

FINANCING AS A TOOL TO MEET THE CHALLENGE OF DECARBONISATION OF BUILDINGS

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Decarbonisation of the European housing stock by 2050 requires a renovation rate of 3% per year, which must be combined with an average energy efficiency improvement of 75%. However, current retrofit rates in Europe remain low, with the residential renovation rate stagnating at around 1% per year. There is therefore a strong need to increase retrofitting across the region.

The report "[Finance as an enabler to address the building decarbonisation challenge](#)", produced by [Bankers Without Boundaries](#) in collaboration with the [Laudes Foundation](#), details the multiple challenges that lie in the way of scaling up the decarbonisation of buildings and identifies that social and financial barriers play the most critical role. To address financing challenges, the report proposes innovative financing solutions, such as blended finance mechanisms, to channel private institutional capital into building renovation, also resulting in additional incentives to engage communities and stakeholders.



