

The workshop "Removing Barriers to Residential Energy Efficiency in Central and Eastern Europe"

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Housing Strategy and Programs in Lithuania

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Implementation of housing policy is based on preparation of special programs since 1992

In 1992 the Government of the Republic of Lithuania had approved Housing Program until 2005

In 2004 in compliance with changes of state economical situation and experience of implementing the Housing Program, the Government had approved Lithuanian Housing Strategy until 2020


By implementing Lithuanian Housing Strategy the following have been approved:

- Program for Development of Social Housing Stock
 - Program for Modernisation of Multi - apartment Buildings
 - Public awareness Program
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**In 1992 the State Aid Housing Program was approved with
priorities and objectives:**

- To facilitate conditions enabling accessible housing for the citizens of Lithuania
 - To support residential energy efficiency implementation measures
 - To create a legal basis for the management and maintenance of multi - family houses
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By implementing those objectives the following have been promoted:

- Housing soft loans
 - Energy efficiency financial mechanism with the assistance of the World Bank
 - Legal framework for the administration of the use and maintenance of multi-family houses
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According to the implemented Program the following results have been achieved:

- An active credit market has been created and housing construction has increased
 - More than 700 multi-family houses have been renovated
 - Establishment of the associations of multi-family houses has become more active
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In 2004 the Lithuanian Housing Strategy was approved by the Government of the Republic of Lithuania

The Strategy implementation period is foreseen until 2020

The Strategy has been prepared with the assistance of the World Bank, the Japanese Government and the Nordic Council of Ministers



Goals of Lithuanian Housing Strategy

- To expand housing choice to all the social groups of the population
 - To ensure efficient use, maintenance, renovation and modernization of the existing housing, as well as efficient energy use
 - To strengthen the capacity of the housing sector parties to participate in the housing market
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Priorities of Lithuanian Housing Strategy

- To expand the social and non-profit rental housing sector. Rental housing will account for 18 % (currently 10 %), including the social housing 4-5% (currently 2,4 %)
 - To improve maintenance administration of multi-apartment buildings aiming at optimising their value
 - To encourage the renovation and modernisation of residential buildings to increase their energy efficiency. For the majority of multi-apartment houses until 2020 the fuel ratio per 1 unit of useful residential floor space will be reduced by at least 30 %
 - To provide State support to low-income households to maintain housing. To decrease homelessness and promote social cohesion in the society
 - To develop measures to improve training, education and to raise public awareness
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Program for Development of Social Housing Stock

The Program is based on Lithuanian Housing Strategy

It was started in 2004

The main goal is to increase the comparative part of the social housing stock by 4-5 % (to complement with 25-35 thousand of apartments) until 2020

The right to rent social housing is regulated by the Law on State Support to Acquire or Rent Housing, taking into account the household incomes and assets

11138 households, including 3990 young families, are in need to rent social housing in 2005

Program for Development of Social Housing Stock

Development of social housing stock is funded by the state budget (90 %) and by local governments' budgets (10 %)

The State budget allocations for social housing development:

in 2004 – 15 mln. LTL

in 2005 – 20 mln. LTL

in 2006 it is foreseen 30 mln. LTL (it is needed 120 – 140 mln. LTL)

Improvement and development of the social housing funding

Program for Modernisation of Multi-apartment Buildings

- The Program was approved in 2004
- It was started in 2005

Purposes of the Program

- To increase the efficiency of energy consumption in multi-apartment buildings
- To provide state support to low-income households for housing renovation and modernisation



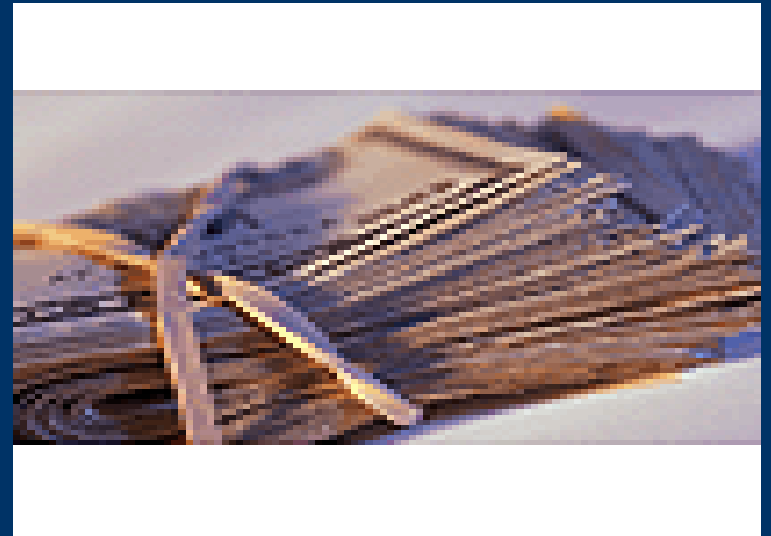
Tasks of the Program

- To provide informational and technical support to the Program participants
- To establish a crediting system for households for modernisation free of charge
- To provide state support to households, taking into account the ratio of the energy efficiency of investment projects
- To cooperate with local governments



Implementation of the Program

- „Mortgage Insurance Company“, founded by the Government of the Republic of Lithuania insures housing loans free of charge
- The majority of banks, registered in Lithuania, provide housing loans for renovation and modernisation of dwellings with reinsurance



Rules for State Support Provision

- Subsidize investment project preparation costs by at least 30 % (not more than 50 Litas per 1 m² of useful residential floor space), taking into account the energy efficiency ratio of the project

The state support to low-income households

- The subsidy for the insurance premium pay of a credit
 - Subsidize the initial contribution of a credit by at least 10 % to prepare the investment and technical project
 - Subsidize a part of a credit and interests
 - Public Institution „Housing Agency“ is responsible for the administration and monitoring of the Program. The Agency has 4 regional advisory centres in Lithuania
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Expected results

- About 70 % of multi-apartment buildings will have been renovated and modernised by 2020
- The costs in relation to heating and fuel ratio per 1 unit of useful residential floor space will be reduced by at least 30 %
- About 7 billion LTL (2 billion EUR) will be invested in social housing development
- State support to low-income households to cover costs of heating, cold and hot water will be reduced by at least 30 %



Thank you for your attention

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