







KfW LOANS AND GRANTS FOR ENERGY-EFFICIENT REFURBISHMENT AND NEW CONSTRUCTION

GERMANY

Objective 	Energy savings and greenhouse gas reductions Encouraging investments and creating or safeguarding jobs	Target group 	Private households
Building type 	Residential buildings	Duration 	Since 2005 (refurbishment) and 2006 (construction)
Partners 	KfW Bank (German development bank) German government	Volume 	






The KfW programmes “Energy-efficient Refurbishment” (Energieeffizient Sanieren) and “Energy-efficient Construction” (Energieeffizient Bauen), funded by federal grants, are the most significant providers of financial incentives for more energy efficiency in the German housing sector.

The programmes incentivise individual measures as well as complete packages seeking to achieve a “KfW Efficiency House” standard. To reach this standard, the building must not exceed predefined values for its primary energy demand and thermal insulation. By setting energy efficiency standards that are higher than what is legally required, these programmes contribute to raising the ambition and promoting innovation through new technologies and approaches.

Energy-efficient construction (loans): Loans of EUR 120,000 per housing unit are available from commercial banks for newly constructed buildings that exceed the energy efficiency standards (Energy Conservation Ordinance/ Energieeinsparverordnung EnEV). A repayment bonus between EUR 18,000 and EUR 30,000 is awarded, according to the energy consumption achieved. The highest bonus is awarded to buildings that consume less than 40% of the energy consumption of the reference building of the standard, and include solar power generation and a ventilation system with heat recovery. In 2017, 300,000 dwellings were supported, which corresponds to about [39% of new construction](#) in Germany.



Energy-efficient refurbishment (grants or loans): grants or a loans are available for complete refurbishments or single measures. Projects qualify, if after refurbishment they meet at least the energy consumption standard of a comparable new house as set out in the EnEV. In order to meet the high energy standard of a KfW Efficiency House, extensive investments such as the renewal of heating systems, thermal insulation and replacement of windows, are usually required. Projects can apply for receive grant financing from KfW, or loans with a repayment bonus from a local bank.

In addition, there are several additional programmes for refurbishment and construction, targeting [municipalities](#), as well as [small and medium-sized companies \(SMEs\)](#). A new tax incentive for energetic refurbishments started 2020 in Germany.

Leverage of private funds 	Investment volume of EUR 73.300 million for refurbishments, and EUR 248 million for construction. Macroeconomic benefits: 1 Euro invested in planning is estimated to trigger 10 to 20 Euro of investment volume in construction.		
Jobs 	Construction: 2.870.000 person-years ¹ Refurbishment: 962,000 person-years ²	CO₂ emissions reductions 	Construction: 1.250.000 tons CO ₂ / year Refurbishment: 7.534.000 tons CO ₂ / year
Energy savings 	Construction: 3.760 GWh/ year Refurbishment: 20.360 GWh/ year	Health and socio-economic benefits 	Construction: 1.152.000 homes Refurbishment: 2.870.000 homes

¹ All impacts for **construction** are presented as accumulated values over the period 2005-2017, based on <https://www.kfw.de/PDF/Download-Center/Konzernthemen/Research/PDF-Dokumente-alle-Evaluationen/Monitoring-der-KfW-Programme-EBS-2017.pdf>

² All impacts for **refurbishment** are presented as accumulated values over the period 2005-2017, based on <https://www.kfw.de/PDF/Download-Center/Konzernthemen/Research/PDF-Dokumente-alle-Evaluationen/Monitoring-der-KfW-Programme-EBS-2017.pdf>

Certification system 	KfW-Effizienzhaus-Standard, exceeding the baseline case defined in the German Energy Conservation Ordinance/ Energieeinsparverordnung.		
Contact person in programme or country	Contacts see website	Example submitted by	German Energy Agency (dena)
Website 	https://www.kfw.de/inlandsfoerderung/Privatpersonen/Neubau/index-2.html		