

Financing energy renovation of buildings with Cohesion Policy funding

Sustainable energy investments in social housing in France

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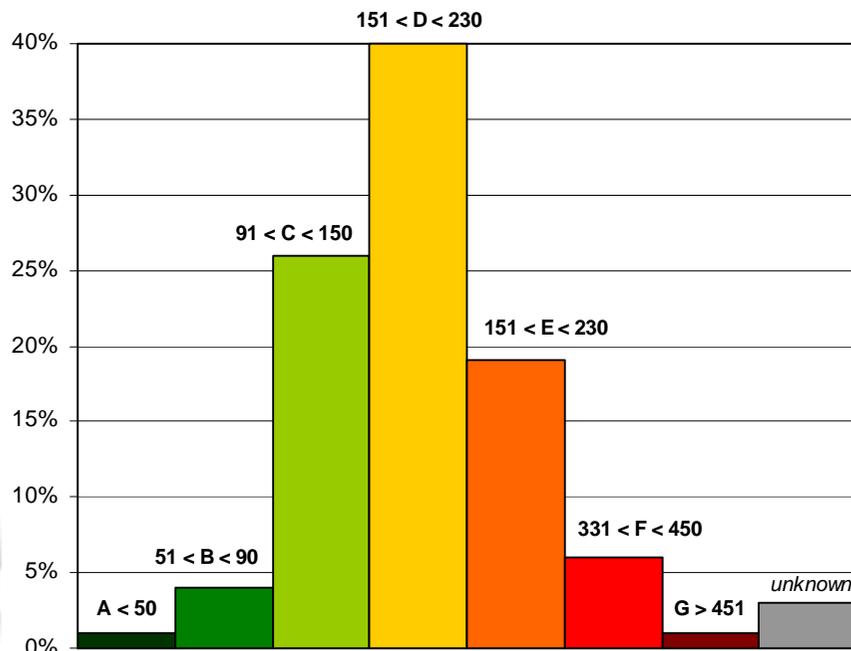
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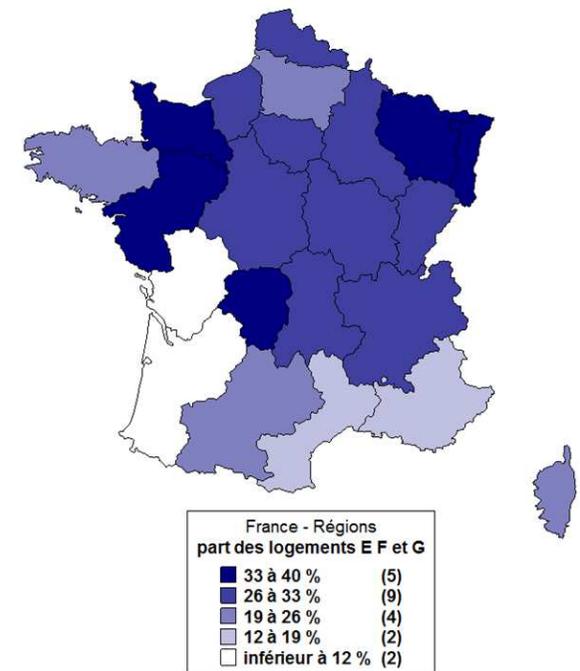
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Key issues of energy renovation in social housing in France

- Social housing represents 4,5M dwellings (34M dwellings in France)
- The issue of energy renovation in social housing :
 - Distribution of energy performance certificates of social dwellings in France (in kWhep/m²/year) (*chart*)
 - ⇒ **More than a million of social dwellings have an energy consumption > 230 kWhep/m²/year**
 - with important inequalities between regions, regarding the distribution of dwellings with an energy consumption of more than 230 kWhep/m²/year (*map*)



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Key issues of energy renovation in social housing in France

- Process initiated in France by the *Grenelle de l'Environnement* environmental consultation and legislation in 2009, regarding the improvement of the existing building stock
- ⇒ A specific financial instrument (*éco-prêt logement social*) has been set up to speed up energy renovation in social housing :
 - Targets dwelling with an EPC from D to F, to reach at least 150 kWhep/m²/year
- Strong government commitment to achieve the national and international targets for reducing energy consumption and GHG emissions :
 - National commitment to reduce the energy consumption of buildings by 38% by 2020
 - European commitment to reduce energy consumption and GHG emissions by 20%
 - International commitment (Kyoto protocol)
- The Housing Energy Renovation Plan launched in 2013 sets the ambitious target of renovating 500 000 dwellings per year, **including 120 000 dwellings** by 2017 to address environmental, economic and social issues (fuel poverty)
- The Act related to Energy Transition for Green Growth, currently discussed in France, reinforces these goals

Mobilisation of European funds for energy renovation in social housing 2007-2013 period

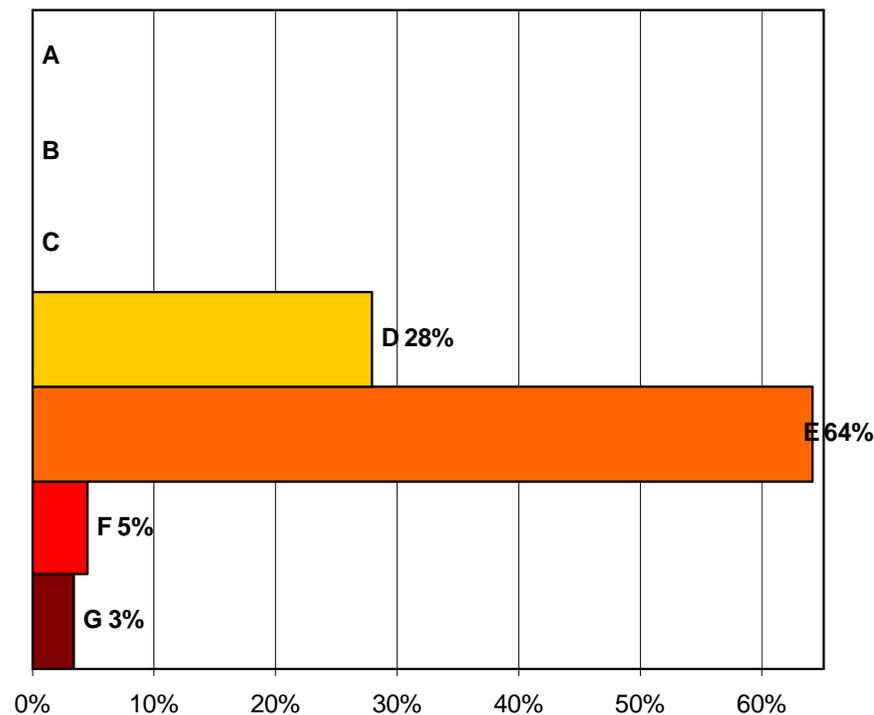
- Reasons for success :
 - 700 social landlords ready to go since 2006, before ERDF rules change on housing investments
 - Strong organisation of the social landlords network on ERDF to take an inventory of the operations
 - Key role of a joint « eco-loan »/ERDF
- ERDF envelope of 320M€ available in 2009 for energy renovation in social housing in France
 - Regions have massively reprogrammed ERDF programs on energy efficiency to finance energy renovation in social housing
 - **97% of the envelope was already allocated in 2011**, representing 50 000 households in social housing

⇒ A few regions have asked to exceed the 4% limit
- Average ERDF investment : 3 276€/dwelling (17% of total investment)
 - 1.1 billion € invested in 2013 in energy renovation / 15 000 local jobs
 - Almost 60 000 households
 - From 360 to 1000€ saved on household energy bills per year
- Energy performance : a third of the projects targets an energy consumption < 80 kWhep/m²/yr

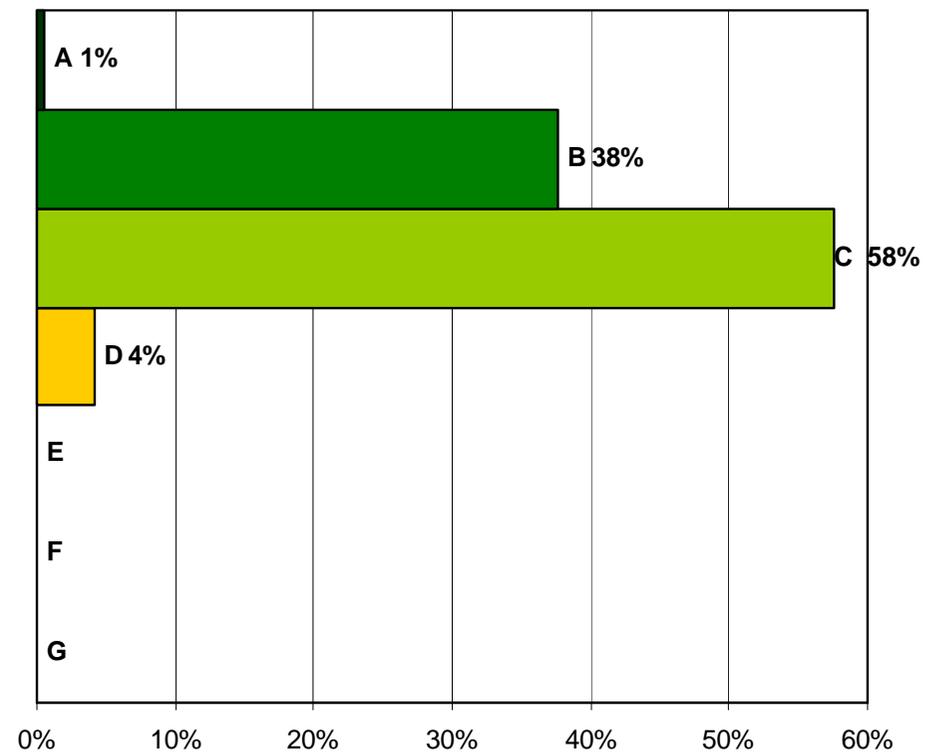
Mobilisation of European funds for energy renovation in social housing 2007-2013 period

- Results for operations financed with the 3rd generation of « eco-loan » (2013-2014)

Energy performance of dwellings before renovation (with ERDF)



Energy performance of dwellings after renovation (with ERDF)

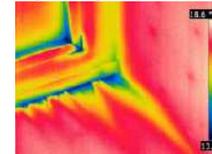




Evaluation of energy renovation in social housing with ERDF

Focus on the region *Nord Pas-de-Calais*

- Team work between local authorities, government administration, Ademe and social landlords network
- Two phases of experimentations :
 - 1st sample (20M€ ERDF) of 4274 dwellings renovated **from 297kWh/m²/an to 87 kWh/m²/an**
 - 2nd sample (6M€ ERDF) with more individual houses
- **Costs :**
 - 48 300€/dwelling including 25 293€ for energy renovation and 4 378€ ERDF subsidy
 - 97.4M€ invested in energy renovation and 1 300 local jobs created or maintained
- Dwellings selected and designed with :
 - Higher energy efficiency target
 - Architectural quality of the renovation
- **Better energy performance** than expected, with controlled costs thanks to :
 - **Control and follow-up of the execution** of the renovation
 - Control after renovation (thermal camera to test thermal bridges, etc.)
- Social landlords have organized actions to raise awareness of the households on their behaviour
- **Evaluation :**
 - Monitoring to evaluate real energy consumptions during 3 years, sociological studies
 - Air quality measures, detection of thermal bridges



A Strong Social Landlords Involvement



2008 economic recovery Plan

- 800 social landlords projects
- 220 millions ERDF
- 1,5 billions local based investments (x7)
- 20.000 local jobs
- 70.000 low income households as final users

2014-2020 – Regions /HLM on going negotiations

- +/- 400 millions ERDF
- 2.8 billions local based investments expected
- 36.000 local jobs
- 127.000 households
- Negotiation on State Aid regime still engaged Region by Region

Reasons for success

le cadre de vie des habitants LMH Améliorer le cadre de vie

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TECHNICAL GUIDANCE

Financing the energy innovation of buildings
with Cohesion Policy funding

FINAL REPORT

A study prepared for the European Commission
Gill Dougan

Box 9 p.44

ET DE LA RURALITÉ



Best social housing practice : « RHEA HLM » 2014-2020

cofinancing

Gain	Equivalent Etiquette C+ et Gain de 38%* Minimum (N3)	Equivalent Etiquette B et Gain de 50%* (N2)	BBC Réno Gain de 50% (N1) plafond de travaux 30 000€/logement	Bépos Gain de 50% plafond de travaux 30 000€/logement
Aid	8 %	12%	14%	16 %
bio-sourcés	40 %	40%	40 %	40 %
Material (surcoût)				
ERDF			40 %	40 %

Region

ERDF

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Chanel : « FEDER EN HLM »



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