-step renovation roadmaps toward net-zero-emission buildings (NZEB), recommendations for the optimal sequence of measures, and guidance on available subsidies, technical consulting, and climate data. The OIB Guideline 6 ("Energy Savings and Thermal Protection") has been revised in autumn 2025 according to the EPBD 2024. It establishes, amongst others, the foundation for renovation roadmaps and renovation passports. So far, only a few pilot projects have developed initial renovation roadmaps (e.g., klimaaktiv, Energy Agency Lower Austria, Upper Austria Energy Saving Association). A comprehensive nationwide rollout has not yet been achieved. Full implementation requires digital infrastructure, advisory systems (e.g. OSS), and integration into funding logic. Integration with building registries or subsidy portals is missing at this stage.
Description of the measure	• **Renovation roadmap**: Provides a multi-step, long-term energy retrofit plan tailored to each building, specifying measure sequencing (insulation → windows → heating → PV), costs, and expected energy savings. • **Official Renovation Passport**: Documents the current building status (energy certificate, CO_2 emissions, renovation needs) and links it to the roadmap; intended as a central tool for funding, financing, and monitoring. • **Regulatory integration**: Incorporate the Renovation Passport into building codes (OIB Guideline 6) and housing subsidy acts of the *Länder*, with standardized content (energy performance indicators, cost-benefit analysis) and alignment with EU EPBD requirements and the National Building Renovation Plan. • **Funding incentives**: Full subsidies linked to possession of a Renovation Passport; integrated financing models combining bank loans and grants based on the roadmap; special funds to cover costs for private owners, homeowner's associations, and municipalities.

	• **Digital infrastructure**: Establish a platform or building registry to store Renovation Passports / Energy Performance Certificates and provide access to owners, banks, and funding agencies. • **Professional capacity building**: Training of energy consultants, architects, and other professionals to create standardized renovation roadmaps. • **Pilot programs**: Launch across all nine *Länder* to generate practical experience and showcase best practices. • **One-Stop-Shop integration**: Combine advice, roadmap, and financing in a single service, facilitating practical implementation, see measure L.6. • **Communication & engagement**: Campaigns to raise awareness ("Roadmap to a climate-neutral home"), low-threshold online tools (quick checks), and engagement of homeowner's associations and property managers, see measure A.3. • **Banking cooperation**: Use the Renovation Passport as a basis for credit decisions to link financial instruments directly with renovation plans.
Affected sector(s)	**Public** **Private**
Target group of the measure	**Mainly Private sector**: Investors, owners, homeowner associations, property developers, LPHAs, but also municipalities use renovation passports and renovation roadmaps for guidance and access to financing and subsidies.
Stakeholders to implement the measure	**Private and Public Sector**: Governments need to adapt regulations and funding; OIB needs to adapt standards in building codes; energy agencies & consultants need to implement roadmaps and passports; banks & funding agencies need to offer financing and the construction industry needs to realise renovations as provided.
Involved stakeholder groups	**Municipalities & Public bodies** (especially *Länder* and funding bodies, OIB) **Governmental Legislative and Advisory Institutions** (especially energy agencies and energy/renovation advisory services) **Financing and Insurance Industry** (especially banks)
Added value of implementing the measure	The measure contributes: **Socially:** Renovations become more affordable and accessible, with transparent cost-sharing and clear guidance reducing barriers to implementation. Staged measures allow owners to

	plan and execute renovations in manageable steps. In homeowner's associations, fair cost allocation is ensured because all owners have a shared, transparent basis for decisions. **Economically:** Binding renovation roadmaps increase the likelihood of actual implementation by making financing, subsidies, and technical planning more predictable. Owners and banks gain a reliable basis for investment decisions, building trust and investment security. This supports the construction sector, crafts, and regional value creation. **Environmentally:** Renovations reduce energy use and CO_2 emissions. Higher renovation rates accelerate progress toward a climate-neutral building stock. Renovation Passes prioritize measures with the greatest energy and CO_2 impact first, enabling the highest ecological benefits and facilitating national monitoring of energy and emission targets (NEKP, EPBD).
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	The implementation of Renovation Passport measures can be tracked using a combination of quantitative, qualitative, and structural indicators. Key quantitative indicators include the number of issued passports, implemented renovation measures, estimated energy and CO_2 savings, uptake of funding and financing, digital platform usage, and participation in pilot programmes and One-Stop-Shops. Qualitative indicators cover satisfaction and acceptance among owners, homeowner's associations, banks, and consultants, as well as media visibility, social media engagement, and feedback from pilot projects. Structurally, all activities should be centrally documented in a dashboard, with regular reporting, benchmarking across regions, and integration into national energy and emissions monitoring (NEKP, EPBD). On this behalf regional institutions as energy agencies can be used to monitor the implementation of the described measure.

A.3 Dissemination activities regarding renovations	
Initial situation	In 2024, the Austrian Ministry for Climate Action (BMK, at that time – now transferred to BMLUK) launched the information campaign **"**K.O. für alte Öl- & Gaskessel**"**, which combined several funding schemes (such as the decarbonisation of heating systems for private households and special subsidies for low-income households) and ran until the first quarter of 2025. A total budget of around € 2 million was allocated for advertising across TV, radio, billboards, and online channels, with a particular focus on social media. The results of an evaluation of the campaign have not yet been published. Awareness-raising is highlighted as an integral element of renovation support in many strategic documents – such as the Austrian Strategy for Adaption to Climate Change, the KLAR! Model regions, the Austrian biodiversity strategy, and the klimaaktiv network, as well as in monitoring studies that identify the instruments needed to achieve renovation goals. Regional activities have also proven successful. For example: • The Climate and Energy Model Region Perg implements public relations and awareness-raising measures in the field of *ecological renovation*, as part of its broader municipal energy transition efforts. • The Ökoregion Kaindorf actively engages in public outreach – using social media channels such as Facebook, Instagram, and the Cities App – to promote sustainable mobility and energy projects. • Bottom-up initiatives for energy communities are being heavily promoted on social media.
Description of the measure	• **Shape public opinion through multi-channel campaigns**: Use classical and digital channels, including TV, radio, social media, billboard campaigns, and online platforms. • **Position renovation as a strategic lever**: Emphasize climate mitigation, energy efficiency, improved living comfort, and reduced dependency on fossil fuels. • **Highlight tangible benefits**: Lower energy costs, better indoor quality, contribution to climate protection, and societal benefits such as energy security and climate neutrality. • **Leverage emotional and practical examples**: Showcase success stories, before-and-after comparisons, and interviews with property owners to increase engagement and credibility. • **Provide a single point of access for support**: Centralize renovation offers, funding information, and advisory services

	via websites, hotlines, and local offices (OSS shops), answering the key question: *"Where can I get support?"* • **Embed renovation topics in media and public discourse**: Ensure coverage in news articles, discussion forums, and events (e.g., RENOWAVE Impact Days). • **Engage complementary advisory services**: Hotlines, online calculators, local consultation events to support informed decision-making. • **Utilize trusted intermediaries and networks**: Municipalities, housing associations, energy consultants, and banks act as multipliers to expand reach. • **Ensure transparency and accessibility**: Clearly communicate programme details, eligibility, and application processes. • **Maintain continuous digital engagement**: Social media, newsletters, and short videos to sustain visibility and awareness.
Affected sector(s)	**Private**
Target group of the measure	**Private Sector**: People and institutions with buildings in need of renovation (homeowners, property developers, companies, investors)
Stakeholders to implement the measure	**Public sector**: Actors who commission and implement campaigns and subsidies (ministries, KPC, *Länder*, energy agencies, municipalities, communications agencies).
Involved stakeholder groups	**Public Funding and Financing Institutions** (especially Ministries and banks) **Municipalities & Public bodies** (especially *Länder* and cities)

Added value of implementing the measure	Effective public outreach for building renovations generates additional benefits: • **Socially**, it raises awareness, reduces barriers, and strengthens participation by engaging citizens in climate action, while programmes targeting low-income households promote inclusivity. • **Economically**, it stimulates local markets by increasing demand for construction, energy consulting, and sustainable technologies, lowers household energy costs, and maximizes the use of available subsidies. • **Environmentally**, renovations reduce greenhouse gas emissions, conserve resources, and contribute to climate-resilient urban and regional development, supporting long-term climate targets and carbon neutrality.
Timeline for implementation	
Current level of awareness of decision makers, mainly based on political agenda[3]	
Monitoring of the implementation process	To track whether public outreach is expanding, both quantitative and qualitative indicators should be used. Quantitative measures include the number and frequency of campaigns (TV, radio, social media, billboards, newsletters), events and workshops, budget allocations, and participant numbers. Qualitative measures cover media visibility, placement of renovation topics in public discussions, and feedback from stakeholders such as municipalities, energy consultants, and regional initiatives. This needs to be coordinated by a central institution that tracks activities, document them and benchmark them against previous years or other regions to identify trends and evaluate progress. Such an institution needs to be selected, and budget needs to be provided to do so.

6.3 Overview of Measures Implementation

This subchapter presents a comprehensive chart that summarizes all recommended measures outlined in the action plan. The graphic visually maps the influence and interest of each stakeholder group, as defined in Subchapter 5.3, using a point system to indicate their respective roles and levels of engagement:

- **- -** (low interest, low influence),
- **+ -** (high interest, low influence),
- **- +** (low interest, high influence),
- **+ +** (high interest, high influence),

If the stakeholder-Group is not relevant for the objective the cell remains empty.

Additionally, the chart incorporates the projected implementation timeline and provides an assessment of decision-makers' awareness for each measure, as detailed in Subchapter 6.2. The colour coding - red, orange, and green - offers a quick overview of the current status, ranging from low to high awareness and action. This visual overview is designed to clarify the multifaceted responsibilities and highlight the need for coordinated efforts among all involved parties:

- **Red:** Low awareness, little or no action taken or scheduled.
- **Orange:** Moderate awareness, limited action taken or planned.
- **Green:** High awareness, several actions taken or under implementation.

Stakeholder Groups / Measures	Real Estate Industry	Investors and Capital Providers	Financing and Insurance Industry	Public Funding and Financing Institutions	Service Provider	Intermediaries and Innovative Actors	Municipalities & Public Bodies	Governmental Legislative and Advisory Institutions	Timeline of Implementation	Current level of Aware-ness of decision makers
L.1 Adapt Building-Codes to better facilitate Renovation Measures	+ -	+ -	+ -			+ -	+ -	+ +	2030	
L.2 Creating an enabling legal framework for renovations	+ -	+ -	+ -	+ -		+ -	+ -	+ +	2030	
L.3 Funding Programmes and Practical Support for Municipality buildings	- -			+ -			+ +	+ +	2027	
L.4 Use Subsidies more targeted and efficient	+ -	+ -	+ -	+ +	+ -	+ -	+ -	+ +	2027	
L.5 Establish nationwide One-Stop-Shops	- -	- -	- -	+ -	+ -	+ -	- -	- +	2027	
F.1 Establishment of a Housing Development Bank	- -	- +	- +	- +	+ -	+ -	- -	- +	2027	
F.2 Facilitate Contracting Models	- +	- -	- -	- +	+ -	+ -	+ +	+ -	2027	
F.3 Enhancing the attractiveness of financing frameworks	+ -	- +	- +	+ +	+ -		- -	+ +	2030	
F.4 Provide financing models for staged or industrialised renovations	+ -		- -	+ +		+ -	- -	+ +	2030	
A.1 Establish regional advisory services regarding financing and implementation of renovations	- -	- -	- +	- -	+ -	+ -	+ +	- +	2030	
A.2 Implementation of renovation roadmaps and passports	- +	- -	- -	- +	+ -	+ -	+ -	- +	2030	
A.3 Dissemination activities regarding renovations	- +	- +	+	+ +	+ -	+ -	- +	- +	2027	

Table 6: Monitoring Device Action Plan

7 CONCLUDING REMARKS AND RECOMMENDATIONS

Austria has established a solid foundation for energy-efficient building renovation through a wide range of subsidy schemes, regulatory instruments and advisory services. Nevertheless, the current renovation rates remain insufficient to meet national and European climate targets, particularly climate neutrality in the building sector by 2040. The core challenge is not a lack of technical solutions, but the limited mobilisation of private capital under stable, predictable and socially balanced framework conditions.

While public funding remains essential, it is structurally insufficient to finance the scale of renovations required. A decisive shift towards blended financing approaches, combining public incentives with private investment, is therefore indispensable. Mobilising private capital at scale requires coordinated action across financing frameworks, legal conditions, institutional support and market development instruments. Financing instruments must reflect renovation-specific characteristics such as long payback periods and staged implementation. Leveraging existing savings instruments, complemented by public guarantees and risk-sharing mechanisms, can significantly reduce perceived investment risks.

In parallel, legal and administrative barriers must be addressed. Simplified procedures, improved tenant–landlord arrangements and socially balanced cost-sharing mechanisms are essential to unlock renovation potential. Targeted institutional support - through advisory services, training and access to benchmark data - can further professionalise decision-making and reduce uncertainty.

Finally, awareness-raising, integrated advisory services and data transparency are key enabling factors. Nationwide One-Stop Shops should guide building owners throughout the renovation process, while improved data standardisation and monitoring systems are crucial to enhance bankability, reduce risk perceptions and support evidence-based policymaking.

An Implementation Roadmap for Austria's Energy-Efficient Renovation Goals

To translate these recommendations into practice, a structured and time-bound implementation roadmap is required. The roadmap provides a clear sequencing of priorities, measures and stakeholder responsibilities up to 2050, while allowing for flexibility in response to future developments.

Phase 1: Framework Development and Piloting (2026–2027)

The initial phase should focus on creating enabling conditions. Key priorities include targeted reforms in housing legislation, the further development of ESCO/EPC regulations, and the establishment and piloting of One-Stop Shops across Austria. During this phase, stakeholder coordination and capacity building is critical. Federal ministries responsible for climate action and finance, supervisory authorities, funding agencies and national platforms such as the European Energy Efficiency Financing Coalition (EEEFC) National Hub Austria should play a central coordinating role.

Phase 2: Scaling Private Investment (2026–2030)
Building on the established frameworks, the second phase should focus on scaling private investment. This includes the introduction of standardised green loan products, tax incentives and blended finance instruments, as well as the systematic rollout of ESCO/EPC models. The objective is to mobilise approximately €1 billion per year in private capital by 2030. Banks, financial intermediaries, AWS, municipalities and housing associations will be key actors in translating financial products into concrete renovation projects. Reforms and policy adaptions need to be continued as well as coordinating platforms such as the EEEFC National Hub.

Phase 3: Deep Renovation and Decarbonisation (2026–2040)
In this phase, the focus shifts to achieving a stable renovation rate of approx. 3 % annually and to the large-scale implementation of deep renovations. Priority measures include the phase-out of fossil heating systems, the expansion of public–private partnerships and aggregated renovation models, and the further professionalisation of the renovation market. Training, quality assurance and data transparency become increasingly important to sustain momentum and ensure long-term impacts.

Phase 4: Climate-Neutral Building Stock (2040–2050)
The final phase aims at consolidating a fully climate-neutral building stock. Scalable financing instruments such as green bonds and institutional investment vehicles will play a growing role. Continuous monitoring, innovation and cross-border knowledge exchange - supported by EU-level platforms - remain essential to maintain progress and adapt to evolving challenges.

Austria possesses the institutional capacity, technical expertise and financial infrastructure to become a frontrunner in sustainable building renovation. The decisive factor for success will be the consistent alignment of public policy, private capital and social objectives within a coherent, long-term strategy. The Action Plan developed within the RENOINVEST project provides a solid strategic foundation for this transformation.

Importantly, this Action Plan should not be understood as a static policy document. Instead, it must serve as a living framework that is continuously reviewed, adapted and further developed in response to political changes, market dynamics and multi-level regulatory changes. Systematic monitoring, stakeholder feedback and evidence-based evaluation should inform this adaptive process and ensure that policy instruments remain effective and relevant over time.

By building on the Action Plan, mobilising private investment at scale and maintaining an adaptive governance approach, Austria can significantly accelerate renovation activity, attract substantial private capital and ensure a socially just transition towards a climate-neutral building stock. The RENOINVEST project demonstrates that collaboration, transparency and long-term commitment are essential enablers of this transformation. The coming years will be decisive in translating strategic ambition into large-scale implementation and measurable impact.

8 GLOSSARY

Abbreviation	Long Version (English)	Long Version (Original Language)
ABGB	General Civil Code	Allgemeines Bürgerliches Gesetzbuch
AWS	Promotional bank of the Austrian federal government	Austria Wirtschaftsservice Gesellschaft
BIM	Building Information Modelling	
BMK	Ministry for Climate Action	Bundesministerium für Klimaschutz
BMLUK	Ministry for Agriculture, Forestry, Regions and Water Management	Bundesministerium für Landwirtschaft, Umwelt und Klima
CAPEX	Capital Expenditure	
CCIS	Chamber of Construction and Building Materials Industry of Slovenia	Gospodarska zbornica Slovenije
CE	Common Era	
EAG	Renewable Expansion Act	Erneuerbaren-Ausbau-Gesetz
EED	Energy Efficiency Directive	
EEG	Renewable Energy Community	Erneuerbare Energie Gemeinschaft
EEEFC	European Energy Efficiency Financing Coalition	
EEffG	Federal Energy Efficiency Act	Energieeffizienzgesetz
EIB	European Investment Bank	
EPBD	Energy Performance Building Directive	
ESCO	Energy Saving Company	
ESG	Environmental Social Governance	
EU	European Union	Europäische Union
EVB	Maintenance and Improvement Contribu-tion	Erhaltungs- und Verbesserungsbeitrag
FMA	Financial Market Authority	Finanzmarktaufsicht
FPÖ	Freedom Party	Freiheitliche Partei Österreich
GFA	Green Finance Alliance	
IIBW	Institute for Real Estate, Construction and Housing Ltd.	Institut für Immobilien, Bauen und Woh-nen GmbH
KDZ	Centre for Public Administration Research	Zentrum für Verwaltungsforschung
KIG	Municipal Investment Directive	Kommunalinvestitionsgesetz
KIP	Municipal Investment Programme	Kommunalinvestitionsprogramm

KPC	Kommunalkredit Public Consulting	
KSG	Climate Protection Law	Klimaschutzgesetz
LPHA	Limited-Profit Housing Association	
MRG	Tenancy Act	Mietrechtsgesetz
NBS	Nature-Based Solutions	
NEKP	National Energy and Climate Plan	Nationaler Energie und Klima Plan
NEOS	Liberal Party	Das Neue Österreich und Liberales Forum
NZEB	Net Zero Emission Building	
OeNB	Austrian National Bank	Österreichische Nationalbank
OIB	Austrian Institute of Construction & Engineering	Österreichisches Institut für Bautechnik
OPEX	Operating Expenditure	
OSS	One-Stop-Shop	
ÖVP	People's Party	Österreichische Volkspartei
PPP	Public-Private Partnership	
SEI	Sustainable Energy Investment Forums	
SIR	Salzburg Institute for Regional Planning and Housing	Salzburger Institut für Raumplanung und Wohnen
SME	Small and Medium-sized Enterprises	
SPÖ	Social Democratic Party	Sozialdemokratische Partei Österreich
TWG	Thematic Working Group	
WBIB	Private Housing Investment Bank	Wohnbau Investitionsbank
WEG	Condominium Act	Wohnungseigentumsgesetz
WGG	Limited-Profit-Housing-Act	Wohnungsgemeinnützigkeitsgesetz
ZAG	Slovenian National Building and Civil Engineering Institute	Zavod za gradbeništvo Slovenije

Table 7: Glossary

RENOINVEST

sustainable renovation of buildings