

# Sector development trend study



COMPASS Project

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## 1. Executive summary

This document is developed under the Erasmus+ project “COMPetences for Agencies for Sustainable Site conversion – COMPASS”. It has been realized by the project partners, namely: [A Sud - Ecologia e Cooperazione ONLUS](#) (Italy), The Bulgarian Development Agency (Bulgaria), [Ce.S.F.Or. Centro Studi Formazione Orientamento](#) (Italy), [Civitas Foundation for Civil Society - Cluj Branch](#) (Romania), [Society for Sustainable Development Design - Door](#) (Croatia), [Europanorat Beratung, Training, Management, Consulting GmbH](#) (Germany).

The Compass project wants to contribute to building fair, socially and environmentally sustainable societies through the development of a new professional curricula and a training course in the field of ecological conversion of public spaces. The project, based in 5 European countries includes activities of context analysis, dialogue with stakeholders, professional training and collaborative project ideas' development with local authorities to enhance participative and ecological conversion processes throughout Europe.

Trend analysis is a powerful tool for exploring patterns as well as predicting of how specific sector will possibly develop over time<sup>1</sup>. As we combine and compare data from different countries this study will also focus on needs in the sector and where and how the COMPASS project can contribute at local, national and European level. The study was conducted in five countries of the European Union. It aims at identifying core drivers of change in different countries and pinpoint trends of development in the field of sustainable site conversion. The document shows development trends in the following countries:

- Romania
- Croatia

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<sup>1</sup> OECD, [Knowledge bank](#)



- Germany
- Italy
- Bulgaria



From the collected studies, the following major trends are identified: (1) Energy and especially energy efficiency; (2) Infrastructure; (3) Rural development; (4) Funding for sustainable site conversion; (5) education in the relevant fields.



## 2. Introduction

Each partner in the COMPASS project collected data, analysed policies, official planning documents and historical data in every country studied. We tried to collect data from variety of stakeholders as well as from official plans, policies, programs and other analysis documents where existing.

The most important trends identified are here explained and listed. It shows clearly that the level of implementation of sustainable site conversion is diverse in each country. Only in the case of Germany we present data for the city of Berlin rather than for the whole country. In some of the countries, we can note the development of policies, norms and some form of funding, while in others such practices are either missing, undeveloped or at initial stage.

The collected data presents diverse challenges of the sustainable site conversion trend. However it also identifies similarities between the different countries. Existing European directives aim to channel sustainable site conversion into one direction while keeping in mind the particularities and differences between the different countries.

Local context is also a very strong driver for the development of sustainable conversion experiences. All cases of sustainable conversion reported have the common aim to improve the living conditions and wellbeing of the local population and to foster economic, social and environmental sustainability.



### 3. Sector development trend Romania

To get a better picture of the future development of the country in 2008 there was a new document written by the Government and the Sustainable Development and Environment Ministry in collaboration with the UN program for Development and National Center of Sustainable Development, called the “National Strategy Sustainable Development of Romania new horizons 2013-2020-2030”. Another important document that can tell us about further trends and development strategies of the country is the Territorial Development Strategy of Romania –Polycentric Romania 2035; Territorial cohesion and competitiveness, development and equal opportunities for people, written in 2014.

#### 3.1 Challenges, issues and concerns faced by the conversion sector

Territorial Development Strategy of Romania features a detailed SWOT analysis of urban areas. The challenges, issues and concerns that have an impact on the conversion sector and the sustainable development are:

- the economic and social polarization trend generated the capital city - Bucharest;
- vulnerability of a high number of small towns that are mono-functional after the 1989 economic restructuring;
- the drop and aging of the urban population;
- formation of landlocked areas within the city, favoring social segregation;
- many areas affected by extreme poverty;
- the phenomenon of urban sprawl affecting large cities;
- lack of green protection belts around cities;
- lack of green spaces;
- many of the new urban development (individual homes) are not connected to utility networks;
- closure of 60 hospitals in 2011 (mostly in small towns);
- many urban areas do not meet the indicators established by Law no. 351/2001, amended and supplemented in terms of specific minimum equipment;
- lack of connection and adaptation of new construction areas to major transport systems;
- lack functional conversion of large industrial and ex-military areas;



- decrease in the number of nurseries and kindergartens;
- degradation of the built in historic areas;
- lack of unified national land register;
- many cities have expired or old fashioned urbanism documentations;
- insufficient administrative capacity by poor management structures;
- inappropriate institutional cooperation and poor quality of service provided to the citizens;
- high concentrations of CO<sub>2</sub>;
- lack of programs and funding for small towns under 10,000 inhabitants;
- lack of coordinated settlements (cooperation rural-urban areas and between urban-urban areas), this will inevitably lead to an unsustainable and chaotic development;
- Lack of specific interventions in various areas of the city (conversion, green spaces, etc.)
- low capacity for strategic planning of local governments;

### 3.2 Trends in the development in the conversion sector

The first document mentioned above outlines some concrete objectives within a reasonable amount of time in which the country could achieve added value towards continuous improvement of environment friendly living standards. For this there were 3 specific target dates in which certain criteria's have to be met, but this also meant that certain trends and changes have to be followed in the future development of the country. Horizon 2013 proposed the natural incorporation of the EU principles and practices in all programs and policies that govern the development of Romania. This strategy would help to increase the overall GDP of the country, which at the end of 2013 should have been above the European average level. This has to develop further, so by 2020 it has to approach 80% of the EU average and even more by 2030.

This long term strategy outlines a few key sectors that will help adopt and implement sustainable development principles, such as:

- natural capital support;
- modernization of educational, professional development, public health institutions having in mind unfavorable demographic evolutions and the labor market;



- use of the best available technologies, economically and environmentally, in the investment decisions of public funds at national, regional and local levels and stimulate such decisions by private capital;
- entrenchment of eco-efficiency in all production and service activities;
- anticipating the effects of climate change, to prepare solutions for adaptation in the long term, as well as contingency plans for inter-sectoral measures comprising portfolios of alternative solutions for crisis of natural or anthropogenic situations;
- ensuring food security and safety by making Romania's competitive advantages in the development of agricultural production, including organic production;
- balancing the quantitative and qualitative growth of agricultural production to ensure food for humans and animals with the higher demand for biofuel production without compromising the need to maintain and improve soil fertility, biodiversity and environmental protection;
- the need to identify additional sources of funding in terms of sustainability, the development of projects and large programs, especially in infrastructure, energy, environmental protection, food safety, education, health and social services;
- the protection and enhancement of natural and national heritage;
- Connection to European norms and standards on quality of life should be accompanied by revitalization in a modern, some traditional ways of life, especially in mountainous areas and wetlands.

The above mentioned objectives are achieved by the proposed timeframe by having several documents proposing specific changes. One such document was the National Development Plan 2007-2013 (see chapter 2), that integrates a few changes regarding infrastructure. Among other perspectives, it states that the inter- and intraregional disparities should be reduced first and foremost by improving the performance of local administration, public infrastructure, natural and cultural heritage protection, integrated rural development, urban regeneration areas affected by industrial restructuring and strengthening the business environment.





## 4. Sector development trend Croatia

Accession process and Croatian membership in the EU since July 1<sup>st</sup> 2013 induced stronger application of EU funds in order to implement common EU policies in the sectors of sustainable development and climate. These horizontal policies enabled a series of public and private investments in the building sector resulting in increase of energy efficiency in the buildings. Adoption of EU targets concerning renewable energy tackled the incentives schemes for renewable energy installations, primarily wind and solar power plants. In this sector still big private investments have advantage and better chance compared to smaller private or community owned projects. Other horizontal EU policies toward the stronger civil society enabled more public participation in public policies processes, but again strong connection between private investors and authorities often leads toward corruption and misuse of public resources – space, water, forests, sea, air, etc.

Promotion of brownfield investment instead of greenfield is also more present, and it is a positive leap toward concerning sustainability. In general public awareness on sustainability issues is higher which is explained by adoption of EU trends.

### 4.1 Challenges, issues and concerns faced by the conversion sector

Main challenge for the sustainable conversion sector is that no “top-down” definition or agenda, and therefore no policy is introduced. So far energy efficiency standards are being implemented when conversion or renovation takes place, but nothing further in terms of social aspect is introduced.

Concerning public participation in conversion or renovation projects providing information via institutional website is the most basic and in general non-interactive way of communicating with citizens. Organization of public events and organization of seminars is also one method being implemented sporadically.

Lack of criteria and respectively sets of indicators is also an obstacle for sustainable approach in this sector. Several EU projects mentioned below have activities for the development of criteria and indicators.

National renovation strategy would certainly help to explain what sustainable conversion and renovation are, and what criteria and indicators should be accounted for when preparing projects.

### 4.2 Trends in the development in the conversion sector



Most of the positive development trends are linked to current state energy retrofit programmes in public, residential and commercial buildings sector (see 3.1).

There are some changes in spatial and urban planning approaches such as broader usage of GIS as a tool for visibility and public participation. In building sector harmonization with EU energy efficiency standards started energy retrofit programmes that are showing good results primarily in public sector – renovation of schools, hospitals, public offices, kindergartens, and other public institutions. Conversion of state owned building primarily the usage is also more present, such as renovation of military objects for university purposes (dormitories, restaurants, teaching rooms, etc.). These projects do not have all components of sustainability, usually fulfilling financial condition – with public funds, and social condition of being acceptable and enabling new employment. There are no clear indicators for overall environmental and social sustainability so it is not possible to assess it.

Beside “top-down” initiatives mentioned above, “bottom-up” project or initiatives important to be mentioned are listed and described below:

#### **GREEN Building Council, Zagreb, Croatia**

Croatian Green Building Council (CGBC) is an NGO established by various institutions (Faculties, US Embassy, Association of architects, Economy chambers) and companies in the construction field. They are responsible for certification and education of verified persons for GB PRO programme based on LEED and BREEAM programmes.

LEED, or Leadership in Energy & Environmental Design, is a green building certification program that recognizes best-in-class building strategies and practices. To receive LEED certification, building projects satisfy prerequisites and earn points to achieve different levels of certification. Prerequisites and credits differ for each rating system, and teams choose the best fit for their project. LEED is flexible enough to apply to all project types. Each rating system groups requirements that address the unique needs of building and project types on their path towards LEED certification. Once a project team chooses a rating system, they’ll use the appropriate credits to guide design and operational decisions. There are five rating systems that address multiple project types:

1. BUILDING DESIGN AND CONSTRUCTION
2. INTERIOR DESIGN AND CONSTRUCTION
3. BUILDING OPERATIONS AND MAINTENANCE
4. NEIGHBORHOOD DEVELOPMENT
5. HOMES

For example, categories covered in BUILDING AND CONSTRUCTION rating systems are:

- **Location and transportation** (green vehicles, bicycle facilities, access to quality transit, reduced parking footprint, etc.)



- **Sustainable sites** (site assessment, protect or restore habitat, open space, rainwater management, heat island reduction, light pollution reduction, site master plan, joint use of facilities, direct exterior access, etc.)
- **Water efficiency** (outdoor water use reduction, indoor water use reduction, building level water metering, etc.)
- **Energy and atmosphere** (minimum energy performance, advanced energy metering, demand response, renewable energy production, enhanced refrigerant management, green power and carbon offsets, etc.)
- **Materials and resources** (storage and collection of recyclables, construction and demolition waste management planning, building life-cycle impact reduction, source reduction – Mercury, Lead, Copper, Cadmium, Furniture)
- **Indoor environmental quality** (Minimum indoor air quality performance, environmental tobacco smoke control, acoustic performance, enhanced indoor air quality strategies, low emitting materials, indoor air quality assessment, thermal comfort, interior lighting, daylight, quality views, etc.)
- **Innovation**
- **Regional Priority**

### **Project Campus Living Lab – Faculty of Architecture, Zagreb, Croatia**

The aim of the project is to research and develop an innovative model for a green building (based on student housing) on the campus that could be certified as A+ by applying new materials and technologies, the climate sensitive design approach and testing the possible alternatives with the future users in alignment with the Living laboratory principles. The research is an extension of the present green campus multidisciplinary research and development. It belongs in the architecture domain, but it also includes interdisciplinary participation from other professions. The project refers to the university campus Borongaj in Zagreb as an explicit framework of their research. The plan is to build it as a green campus with the highest level of energy efficiency. In its full form, that campus should be a place for studying, working, learning and living for about 20,000 academic citizens. For that reason, it was necessary to design a complex system and implement cutting-edge green technology and energy efficiency principles: bioclimatic principles of renewable energy sources, advanced technology, smart systems, and user adaptation of the new environment and technology within the methodology of the living laboratory concept. In the proposed three year project the team would research new materials, building elements and construction methods to define those appropriate for implementation. Using Building Information Management software and sustainable design principles the team will develop alternative building proposals that will be analysed based on detailed energy, cost/benefit and quality of life simulations. The input from the construction industry is also planned. The third phase of the project is a testing phase in which, through student surveys and direct input from a selected group of students, the team expects to refine the proposals. In the end the research result needs to be evaluated within the high expectations of the green campus concept.



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**Project POCACITO – international consortium of partners (UNDP Croatia)**

The project Post-Carbon Cities of Tomorrow – foresight for sustainable pathways towards liveable, affordable and prospering cities in a world context (POCACITO) is a research project funded by the European Union's Seventh Framework Programme for Research, Technological Development. The objective of the project is to facilitate the transition of EU cities to a forecasted sustainable or “post-carbon” economic model, eventually leading to an evidence-based EU 2050 post-carbon city roadmap. At the core of the project is a series of participatory stakeholder workshops in the case study cities of Barcelona, Copenhagen/Malmö, Istanbul, Lisbon, Litoměřice, Milan/Turin, Rostock and Zagreb. The purpose of these workshops is to bring together local stakeholders to construct a common post-carbon vision for 2050 and roadmap, or action plan, to reach the vision. The workshops will highlight the current successes and challenges facing the city and support a discussion of city-specific innovative measures based on lessons learned from local experience and best practices.

**The City Acupuncture, Zagreb Society of Architects**

The City Acupuncture is a 2-year project designed in collaboration of 5 associations from 4 different countries of Southeast Europe with the aim to improve the quality of urban life by international cultural exchange.

**Zagreb za Mene (Zagreb for Me), Zagreb Society of Architects, Faculty of Architecture, City of Zagreb office for spatial planning, construction, communal affairs and transport**

Zagreb for Me is a urban revitalization project of public spaces in City of Zagreb through implementation of 17 actions and interventions in public spaces throughout the whole city area. For each of the locations the architecture-urbanistic based competition will be organized. Project is initiated by Zagreb Society of Architects in cooperation with Faculty of Architecture, University of Zagreb. In the process of revitalization beside the active role of the experts, participation of citizens, civil organizations, and other initiatives is highly expected aiming to contribute with the ideas to the project.

**REtrofitting PUBLIC spaces in Intelligent MEDiterranean Cities – REPUBLIC MED, Energy Institute Hrvoje Požar, Zagreb, Croatia**

Public buildings are considered as a key component towards the development of future smart cities for the following reasons:

- The public sector must play a leading-by-example role in formulating energy efficient cities.
- The efficiency of public services depends on workers' productivity which is directly affected by indoor comfort and air quality conditions. Measures to ensure the latter elevate productivity and improve services, within the context of a functional smart city.



- Most public buildings are old therefore they are not harmonized with recent directives and legislations.
- They possess a high energy-saving potential which can be achieved through technical solutions.
- They represent reference components in establishing sustainable bridges to future Smart Cities.

In addition, microclimatic and environmental conditions in public open spaces (squares and courtyards) affect pedestrians' comfort and hygiene, as well as indoor living conditions and energy consumption. However, current national design tools disregard external microclimate in assessing and suggesting measures to improve indoor conditions and energy performance, while national energy policies do not institute mandatory measures for open spaces.

The REPUBLIC-MED project deals with retrofitting of public spaces by utilizing innovative methods for performing complete techno-economic studies. The concept of the approach is to identify inefficiencies of current national design tools and actively respond for the elimination of these drawbacks. The main steps of the project are summarized as follows:

- In a first step, the current capabilities and drawbacks of technical studies will be assessed in combination with national policies implemented for retrofitting.
- Secondly, innovative design methods (e.g. field models for predicting airflow pattern and for formulating bioclimatic maps) will be identified, that overcome the drawbacks recognized above. These methods will include microclimate, energy consumption indices, decision making strategies and smart financing schemes for choosing the best retrofitting solution in techno-economical terms. In this step, the methods will be organized so that a complete retrofitting methodology is produced.
- In a third step, the methodology will be applied through pilot studies in various typologies of public spaces. An action plan agreed at transnational level will define the criteria for selecting the spaces.
- The results of the aforementioned experimentation will be analysed and discussed in various capitalization workshops in order to reach a final set of conclusions. Training seminars will be organized in a national level for capacity building of technical personnel of public authorities and SMEs.
- Local/regional action plans for incorporating the methodology in local/regional policies.
- Finally, a strategic plan will be formulated aiming to the incorporation of the new methodology as a successful story into EU future policies.



## 5. Sector development trend Germany

In place of many other trends in Germany we will show the strategy for “Berlin 2030”:

### Design the change

Berlin is growing. The economy is well-positioned; the population is on the rise. We must use this growth for a systematic, high-quality development of Berlin that is oriented towards the future. To do so requires a perspective that can inform urban development. The goal is to make Berlin more economically stable, more attractive to businesses, more socially balanced, and to further enhance its international reputation.

Based on the guidelines of government policy and under the aegis of the Senate Department for Urban Development and the Environment, the Berlin Strategy | Urban Development Concept Berlin 2030 focuses on the city’s future and paints a picture of the Berlin of today and the Berlin of tomorrow.

### 5.1 Challenges, issues and concerns faced by the conversion sector

#### Composition and Structure (for “Berlin 2030”)

The Urban Development Concept Berlin 2030 includes a status report (Berlin Today) and the strategies for Berlin 2030 (Berlin Tomorrow). The status report details the current situation of selected issues relating to urban development. Building on this, the strategies for Berlin 2030 focus on the city’s development goals, promising initiatives and specific areas for exemplary implementation.

#### Berlin Today: Status Report (from 2013) (for “Berlin 2030”)

As the basis for the Urban Development Concept Berlin 2030, the status report consists of a knowledge-based, data-rich analysis of Berlin’s current urban development. The status report thematically concentrates on the most important developments in Berlin. In a summary overview, the report takes a cross-sectional look at the central strengths and weaknesses, as well as the opportunities and risks, concerning a sustainable and future-oriented development of Berlin. The status report creates the foundation for the debate on development needs as well as on the strategies for the city’s future.

These two reports should be sufficient enough to figure out the challenges, issues and concerns Berlin will face for the near future, the year 2030.

### 5.2 Trends in the development in the conversion sector



Berlin tomorrow (for “Berlin 2030“)



The Berlin strategy provides city-wide development perspectives focusing on specific selected urban locations in concrete, spatial terms. For these transformation areas, the Urban Development Concept Berlin 2030 describes the targeted direction of development. Target situations are defined while practical approaches to achieving them are also indicated. Transformation areas can be regions that are undergoing many changes that need intervention from the public sector, that are suitable for location profiling, or that play a special role in the fabric of the city. Thus, the transformation areas offer urban development planning the advantages of steering important development impulses in the right direction and setting priorities. This also allows public and private stakeholders to design and engage in coordinated group actions.



## 6. Sector development trend Italy

### 6.1 Challenges, issues and concerns faced by the conversion sector

There are several challenges faced by the conversion sector in our country, so far we mentioned the gaps related to the current legislation and the answers provided by the local institutions and the civil society by referring to examples of conversion of abandoned industrial areas that promoted a structural and productive regeneration through ethics and social development of local communities. We continued analyzing some of the financing instruments at national and regional level that support and promote initiatives to ecological conversion.

But there are still two outstanding issues representing crucial challenges for the conversion sector. The first one is undoubtedly the transition to an energy model independent from fossil fuels. With the view of achieving the ecological conversion of the whole economic system a key role is played by renewable energy. The individual engagement has to be supported by a systematic penetration of the alternative sources in the productive and social fabric of the country.

The answer to the energy challenge can come from civil society; when the latter is able to play an active role and to contribute to the common good and where communities are strong and the people is an active part of the process, the presence of a state in management issues becomes lighter and the market less influential in decision-making. The energy sector is the one that best describes the importance of the decentralization of powers from the state to the society conceived as groups of citizens connected to its own context, its own territory and culture.

Another key challenge that the sector of the ecological conversion is facing is the one related to finance and changing of the dominant economic model.

We cannot leave the ecological conversion of the economy or entrust the jobs creation to the "invisible hand" of the financial market –oriented only by to the maximization of profits and unable to operate in the public interest. We should instead ask for more stringent rules and controls, and rethink the tasks and objectives of the market. The finance has to retake its authentic meaning: a tool and not a goal; we should question us on which environmental, social, economic model we want to achieve, and only later understand which are the most effective financial solutions to accompany and support it.

In response to these challenges "Banca Etica" was created in Italy, a bank with substantial differences compared to the 'traditional' banks. It has been created with the initial idea of providing funding only for the third sector and non-profit, but lately it expanded its activities also to a specific and well-defined profit categories that have social interest, such as the organic food or energy efficiency and renewables, and loans to physical people. Banca Etica is also the only bank which, in addition to the normal economic investigation, also makes a preliminary environmental research to ensure that those who ask for a loan





complies with the principles contained in its Charter with regards to democratic participation, equal opportunities, environmental standards and workers' rights.

The assessment of the economic and non-economic impacts is a different way of understanding the banking business that considers not only the positive results in terms of financial achievement but also the environmental and social impacts. Today the suffering rate of the Italian banks is around the 10% (ex. On 100 Euros loaned 10 do not return to the bank or have still huge repayment difficulties). For the Banca Etica, which lends to individuals often excluded from the mainstream banking, the suffering rate is five times lower than the average. A demonstration that a better knowledge of the non-economic aspects and the trust relationship established with the applicant allows to work in a more sustainable way, not only from a social and environmental point of view, but also in economic terms.

## 6.2 Conversion sector development trends

There are several initiatives at the national level that respond to the need of ecological conversion, in this section we will cite some examples that give an overview of the evolution of conversion sector in our country.

The Energy Community represents a response to the energy. Cited in the European Directive on Energy Efficiency (2012/27 / EU) Community Energy Strategy; the Energy Communities are those communities that have the objective of solving the energy problem, in terms of generation, energy efficiency and saving, management (balance of supply and demand) and trading.

The promotion of these new energy models has led the operators of the energy sector in our country to agree that we are facing a period of global change and the need of restructuring the energy market, diversifying the supply using renewable energies is a key aspect for the sustainability of the system. An important step that goes in this direction and offers great hope happened on Jan. 26, 2014 when, following the proposal of the Coordination FREE (Renewable Energy and Energy Efficiency), the Ministry of Economic Development, the Energy Authority, Enel, Terna, Confindustria and other stakeholders of the establishment shared the text "Towards a new organization of the energy market" that contains a series of proposals on how to start a process of conversion of the energy model.

The possibility to produce energy has many positive impacts for a community, it does not only mean reaching high levels of energy security in the supply but also achieving significant results in terms of environmental protection, renegotiate the prices, and transform the way in which we use energy, for example by exploiting periods of surplus or enhancing the energy from renewable sources developing jobs related to it. The energy management would become easier and optimized in line with the objectives of the community, with additional benefits in terms of efficiency and effectiveness.

Referring to the problems relating to finance and access to credit in addition to lending activities, there are alternatives forms of finance: for example the development of peer-to-peer business where the lender and applicant meet directly; usually on a virtual platform, in which any web user can provide a certain amount of money that is then invested in projects submitted through the platform.



Another tool that is in rapid evolution is the equity crowdfunding. Here the focus is not the loan but venture capital invested by those who intend to participate as a partner in a given project.

In conclusion, different tools can meet different needs, but it is crucial to evaluate operational methods and aims. Microcredit can help people or entire communities to come out of poverty but can turn into a kind of legalized usury; ethical funds can guarantee an investment that is consistent with their principles or be a pure marketing operation; venture capital and equity crowdfunding provide essential funds to encourage the take-off of many innovative activities.

The key issue is therefore having a direct knowledge of the financial tool that we choose, to be able to invest the resources in a consistent way, consistent with our personal principles and to evaluate their effects. For this reason the watchword is transparency and a relationship that is closest as possible between all parties involved in financial relationships.



## 7. Sector development trend Bulgaria

The information presented is going to be extracted by the Bulgarian survey on conversion sector development trends, under the COMPASS project.

### 7.1 Challenges, issues and concerns faced by the conversion sector

The biggest challenge for the conversion sector in Bulgaria is related to its integration as a part of the public agenda. At the moment it exists mainly as a part of other sectors, such as ecology, urban planning and regional development. This prevents the sector of having concrete policy for its development. The lack of concrete policies in this sector leads to the misunderstanding of the term in general. It has yet to enter as an existing part of the public life and to be understood as an important topic.

But the fact that such sector has not been integrated yet does not mean that the problems, on which it is focusing are not existing. At this moment in Bulgaria there are more than 70 000 panel and large-panel formwork block of flats with urgent need for remediation. Their remediation will save up to 55% of the expenses for electric power supply .

On the other hand the developed conversion sector would be essential addition not only for the urban development. In terms of industrial parts, there are still large territories, which at this moment have no practical use. The challenge is the lack of data regarding this type of industrial sights and factories. Another issue is their form of property. As it was mentioned before, the converting of sights can be possible in case the property is public. If the sight is owned by private owner, there is no legislative way his property to be converted without his legal permission. In case the owners are more than 1, all of them must agree to participate in these actions.

In terms of energy efficiency, there is another challenge for the conversion sector.

The main challenges, as the way they are articulated concern the human recourse sector and the ways of financing. The main concern grows from the fact that the majority of programs have in some manner relation to the actions of the European Commission. It is rarely the case when the programs for conversion are funded by the republic or the municipality budget. This grows into low support on a national and local level, as well as private initiatives.

### 7.2 Trends in the development in the conversion sector



The trends which are becoming noticeable are mainly in the field of energy efficiency and urban development. In these cases there is a growing interest in the conversion sector as it helps the development of the standard of living and the requirements of environmental awareness.

On the other hand, 56.3% of the responses in the survey have noticed that specific trends exist in the field of infrastructure. By infrastructure in this case, the respondents refer to specific actions, which are strengthening the logistics within the municipalities.

Popular explanation for why such trends exist is that the type of funding which is available often is related to specific actions. Therefore some of the responses state, that the trends exist due to the operational programs, which are available at this moment.

Apart from the European type of funding, another popular trend is related with the condition of the block of flats in Bulgaria. In the majority of cases this building need remediation. These actions are highly important as their increase the quality of the buildings as well as decreasing the level of energy waste in terms of heating.

For improving the urban sight in general, there are many active programs for re-innovation of the underpasses thanks to different types of art. As it is the case of the relies of a “music underpass” in Sofia in 2015. The initiative is of a group of young people, students of architecture, urbanism and directing, united under the name "underpass". With two thousand BGN provided by the Fund for Innovation in Culture ", they cleaned the walls of subway graffiti, turncoat stairs are like piano keys, fitted with decorative giant speakers and audio tapes.

Turned walls stave with notes and records, made music orgafon combination of organ and xylophone made of water pipes, which can play for. In the subway now has a stage for concerts and also a place to play folk dances within the initiative "Taratantsi."

The main purpose for this trend, in terms of including art in the re-innovation of blocks of flats, underpasses, even electric boards, is related to the general conversion of the often unpleasant urban sight into a place for creativity and inspiration.



## 8. Conclusions

This study was conducted in five countries in European Union, namely Bulgaria, Croatia, Germany, Italy and Romania gathering information from national, regional and local authorities, non-governmental organizations, private companies and educational institutions active in the sector of sustainable site conversion. As a total 175 responses were received. We could therefore conclude that the received feedback covers the whole spectrum of relevant stakeholders, including citizens, private companies, educational institutions and authorities.

Among the most growing identified trends in the sustainable conversion sector we can mention: public infrastructure and rural development (e.g. Romania and Bulgaria), Energy and old buildings conversion (e.g. Italy, Bulgaria and Croatia). From the experiences reported, the city of Berlin appears having a most advanced planning and financial sustainability programs and policies.

In each country there is need for funding and is acknowledged that both private and public funding opportunities are needed. The studies also find that education in the appropriate field of sustainable conversion is key issue in order to successfully continue towards the targets of the national and European policies.



**Find out more about the Compass project at**  
**[www.projectcompass.jimdo.com](http://www.projectcompass.jimdo.com)**