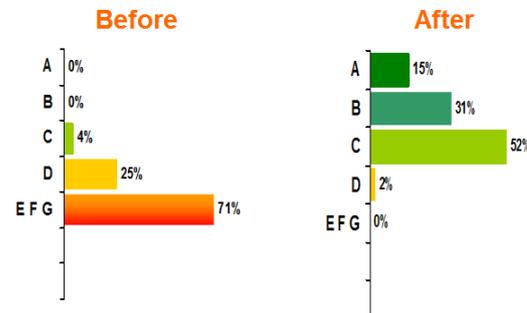


Good Practice Factsheet

Case study presented by France

Core Theme and topic	How to make better use of European financing sources (SCF, EIB) in combination with national schemes for energy efficiency
Name of work programme	The use of ERDF funds in France for EE in social housing
Project scope and description	
Short description of the programme & what it hopes to achieve	<p>France has a large social housing dwelling stock (4.2 million social housing dwellings representing 10 million inhabitants, i.e. 16% of the French population). It has set ambitious goals for this stock: 800,000 social housing dwellings, among the most energy-consuming ones, will have to be refurbished by 2020 according to the Grenelle Law (2009).</p> <p>Following ERDF's regulation revision allowing the use of ERDF funds to finance energy efficiency in existing social housing, a €320 million envelop was made available for regions to finance energy efficiency programmes.</p> <p>The French administration set a national framework for the implementation of this measure: it was to target the most consuming dwellings, be exemplary and trigger new refurbishments while concerning a large number of dwellings and households.</p> <p>ERDF funds are managed at the regional level by the regional state representative. There, regional associations for social housing quickly got involved with the measure to establish strong partnerships between the different regional stakeholders of social housing and energy efficiency. They realised current situation diagnosis to identify and prioritise needs at the regional level, and define the form of intervention and eligibility criteria for projects to be financed by ERDF funds. They also aimed to inform and support local social housing organisations in their refurbishment projects.</p> <p>Most regions launched their own programme as soon as 2010 and the first refurbishment projects are now completed.</p>
What is the scope of the programme? e.g. - National/regional/local - Building type/owner	<p>The measure was initiated at the national level: in 2009, the French administration integrated ERDF mobilization for EE into the objectives of social housing organisations. It set national minimum requirements (on the initial consumption of the dwellings to be refurbished, on the energy savings to be reached, on the reproducibility of projects...).</p> <p>Then, each region was free to distribute the funds its way: through grants (on a first come, first serve basis and with subsidy rate linked to the level of energy performance targeted) and/or call for proposals (usually launched within a partnership between the Region, the ADEME regional direction and the State regional representative, and targeting ambitious energy performances). Thus, regions can eventually set higher requirements than national minimum.</p> <p>The programme only concerns social housing dwellings with poor energy performances.</p>
Who are the key people involved? e.g.: - Installers	The key people involved are:

<p>- Local Authorities</p>	<ul style="list-style-type: none"> - Regional representatives of the State (in charge of ERDF management), Regional authorities, regional direction of the ADEME, regional direction of the Ministry of the environment, other local authorities... who provide the financing, evaluate the proposals and follow the projects. - The Regional association for social housing, who plays a leading role in creating and animating a strong partnership between all stakeholders to define common goals and strategies. - Social housing organisations willing to implement energy efficiency measures on their buildings.
<p>Who was the target audience?</p>	<p>The programme targets social housing organisations that own dwellings with poor energy performances in a dedicated region.</p>
<p>How was this work programme financed?</p>	<p>In the specific case of the PACA region, 3 calls for proposals were launched in 2010, 2011 and 2012, with energy performance requirements increasing with each new call. These were common calls gathering funds from the Region, the ERDF and the ADEME and prepared in partnership with PACA's Regional Social Housing Association and the Ministry of the Environment Regional Direction. Each call had a budget of €5 million (€15 million for the 2009-2013 period: FEDER €6 M; Region €6 M; ADEME €3 M).</p> <p>The overall financing covers up to 50% of costs, among which half comes from ERDF funds and half from the Region and the ADEME, so that ERDF end up financing up to 25% of projects.</p> <p>Social housing organisations can combine these financing sources with several national schemes:</p> <ul style="list-style-type: none"> - Low interest loans from the CDC (Caisse des Dépôts et Consignation: a state owned financial intermediary): <ul style="list-style-type: none"> -€9-16,000 per dwelling, depending on the initial energy performance - at a variable rate indexed on the standard saving account for loans of 15 years and less, increased of respectively 15 and 25 points for loans of 20 to 25 years - granted to social housing organisations willing to refurbish dwellings within the energy classes E, F or G, and under certain conditions; within the class D, with minimum energy performance targets - €2,000 "bonus" in case of energy performance labeling (Low consumption building. High energy performance) - Grants from national public organism: <ul style="list-style-type: none"> - Subsidy ADEME/Region for feasibility study (up to 80% of costs) - ADEME Subsidy of energy audit (up to 70% of costs) - ... - Grants from local authorities (regions, departments, cities...) - The French law allows social housing organisations to share the cost of refurbishment with tenants, through an increase in rents. This is strictly framed: for instance, it can only be done if the refurbishment reaches a certain level of energy performance and cannot overcome half the savings estimated for the measure. - Rebate on the social housing organisation built property tax (concerning all buildings owned and depending from the same tax

	center) up to 25% of energy efficiency investments - Valuation of energy efficiency measures through the French White Certificates scheme
What was the cost of the work programme?	The national ERDF envelop dedicated to EE in social housing is up to €320 million.
When did it start and end?	It started in 2009 after the ERDF use regulation was changed. It will last until the end of the 2009-2013 period, or until the available funds are completely used.
Project Outcomes & Communication	
What were the key achievements?	- The creation of strong cooperation between key stakeholders at the regional level. - The use of call for proposals / ambitious eligibility criteria for the grants allowing focusing on ambitious projects.
What were the outcomes and expected benefits?	<p>At the national level, by the end of 2011:</p> <ul style="list-style-type: none"> • 67,000 households with low incomes benefitting from energy savings (~2,200 dwellings refurbished per month) • 15,000 local jobs created or maintained • ERDF Average funding: €2,886 per dwelling, representing 14% of the investment • Global investment: €1.1 billion • Estimation of energy savings per year per households: <ul style="list-style-type: none"> - A 40% reduction in energy consumption - €360-1000 saved per year <p>Energy consumption of dwellings before and after refurbishment:</p>  <p>(source : USH)</p> <p>For the first call for proposals, projects have been completed recently: the follow up is going on.</p>
What were the key lessons learned?	<p>Cooperation between the different stakeholders at the regional level is essential:</p> <ul style="list-style-type: none"> - To define common goals and strategies that fit the interests of all involved actors and are adapted to local specificities; - To avoid duplication of work and ease the process both for project leaders and the running authorities. <p>Funds availability is a source of concerns: by the end of 2011, 97% of Metropolitan France's envelop, supposed to cover up until 2013, was already engaged.</p> <p>Two regions, faced with a larger number of social housing dwellings to refurbish than the average, consumed their budget by the end of the first year and have been asking for more every year since.</p>
What makes this a good practice example?	- Creation of a strong partnership between all regional actors for social housing and energy efficiency to pool expertise and funds.

	<ul style="list-style-type: none"> - Ability to trigger the implementation of EE measures during standard refurbishments. - High energy performance requirements set at the local level (adapted to local specificities) and subvention rate modulated depending on the level of energy performance targeted. - Compulsory energy audits of dwellings before applying to the call. - A compulsory 2 year follow up after the end of refurbishment work through 2 data collection campaigns at the end of year 1 and 2.
Web links to further information	In French : http://www.renovenergie.com/IMG/pdf_Brochure_FEDER-300ppi-web-ok_2_.pdf
Contact details of named person for further information	elodie.trauchessec@ademe.fr
Please indicate if this case study can be made available to the public?	Available to the public