

Austria

Background	1
Alternative measure - Operational domestic environmental support (UFI)	3
Alternative measure – Housing subsidy	11

Background

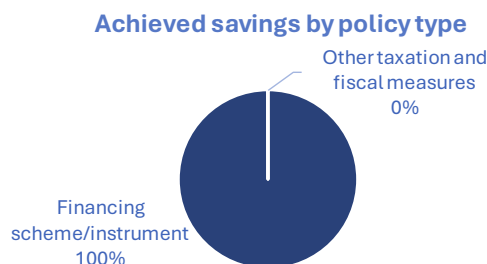
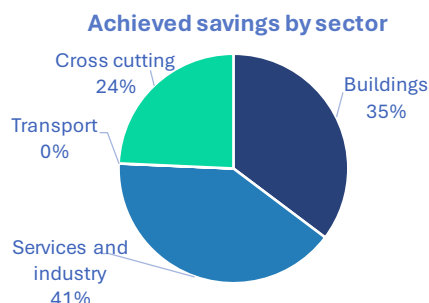
National context, strategy, key measures and results in 2021

- **General strategy:** Alternative measures only
- **Baseline annual Final Energy Consumption¹** (averaged over 2016-2018): 27,013 ktoe/year (source: [NECP](#))
- **Cumulative energy savings target for 2021-2030: 17,126 ktoe** (source: [draft NECP update](#))
- **Achieved new annual savings (all measures) = 117 ktoe/year in 2021** (source: NECPR 2023), **180 ktoe/year in 2022, 252 ktoe/year in 2023** (source: NECPR 2025)

% of new annual savings vs. baseline energy consumption = 0.42 % in 2021, 0.93% in 2023

Catching up After a slow start in 2021 (34% below expected savings), Austria reported higher savings in 2022 and 2023, getting closer to the target path.

- **Distribution of annual savings achieved in 2021**



Source: source: draft NECP update Austria, own calculations

The sector distribution shows a focus on buildings (households, commercial) and services and industry. As regards policy types, the savings achieved in 2021 come practically exclusively from subsidy schemes. The climate and energy fund falls in the category cross cutting as it targets both the households and commercial sector.

¹ For more details about trends in energy consumption and energy efficiency, see the country profiles by ODYSSEE-MURE: <https://www.odyssee-mure.eu/publications/efficiency-trends-policies-profiles>



- **Policy measures**

Name of the measure	Sector	Policy type	% savings in 2021
Domestic Environmental Support Scheme	Services and industry	Subsidies	40%
Austrian Climate and Energy Fund	Cross cutting	Subsidies	24%
Increase fuel efficiency in road transport	Transport	Other taxation measures	<1%
Thermal Improvement of Building Stock	Buildings	Subsidies	18%
Replacement of Fossil Fuels in Building Stock	Buildings	Subsidies	18%

Key points, changes vs. 2014-2020 and other recent developments

As compared to the period 2014-2020 Austria relies exclusively on alternative measures between 2021-2030. The EEOS that was in force between 2015 and 2020 was not prolonged.

Focus on energy poverty

- Energy poverty in the country: between 3.3 and 3.6 % of the households are affected by energy poverty when applying the indicator “Households with higher than average spending on energy on housing (> 140 % of the median, equivalised) and low household income (at risk of poverty) (source: [draft/final NECP update](#))
- **Energy poverty target (Article 8(3) EED)**: 3% of total the total Art.8 EED; 514 ktoe for 2021-2030 (source: [final NECP update](#); Austrian Energy Efficiency Act).
- **Art.8 policy measures targeting energy poverty**: Data not yet available

Alternative measure - Operational domestic environmental support (UFI)

History

Starting year: 1993

Latest revision: June 2023 Federal Energy Efficiency Law

Current implementing period: n.a.

Cumulative energy savings reported to Art.7 EED for 2014-2020: 10,309 ktoe

Expected contribution to 2021-2030 obligation for Art. 8 EED: not known but it is expected that the share of total savings will be higher than during the period 2014-2020.

Design and features

Type of policy measure: The Betriebliche Umweltförderung is an investment subsidy scheme that provides financial support for energy efficiency improvements, building renovations, and industrial process optimizations

Target sector / group:

- Businesses (commercial and industrial sectors)
- Associations
- Municipalities

Key actors and roles:

Austrian Federal Government: Provides funding and sets regulatory frameworks.

Kommunkredit Public Consulting (KPC): Manages applications and oversees funding distribution.

European Regional Development Fund (ERDF): Co-finance specific projects under Austria's Investment for Growth and Jobs (IWB) program.

Regional Governments: Offer additional support programs at the state level.

Criteria for eligibility of the participants and/or of the actions:

Companies must be legally registered in Austria.

Projects must lead to measurable energy savings or reductions in environmental impact.

Applicants must not receive double funding from other state or EU programs.

Eligible action types:

Energy efficiency improvements:

- Process optimization in industrial production
- Implementation of energy management systems

Building renovations:

- Thermal insulation upgrades
- Installation of efficient heating and cooling systems
- Waste heat recovery projects
- Renewable energy investments (e.g., biomass heating, solar energy integration)

Key component(s):

Funding Amount: Up to 30% of investment costs covered through subsidies.

Annual Budget: Approximately €150 million, with additional funding from NextGenerationEU and Austrian climate funds.

Additional Support: Advisory services for initial consultations and project implementation

Possible synergies with other policy measures:

Betriebliche Umweltförderung Österreichs has multiple synergies with other political instruments. These comprise:

Renovation Offensive (Sanierungsoffensive)

Supports thermal renovation of both residential and commercial buildings.

Includes subsidies for replacing fossil-fuel heating systems with climate-friendly alternatives.

Works in combination with Betriebliche Umweltförderung, ensuring no double counting of energy savings.

Energy Efficiency and Climate Protection in Industry (Transformation der Industrie)

Provides funding for the decarbonization of energy-intensive industries. Includes efficiency improvements and renewable energy integration in production processes.

Synergizes with Betriebliche Umweltförderung to co-finance industrial energy efficiency investments.

Expansion of District Heating and Renewable Energy

The program supports businesses switching to climate-friendly district heating.

Works alongside Wärme- und Kälteleitungsausbaugesetz (Heat and Cooling Network Expansion Act), ensuring alignment with national decarbonization goals.

EU Co-Financing via ERDF and ELER

European Regional Development Fund (ERDF) and European Agricultural Fund for Rural Development (ELER) support environmental investments.

Betriebliche Umweltförderung uses these funds as a co-financing instrument, especially for industrial and municipal climate projects.

Ökosoziale Steuerreform (Eco-Social Tax Reform)

Introduces a gradual CO₂ price increase, incentivizing energy efficiency investments in businesses. Betriebliche Umweltförderung supports businesses in adapting to these price increases by offering investment grants.

Relevance to tackling energy poverty or supporting priority groups

Priority groups defined in the measure: There is no relation to energy poverty.

Target groups = businesses (small, medium, and large enterprises from various industries).

Focus on companies investing in energy efficiency, process optimization, and renewable energy integration.

Evaluation, Monitoring & Verification

Materiality provisions:

Materiality is achieved through granting of subsidies.

Investing in renewable energy and energy efficiency: Companies are encouraged to adopt technologies that reduce energy consumption and emissions.

Reducing environmental impact: By supporting projects that reduce pollution and resource use, the policy aims to improve the overall quality of the environment.

Economic benefits: The subsidies help to stimulate economic activity by encouraging green investment, which can lead to job creation and innovation.

Additionality provisions:

Legal requirements: Actions funded by UFI must not be required by law or by any authority. This ensures that the actions funded go beyond what is required by law.

Positive environmental impact: Actions must have a demonstrable positive environmental impact, such as reducing emissions or saving energy.

Economic justification: Priority will be given to projects with a long payback period that require subsidies to be economically viable. This ensures that funding supports projects that might not otherwise be undertaken due to financial constraints.

Calculation methods:

The Austrian UFI typically utilizes a combination of the following methods for calculating savings:

1. Deemed Savings:

- This method is frequently used in the UFI program, especially for standardized, well-defined measures with established energy savings potentials.
- **How it works:** Predefined savings values or factors are applied based on the type of measure or technology implemented. These values are derived from studies, historical data, or established benchmarks. For example, if a company installs energy-efficient lighting or a new heating system, the energy savings might be estimated using predefined savings factors, like “x kWh saved per unit of equipment installed.”
- **When used:** Typically applied when data collection is limited, or the measure is standardized and does not require specific measurement of energy consumption before and after implementation.

2. Scaled Savings:

- Scaled savings are used when there is more detailed data available about the project but not enough to make a direct, metered calculation.
- **How it works:** Detailed data is collected from the project (such as the energy consumption before and after the installation of a new measure), and savings are calculated using standard formulas or algorithms. In some cases, an energy audit might provide estimations, and assumptions about energy use are based on general patterns.

- **When used:** This method is appropriate when the project is more complex, and there is some data available, but it is impractical or impossible to use precise metered data for every aspect of the project. For example, when evaluating energy-efficient renovations in a building where energy audits estimate savings based on model assumptions.

3. Metered Savings:

- This method provides the highest accuracy and is used when detailed and reliable metered data is available.
- **How it works:** The energy consumption of the facility or system is measured directly before and after the implementation of energy-saving measures. This can involve installing sub-meters or using existing meters to capture the actual energy use, allowing for a direct comparison of energy consumption pre- and post-implementation.
- **When used:** Metered savings are typically used for projects where accurate measurement of savings is critical, and where the cost and effort of monitoring and collecting data is justified. For example, for large industrial projects or complex systems where precise energy consumption data is necessary.

UFI-Specific Calculations

The UFI program typically uses these methods in combination depending on the nature of the project. For example:

For smaller, standardized measures (e.g., replacing old equipment with new, energy-efficient models), **deemed savings** are often applied, since detailed data collection might not be feasible or necessary for these types of interventions.

For larger, more complex projects (e.g., large-scale industrial retrofits or energy management systems), a **scaled savings** approach might be used, where energy audits or detailed monitoring data are processed with standard algorithms to estimate energy savings.

For projects that involve significant investment in energy efficiency, or where precise tracking is required, **metered savings** would likely be the method of choice.

In summary, the UFI uses a mix of **deemed savings**, **scaled savings**, and **metered savings** methods, depending on the data available, the complexity of the measure, and the level of accuracy needed. These methods help ensure that the energy savings associated with the funded projects are calculated reliably while reducing the burden of data collection in simpler projects.

Online platform to collect data: yes

Automatized checks: yes

Verifications and controls:

In the Austrian UFI (Umweltförderung im Inland) program, various controls and verifications are carried out to ensure the accuracy and integrity of the savings claims and compliance with the program's rules.

Random Checks:

A certain percentage (often around 5-10%) of the projects may be subject to random checks to verify the reported savings.

These checks typically involve reviewing documentation and data submitted by participants, such as energy audits, invoices, or project reports, to ensure the accuracy of savings claims. These checks are done by the program administrators or external auditors appointed by the authorities.

On-Site Verifications:

A percentage (typically around 1-5%) of projects are selected for on-site verification. This involves visiting the site where the energy-saving measures were implemented and checking the actual work completed, installation quality, and the operation of the energy-saving measures.

These verifications can include inspecting energy-saving technologies, checking equipment, and confirming the accuracy of metered data.

On-site verifications are usually conducted by independent inspectors or external consultants who are certified by the program authorities.

Administrative Controls:

Administrative checks are carried out by the bodies in charge of consumer protection, fiscal administration, or other relevant authorities.

These controls typically include ensuring that all required documentation is submitted, compliance with eligibility criteria, and that the funding is used for the intended purposes.

For example, the Austrian Ministry of Climate Action or the Austrian Tax Authority may conduct these checks.

Verification of Energy Savings:

In some cases, independent third parties or specialized energy auditors might be responsible for verifying the energy savings estimates, especially for larger or more complex projects.

These experts ensure that savings claims are based on sound data and calculations, following the prescribed methodologies.

Data on verification and controls:

Exclusion from the Program:

If a company is found to have committed fraud or misrepresentation, such as falsifying data or submitting incorrect information about energy savings, they may be excluded from participating in the UFI program. This could involve revocation of the company's eligibility to receive further funding or support from the program. For example, if discrepancies are found between reported savings and actual outcomes during random checks, audits, or on-site verifications, and if the company is found to have intentionally falsified reports or exaggerated savings, it could face exclusion.

Loss of Installer Qualification:

Installers or contractors who repeatedly provide bad quality work (e.g., poor installation of energy-efficient technologies or failure to meet required standards) may lose their qualification to work with the UFI program. The program may revoke their ability to certify projects for UFI funding, meaning they would not be allowed to participate as recognized installers for future projects. This is a significant consequence for installers, as it can limit their ability to secure future contracts related to UFI-funded energy-saving projects.

Sanctions for Non-Compliance:

In some cases, if companies do not comply with the program's verification or reporting requirements, they may face financial penalties or have to pay back any funds that were incorrectly claimed. Companies that fail to meet the technical or documentation standards may also be subjected to sanctions, such as suspension from the program for a specific period, or other corrective actions, depending on the severity of the issue.

Permanent Ban for Severe Offenses:

In cases of serious misconduct, such as large-scale fraud or consistent failure to meet quality standards, the company may face a permanent ban from participating in the UFI program or may be legally pursued for fraudulent activities.

Progress monitoring or reporting and evaluation:

Monitoring and Evaluation:

The managing authority (the **Austrian Ministry of Climate Action** or **KPC**) monitors and evaluates the results of the UFI program on an ongoing basis.

This is done through a combination of **data collection**, **random checks**, and **on-site verifications** to assess whether the energy savings and environmental outcomes reported by participants are accurate and align with the expected results.

Data Collection from Projects:

Data from projects funded by UFI (such as energy savings, emission reductions, and the number of projects implemented) are regularly collected and analyzed. This can include reviewing energy consumption data, savings estimates from energy audits, and ensuring the correct application of savings calculation methods (e.g., deemed savings, scaled savings, metered savings).

Periodic Reviews:

The managing authority conducts **periodic reviews** of the policy's impact, assessing the effectiveness of the funded projects in achieving energy efficiency goals. These reviews can also involve assessing the broader impacts of the policy on climate goals and national energy strategies.

Publication and Availability of Data:

Annual Reports:

The **Austrian Ministry of Climate Action** or other managing authorities typically publish **annual reports** that summarize the results of the UFI program. These reports provide an overview of the projects funded, the energy savings achieved, and the environmental impacts. The annual report may include data on the total amount of savings achieved, the number of participants, and the types of measures implemented.

Online Information:

The managing authority often provides **online access** to key data related to the UFI program, either through a dedicated program website or on government portals. This might include project statistics, savings data, and other relevant information about the policy measure.

In some cases, **interactive dashboards** or **databases** may be available to the public or stakeholders, offering real-time insights into the program's progress and outcomes.

Other Publications:

In addition to the annual report, there might be **mid-term evaluations** or **impact assessments** published at regular intervals to provide more detailed analysis of the program's long-term effects and any adjustments needed for improved performance.

Evaluation(s) of the scheme:

See above and the [EPATEE case study](#).

Key results

Economic Data

The annual reports contain both economic data and ecological data. Below is a brief summary of the report from 2023.

Renewable energy sources

Total number of projects: 2,600

Investment volume: € 536.91 million

Cash value of funding: € 122.69 million

Largest individual items:

Biomass local heating: € 109.88 million investment, € 19.21 million funding

Individual biomass plants: € 83.59 million investment, € 24.92 million subsidy

Heat distribution: € 88.51 million investment, € 12.31 million funding

Waste heat utilisation

Total number of projects: 20

Investment volume: € 33.25 million

Cash value of funding: € 8.76 million

Priority areas:

Waste heat transport pipeline and distribution network: € 27.45 million investment, € 7.23 million funding

Efficient energy utilisation

Total number of projects: 1,957

Investment volume: € 182.55 million

Cash value of funding: € 32.35 million

Top areas:

Conversion to LED systems: €48.28 million investment, €5.86 million funding

Thermal building refurbishment: €22.05 million investment, €10.37 million funding

Total number of approved projects: 4,590

Total investment volume: € 762.27 million

Total funding amount: € 166.34 million

Ecological Data

Renewable energy sources

Total CO₂ reduction: 344,660 t/a

Total CO₂ reduction over useful life: 6,804,043 tonnes

Renewable energy generated: 1,210,923 MWh/a

Energy savings: 146,713 MWh/a

Top measures:

Individual biomass systems: 88,588 t/a CO₂ reduction, 311,507 MWh/a renewable energy

Heat pumps: 16,429 t/a CO₂ reduction, 49,888 MWh/a energy saving

Connection to district heating: 51,893 t/a CO₂ reduction, 64,586 MWh/a energy saving

Waste heat utilisation

Total CO₂ reduction: 28,511 t/a

Total CO₂ reduction over useful life: 607,730 tonnes

Renewable energy generated: 85,092 MWh/a

Energy savings: 33,695 MWh/a

Top measure:

Waste heat transport pipeline and distribution grid: 16,131 t/a CO₂ reduction, 44,785 MWh/a renewable energy

Efficient energy utilisation

Total CO₂ reduction: 61,594 t/a

Total CO₂ reduction over useful life: 693,584 t

Renewable energy generated: 4,834 MWh/a

Energy savings: 221,971 MWh/a

Top measures:

Operational energy-saving measures: 30,921 t/a CO₂ reduction, 102,645 MWh/a energy saving

Conversion to LED systems: 14,498 t/a CO₂ reduction, 63,808 MWh/a energy saving

Air conditioning and cooling: 11,473 t/a CO₂ reduction, 41,164 MWh/a energy saving

Total CO₂ reduction: 434,765 t/a

CO₂ reduction over the useful life: 8,105,357 tonnes

Total renewable energy production: 1,300,849 MWh/a

Total energy savings: 402,529 MWh/a

Sources

https://www.bmk.gv.at/themen/klima_umwelt/klimaschutz/ufi/publikationen/evaluierung-bundesfoerderung_2020-2022.html

<https://www.umweltfoerderung.at/publikationen>

https://www.umweltfoerderung.at/fileadmin/user_upload/public_consulting/Umweltinvestitionen_des_Bundes_Klima_und_Umweltschutzmassnahmen_2023.pdf

https://www.bmk.gv.at/themen/klima_umwelt/klimaschutz/nat_klimapolitik/energie_klimaplan.html

Alternative measure – Housing subsidy

History

Starting year: Housing Subsidies Act 1954 (BGBl. No. 245/1954)

Latest revision: As part of the amendment to the Financial Equalisation Act 2024

Current implementing period:

Housing subsidies in Austria are subject to regular adjustments due to various legal changes at federal and state level. One significant step was the amendment to the Financial Equalisation Act 2024, which was passed by the Federal Council in April 2024. This amendment introduced special-purpose grants from the federal government to the provinces to promote the creation of affordable housing. As part of this housing campaign, the federal government made a total of €1 billion available to the provinces for the years 2024 to 2026.

Cumulative energy savings reported to Art.7 EED for 2014-2020: 1440 ktoe, 14%

Expected contribution to 2021-2030 obligation for Art. 8 EED: not known but it is expected that the share of total savings will be higher than on the period 2014-2020.

Design and features

Type of policy measure:	Target sector / group:
Financing scheme	various groups of people who receive financial support for the construction, purchase or renovation of housing: Private households and families, Tenants and home seekers, Property developers and housing cooperatives, Senior citizens and people with special needs.

Key actors and roles:

Federal government (Austrian federal government)

- Defines the legal framework (e.g. via the Financial Equalisation Act).
- Provides financial resources for the federal states (previously earmarked, now flexible).
- Sets energy policy and social targets for housing construction (e.g. climate protection, affordable housing).

Federal states

- Mainly responsible for the allocation of housing subsidies.
- Design their own subsidy guidelines and programmes, as housing subsidies have been a matter of federal provinces since 1988.
- Manage and approve subsidy applications for new construction, refurbishment and rental subsidies.

Housing subsidy offices of the federal states

- Practical implementation of subsidies (processing of applications, disbursement of subsidies).
- Advice for applicants on funding opportunities. Checking compliance with subsidy criteria.

Property developers and housing cooperatives

- Build subsidised housing (e.g. social rental housing, cooperative housing).

- Use subsidies for favourable financing and energy-efficient construction.
- Contribute to the provision of affordable housing.

Banks and financial institutions

- Co-operate with the funding agencies by granting low-interest loans.
- Supplement subsidies with housing loans for private builders and home buyers.

Tenants and owners

- The main beneficiaries of housing subsidies, as they receive financial support for housing construction, renovation or rental costs.
- Apply for subsidies from the relevant provincial authorities.

Building and environmental organisations

- Provide advice on energy-efficient and sustainable building.
- Promote the switch to climate-friendly building standards.
- Advocate for social and ecological housing projects.

These organisations work together to make the housing market in Austria socially fair and economically sustainable.

Criteria for eligibility of the participants and/or of the actions:

The criteria for housing subsidies in Austria vary depending on the federal state and the type of subsidy (new build, refurbishment, rental subsidy). Nevertheless, there are some general selection criteria that apply almost everywhere:

Personal requirements

- Main residence in Austria or proof of permanent residence.
- Income limits: The annual household income must not exceed certain maximum limits (depending on the federal state).
- Citizenship or equivalent status (e.g. EU citizens, certain third-country nationals with long-term residence).
- Social criteria: Families with children, single parents or low-income households are often favoured.

Property-related requirements

- Construction or renovation of an eligible building (e.g. detached house, flat, apartment block).
- Energy efficiency: New buildings must fulfil certain climate-friendly standards (e.g. low-energy house, passive house).
- Flat size: Minimum and maximum sizes are specified (e.g. houses that are too large may be excluded from the subsidy).
- Ownership structure: Applicants must often be owners or tenants with a long-term tenancy agreement.

Financial and legal aspects

- Proof of financing of the housing project (e.g. own funds, bank loans).
- No outstanding debts or arrears from previous funding.

- Compliance with the legal building regulations and subsidy conditions of the respective federal state.

Special funding conditions depending on the programme

- Refurbishment subsidy: Must demonstrate a significant improvement in energy consumption or quality of living (e.g. façade insulation, heating system conversion).
- Rent subsidy: Dependent on income level, flat size and rent per square metre.
- Barrier-free building: Funding for conversions to make homes suitable for the elderly or for people with disabilities.

Each federal state in Austria has implemented its own special measures and priorities in housing promotion. Here are some examples:

Vienna - Focus on social housing

- Generous funding for council flats: Vienna has one of the largest municipal housing programmes in Europe.
- 'SMART flats': Subsidised flats with compact, affordable floor plans and high energy efficiency.
- Rent subsidies for low-income households.

Lower Austria - focus on property and renovation

- Particularly high subsidies for detached houses: Strong support for house builders, especially in rural areas.
- Refurbishment funding with bonus for renewable energies: Those who opt for photovoltaics or heat pumps receive higher subsidies.
- Young housing: Special support for young people under the age of 35 when buying a home.

Upper Austria - Innovative subsidies for climate protection

- 'Upper Austrian Housing Bonus' for energy-efficient new buildings.
- Funding for redensification: Support for the conversion or extension of existing buildings for better utilisation of living space.
- Promotion of multi-generational living: Grants for communal living models.

Styria - Promotion of climate-friendly refurbishment

- Bonus for refurbishments with ecological building materials (e.g. wood, hemp, clay).
- Special funding for thermal refurbishment: high subsidies for façade insulation and window replacement.
- Combination with federal subsidies possible for maximum financial support.

Salzburg - focussing on affordable housing

- 'Starter flats' for young people and families with favourable rents.
- Interest-free loans for home purchase or construction.
- Promotion of hire-purchase models to make it easier for tenants to buy later.

Tyrol & Vorarlberg - Sustainable and ecological building

- Tyrol: 'Renovation Bonus Plus' for climate-friendly renovation measures.
- Vorarlberg: Promotion of passive houses and timber construction as a climate-friendly alternative to solid construction.

Carinthia

- Promotion of sustainable building and renovation
- Special subsidies for rural areas
- ‘Carinthian Housing Prize’ for innovative projects
- Subsidies for young people buying a home

Possible synergies with other policy measures:

Climate protection and energy efficiency

Subsidies for energy-efficient construction (e.g. passive houses, low-energy houses) and refurbishments (e.g. thermal insulation, renewable energy systems such as solar thermal or heat pumps) are in line with the Austrian government's climate protection policy and energy efficiency strategy.

Synergy: The Climate Protection Act and the Energy Strategy 2030 promote CO₂ reduction and energy self-sufficiency, which is supported by the promotion of energy-efficient construction and refurbishment.

Promotion of innovation and the economy

Housing subsidies support innovative construction and renovation technologies, in particular through energy efficiency standards and sustainable construction methods (e.g. timber construction, passive house).

Synergy: These measures complement the government's economic objectives, such as the promotion of green jobs and research and development in the field of construction technology and the construction industry. They contribute to strengthening the Austrian construction industry and creating sustainable jobs.

Social policy and combating poverty

Housing subsidisation plays a central role in combating housing poverty and ensuring affordable housing for low-income households.

Synergy: The promotion of social housing and co-operative housing supports the social policy objective of alleviating housing shortages and promoting social equality. It is closely linked to poverty reduction and social welfare, as rent and property subsidies are paid to low-income households.

Demographic change

Promoting barrier-free housing (e.g. for older people or people with disabilities) supports demographic change, as the population in Austria is getting older.

Synergy: Promoting barrier-free conversions and senior-friendly housing promotes the inclusion of older people and people with disabilities, which is in line with the objectives of ageing policy.

Regional policy and rural development

Promotion of housing projects in rural areas and the renovation of existing buildings help to prevent urban sprawl and make rural areas an attractive place to live.

Synergy: These measures promote the decentralisation of the population and support rural development. They are in line with regional policy and contribute to strengthening rural areas, which results in the mitigation of urbanisation and the promotion of a balanced population distribution.

Integration and migration

Funding for integrative housing projects supports the integration of migrants and refugees by providing affordable housing and promoting social integration.

Synergy: This funding helps to implement the government's integration policy by strengthening social ties within multicultural communities.

Housing subsidies are therefore an integral part of various political measures that interact in the areas of climate protection, social policy, the economy and demographics. It not only promotes affordable housing, but also contributes to overarching political objectives.

Relevance to tackling energy poverty or supporting priority groups

Priority groups defined in the measure:

Housing subsidies are specifically designed to support the needs of different social groups by promoting access to affordable, barrier-free and sustainable housing. Low-income households, families, senior citizens, young people, people with disabilities and migrants in particular benefit from the subsidisation measures.

Low-income households, Families and single parents, Senior citizens and people with special needs, Young people and young couples, Migrants and refugees, Housing cooperatives and non-profit organisations

Housing subsidies in Austria are organised by various bodies at federal and state level:

Federal Government (Austrian Federal Government)

- Sets the legal framework for housing subsidies.
- Defines minimum standards for energy efficiency and ecological criteria.
- Partially finances subsidies that are passed on to the federal states.

Federal states

- Mainly responsible for the implementation of housing subsidies.
- Manage the subsidies and set their own subsidy guidelines.
- Organise regional priorities (e.g. more social housing in Vienna, more single-family house funding in Lower Austria).
- Each federal state has its own housing subsidy office, which processes applications and allocates funds.

Municipalities

- Support implementation by providing building land and infrastructure.
- Approve construction projects that receive housing subsidies.
- Can set up municipal housing programmes (e.g. discounted building plots).

Non-profit housing developers

- Build and manage subsidised housing (e.g. cooperative housing).
- Work closely with the federal provinces to realise social housing.

Private property developers and banks

- Receive subsidies for housing projects if they fulfil the guidelines.

- Co-operate with the provinces and municipalities to create affordable housing.
- Banks grant low-interest loans that are supported by the housing subsidy programme.

Provisions specific to the priority groups:

Income-related subsidies

The housing subsidy is income-dependent, i.e. households with lower incomes receive higher subsidies or low-interest loans.

Income limits vary depending on the federal state and household type (e.g. single, family with children).

Support for socially disadvantaged groups

Rent subsidies for low-income households. Special subsidies for single parents, families with children, senior citizens and people with disabilities. Housing subsidies help to reduce monthly rental costs.

Promotion of barrier-free living

Grants for barrier-free conversions in flats and houses.

Support for older people and people with disabilities to enable self-determined living.

Sustainability & social justice

Focus on energy-efficient construction to keep operating costs low in the long term (e.g. passive houses, thermal refurbishments). Housing subsidies support rural regions in order to create affordable housing and prevent emigration.

Young people & family support

Special programmes for young families and young people under the age of 35 (e.g. subsidised loans). Support for first-time buyers or house builders to make property affordable for young households.

Evaluation, Monitoring & Verification

Materiality provisions:

Materiality is achieved through granting of subsidies.

Creation of affordable housing

Promotion of energy-efficient and sustainable construction

Support for special social groups

Strengthening rural regions

Boosting the construction industry & creating jobs

Housing subsidies should not only provide financial relief, but also actively lead to more housing, energy efficiency, social justice and economic development. It provides targeted incentives for sustainable and socially just construction projects throughout Austria.

Additionality provisions:

Certain standards must be met in order to qualify for housing subsidies in Austria. These mainly relate to energy efficiency, sustainability and social criteria. The exact requirements vary depending on the federal state:

Energy efficiency standards

- Minimum requirements for the heating requirement (HWB): Buildings must comply with a certain energy index (kWh/m²a).
- Use of renewable energies: Subsidies are often linked to environmentally friendly heating systems (e.g. heat pumps, solar energy, district heating, biomass heating).
- Insulation and window quality: High-quality thermal refurbishment is subsidised.
- Example: In Vienna and Styria, there are higher subsidies for passive houses or buildings with particularly low energy consumption.

Ecological & sustainable construction

- Use of environmentally friendly building materials (e.g. timber construction, recycled materials).
- Land-saving construction methods: Subsidies are higher if buildings are constructed on existing infrastructure.
- Greening and rainwater utilisation are partially supported with bonus subsidies.

Social and income limits

- Most subsidies are income-dependent - those who earn more receive less or no subsidy.
- Supplements for families, single parents and people with disabilities.
- Subsidies often only for main residences (no second homes or holiday homes).

Minimum standards for living quality & utilisation

- Accessibility: New buildings often have to be barrier-free or at least low barrier.
- Minimum size and room layout: Eligible flats must have a certain living space (e.g. at least 50 m² for owner-occupied flats).
- Long-term use: Subsidies are often tied to a minimum period of occupancy (e.g. at least 10 years).

Technical & financial standards

- Building permit and construction quality: Subsidised projects must comply with technical building regulations.
- Equity share: Depending on the subsidy, a certain equity share may be required.
- Loan and subsidy conditions: Low-interest loans are often available, but with clear repayment rules.

Calculation methods:

Deemed savings (standardised savings values)

Application:

Thermal refurbishments (e.g. façade insulation, window replacement).

Installation of efficient heating systems (e.g. heat pumps, biomass heating).

Energy-efficient new buildings with certain building standards.

Advantage: Low administrative costs, clear guidelines.

Disadvantage: No individual measurement, can overestimate or underestimate actual savings.

Example: If façade insulation is subsidised, an average energy saving per square metre is assumed instead of precisely measuring each individual refurbishment.

Scaled savings (extrapolated savings)

Application:

Refurbishment of large buildings (e.g. social housing, residential buildings).

Innovative heating systems with complex controls.

Solar systems and heat pumps where efficiency depends on utilisation parameters.

Advantage: Better adapted to individual projects than Deemed Savings.

Disadvantage: Requires detailed calculations, more prone to errors.

Example: When subsidising an energy-efficient new building, the building data is used to calculate the savings that the combination of insulation, heating and renewable energies will bring.

Metered Savings

Application:

Pilot projects with new technologies (e.g. smart home systems).

Energy consumption in refurbished residential complexes before and after the measure.

Measurement of savings in district heating connections.

Advantage: Most accurate method, enables proof of real savings.

Disadvantage: Very complex, high costs for measurement infrastructure.

Example: A subsidised passive house project could be checked over several years with real consumption data in order to determine the actual savings.

Online platform to collect data: no

Automatized checks: yes

Verifications and controls:

Housing subsidies in Austria are monitored using various mechanisms to ensure that the subsidies are used appropriately and that the subsidised buildings meet the specified standards.

Document review (prior check)

What is checked?

- Proof of income (for income-related subsidies).
- Building permits & planning documents (proof of eligible construction method).
- Technical evidence (e.g. energy certificate, construction cost estimate).

How does the assessment work?

- Applicants submit the required documents to the responsible housing subsidy office in the federal state.
- The authorities check whether the requirements have been met.
- If documents are missing or incorrect, improvements are requested.

Construction inspection (during the construction phase)

Purpose: To ensure that the construction is actually realised in accordance with the eligibility criteria.

How is it checked?

- Random construction site visits by technical inspectors.
- Check whether subsidised measures (e.g. insulation, heating systems) are actually being installed.
- If deviations are found, the subsidy can be reduced or cancelled.

Energy efficiency audit (after completion)

Purpose: To ensure that the building achieves the energy saving targets.

How is it checked?

- Energy performance certificate obligation: The building must present an energy performance certificate with the calculated consumption values.
- For some subsidies (e.g. passive houses), the actual energy consumption is checked in pilot projects using metered savings.
- Example: A new building that has received a higher subsidy for a passive house standard must prove that the heating requirement does not actually exceed the limit values.

Follow-up inspection & earmarking (long-term review)

Purpose: To ensure that the subsidised property is used as intended.

Verification by:

- Register of residents check: checks whether the building is being used as a main residence (no second home or letting as a holiday home).
- Minimum period of occupancy: Many subsidies require that the flat is occupied by the owner for at least 10 years.
- Reclaims are possible if the earmarking is violated.

Evaluation of the overall impact

Purpose: Long-term review of the effectiveness of housing subsidies.

Methods:

- Statistical analyses of construction activity, rental prices, energy consumption.
- Reports from the federal states to the federal government on the use of subsidies.
- Independent studies on the impact on affordable housing and climate protection.

Data on verification and controls:

Nationwide evaluation

Responsible bodies:

- Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) → Prepares reports on the climate policy impact of the subsidies.
- WIFO (Austrian Institute of Economic Research) → Analyses the economic effects (e.g. construction industry, rental price development).

Usually every 2 to 5 years, depending on the study or political decision.

Evaluation at federal state level

Authorities responsible: Each federal state carries out its own evaluations, as housing subsidisation is a federal state matter.

The state funding agencies analyse:

- How many flats were built/renovated with subsidies?
- Which social groups have benefited?
- What energy savings were achieved?

Annual reports and budget audits in the federal states.

Progress monitoring or reporting:

See above

Evaluation(s) of the scheme:

See above

Key results

Most popular actions

1. new building
2. energy systems in new buildings
3. comprehensive energy refurbishment
4. individual building component refurbishment
5. energy systems with comprehensive energy refurbishment
6. energy systems without comprehensive energy refurbishment
7. solar thermal systems
8. photovoltaics (recording from 2014)

Energy savings achieved

The reference heating requirement for a reference climate (HWBRef,RK) in new buildings reached an average value of 29.6 kWh/(m²-a) in 2023 for the federal states (weighted by subsidised gross floor area, not geometrically corrected). This represents a slight decrease compared to the value from the previous year 2022 (HWBRef,RK) of 30.0 kWh/(m²-a).

The energy savings for 2021 and 2022 are 2.06 and 3.11 PJ which amounts to a share of total Article 8 savings in Austria of roughly 40%.

Sources

<https://www.bmk.gv.at/themen/energie/publikationen/treibhausgasreduktion-wohnbau.html>
https://www.bmk.gv.at/themen/klima_umwelt/klimaschutz/nat_klimapolitik/energie_klimaplan.html
https://commission.europa.eu/document/download/368783a6-2986-46e3-8a93-38beefc3872f_en?filename=AT%20%E2%80%93%20FINAL%20UPDATED%20NECP%202021-2030%20%28English%29.pdf
<https://www.wien.gv.at/wohnen/wohnbauforderung/>
<https://www.noel.gv.at/noel/Bauen-Neubau/WBF-Eigenheim-10-19.html>
<https://www.burgenland.at/themen/bauen/-/wohnen-neu/>
<https://www.wohnbau.steiermark.at/cms/beitrag/12835871/163702741/>
<https://www.land-oberoesterreich.gv.at/12819.htm>
https://www.salzburg.gv.at/bauenwohnen_/Seiten/wohnbauforderung.aspx
<https://www.tirol.gv.at/bauen-wohnen/wohnbauforderung/>
<https://www.ktn.gv.at/Verwaltung/Amt-der-Kaerntner-Landesregierung/Abteilung-11/Wohnbau>
<https://vorarlberg.at/-/foederungsrichtlinien-der-abteilung-wohnbauforderung>