

(English version)

**Question for written answer E-001228/25
to the Commission
Maria Ohisalo (Verts/ALE)
(24 March 2025)**

Subject: Social Climate Fund (SCF) and limited liability housing companies in Finland

A limited liability housing company ⁽¹⁾ is a home ownership model in Finland. It is the most common way to own an apartment in Finland and does not exist elsewhere in the EU. More than one third of homes owned in Finland are apartments in these housing companies.

The Emissions Trading System (ETS2) will cover and address the CO₂ emissions from fuel combustion in buildings. In the spirit of the just transition, it is important that the most vulnerable households, including the homeowners in housing companies, receive support for changing from fossil fuel-based heating systems to more climate-friendly alternatives.

The ETS2 specifies that Member States should determine the use of revenues from the auctioning of allowances to decarbonise the heating of buildings and to provide financial support for low-income households in the worst-performing buildings. The economic support is distributed via the SCF.

As renovations are carried out by the limited liability housing company — not an individual — a question arises as to whether these companies qualify to receive economic support from the ETS2. This is a question of equal treatment of homeowners in Finland.

Will the Commission ensure that Finnish limited liability housing companies are able to receive support from the SCF, thereby ensuring the equal treatment of homeowners, and what measures does it intend to take to do so?

Submitted: 24.3.2025

**Answer given by Mr Hoekstra on behalf of the European Commission
(21 May 2025)**

The rules of the Social Climate Fund (SCF) and those concerning the use of the remaining Member State revenues under the new Emissions Trading System for buildings, road transport and additional sectors (ETS2) are different. SCF rules are more targeted and developed through the SCF Regulation ⁽²⁾, the recently adopted Guidances on the Social Climate Plans ⁽³⁾ and on the do no significant harm (DNSH) principle ⁽⁴⁾.

Article 9 of the SCF Regulation allows support through intermediaries, if the entire benefit is passed on to the vulnerable and relevant safeguards are in place. Thus, the investments and measures carried out by the Finnish limited liability housing companies could be financed if they are included the Finnish Social Climate Plan and if a measure can be designed in such a way that the entire benefit is passed on to vulnerable households (homeowners, or renters), e.g. in the form of an improved building standard and reduced heating bills.

Under the ETS Directive ⁽⁵⁾, Member States must use the revenues for the purposes listed in Articles 10(3) and 30d(6), which include measures to improve energy efficiency and deep renovations. The decarbonisation of heating and cooling of buildings, the reduction of the energy needs of buildings and social aspects are mentioned especially when it comes to ETS2.

⁽¹⁾ https://stat.fi/meta/kas/asunto_osakeyht_en.html.

⁽²⁾ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2023.130.01.0001.01.ENG.

⁽³⁾ https://climate.ec.europa.eu/document/download/9fbce2e3-5052-4d61-874a-54af0c7dbf55_en?filename=c_2025_881_part_1_en.pdf.

⁽⁴⁾ https://climate.ec.europa.eu/document/download/2f3269ea-fb02-4481-a1d5-3453ba3172ea_en?filename=c_2025_880_part_1_en.pdf.

⁽⁵⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02003L0087-20240301>.