

<b>Title of the measure:</b>	<b>FRA60 Energy efficiency measures to tackle fuel poverty</b>
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There are different measures implemented in France to tackle fuel poverty. The law for energy transition and green growth (*loi pour la Transition Énergétique et la Croissance Verte – LTECV*) voted in 2015 (n°2015-992) plans to refurbish 500,000 dwellings per year whose at least 50% occupied by low incomes households, to constraint “obliged parties” from the white certificates scheme to set up energy savings actions for people in fuel poverty situation (see below and HOU FRA 45), and to oblige the energy retailers to provide remote displays of energy consumption (gas and electricity) to low income households (see below and HOU FRA 70).

### **I. The fuel poverty observatory**

Following the introduction of a legal definition of fuel poverty in the law in 2010, a **national fuel poverty observatory (*Observatoire National de la Précarité Énergétique*) has been launched in March 2011**. It aims at better understanding the fuel poverty phenomenon and ensuring the monitoring of indicators, public and private financial supports given to households in fuel poverty situation, as well as the monitoring of actions and local or national initiatives to measure impact and share experiences. See the 2018 dashboard @ <http://www.onpe.org/tableau-de-bord/le-tableau-de-bord-2018> (in French)

### **II. ANAH supports**

Established in 2010, the "Habiter mieux" program aims to **help modest owners (occupants and landlords) in a situation of fuel poverty with public subsidies to undertake energy renovation work** on their homes. It is managed by the **National Housing Agency (*Agence Nationale de l'Habitat - ANAH*)**.

		Max. subsidy rate for household with very low incomes	Max. subsidy rate for household with low income
Heavy refurbishment works for unworthy or deteriorated dwellings (max. amount of works than can be subsidized €50,000)		50%	50%
Improvement works (max. amount of works than can be subsidized €20,000)	Works for safety and healthiness	50%	50%
	<b>Works to improve energy performance</b>	<b>50%</b>	<b>35%</b>
	Works to ease access to handicapped or elderly persons	50%	35%

Table 3: The level of financial support offered by ANAH (source: <https://www.service-public.fr/particuliers/vosdroits/F1328>)

To benefit from the ANAH financial support, different conditions must be fulfilled:




- The income of the claimer must not exceeded a certain level<sup>1</sup> and not having benefited from zero-rate loan in the 5 years preceding;
- The claimer must live in the household (as principal residence) during 6 years after the achievement of works;
- The dwelling must be achieved for at least 15 years when the grant is decided to be given;
- The cost of works must be at least €1,500 except for homeowners with very low income;
- Works should not be started before the application to this measure;
- Works must be included in the list of eligible works<sup>2</sup>: roofing, carpentry, networks refurbishment, and sanitation, heating, domestic hot water, cooling system or air conditioning, ventilation, thermal and acoustic insulation (see ANAH website for details);
- Works must be made by professionals (except in case of framed self-refurbishment);

<sup>1</sup> see <https://www.service-public.fr/particuliers/vosdroits/F1328> for more information

<sup>2</sup> Minor maintenance or decoration works, as well as new construction or expansion works, are excluded from the list of eligible works

- The registration of the white certificates generated thanks to thermal energy works in the framework of the offer “live better serenity” offer must be done by the ANAH.

To improve the energy performances of their dwelling in particular, the ANAH propose different offers gathered under the *Habiter mieux* program (“live better” programm). These offers are summarized in Table 1.

Type of offer	Targets	Terms and conditions	Grants
 <p>“live better serenity”</p>	Owners occupying their dwelling for more than 15 years whose income do not exceed thresholds set by the ANAH	Bunch of works enabling to achieve an energy gain of 25% at least + Achievement by professionals with the RG label mandatory from January 2019 + Assistance by an operator mandatory	Fixed aid amount of 560€ for assistance by an operator +€7,000 or €10,000 depending on the income of the owner-occupier + Habiter Mieux bonus (€1,600 or €2,000 max.)
 <p>“live better agility”</p>	“ “	The owner has identified insulation works (attic & wall) or heating system that must be urgently replaced + Achievement by professionals with the RG label mandatory	Fixed aid amount of 150€ for assistance by an operator +€7,000 or €10,000 depending on the income of the owner-occupier
<p>Habiter Mieux copropriété (co-ownership)</p> 	Co-ownership in fragile situation : -Unpaid rate ranging from 8 to 25% -or located in “ANRU zones” (zones subject of urban renewal agreement to facilitate access to property)	Mandatory individual support by an operator for the planning of works achieving at least 35% of energy gain	Up to €180 per batch for assistance to contracting authority + up to €3,750 per household for works + Habiter mieux bonus <sup>3</sup> (€1,500 per dwelling)
<p>Habiter Mieux Owner-lessor</p>	Rent agreement for 9 years	“ ”	Fixed grant amount of 560€ for assistance to contracting authority + €187.50/m <sup>2</sup> (up to €15,000 per dw) + Habiter mieux bonus <sup>4</sup> (€1,500 per dwelling)

**Table 1 The different type of offers proposed by the ANAH**

(source: [http://www.anah.fr/fileadmin/anah/Mediatheque/Publications/Les\\_aides/dossier\\_information\\_HM-2018.pdf](http://www.anah.fr/fileadmin/anah/Mediatheque/Publications/Les_aides/dossier_information_HM-2018.pdf)) Source of funding<sup>5</sup>

Since 2013 ANAH’s budget benefits partly from revenues coming from the emissions trading system ETS (€420M in 2019), the tax on empty dwellings €61M in 2019) and from the contribution of obligated energy companies to the Energy Saving Certificates scheme (€60.2M in 2019). A new source of revenue coming from the Ministry of Territorial Cohesion and Relations with Local Authorities is expected to increase the 2019 budget of €110 M (see funding resources distribution on Figure 1). In total ANAH will

<sup>3</sup> This bonus is paid only after works if the expected energy gain is achieved

<sup>4</sup> This bonus is paid only after works if the expected energy gain is achieved

<sup>5</sup> Source: <http://www.anah.fr/qui-sommes-nous/budget-2019/>

get an overall budget of €874M to support the renovation of 120,000 dwellings whose 75,000 for energy renovation in 2019.

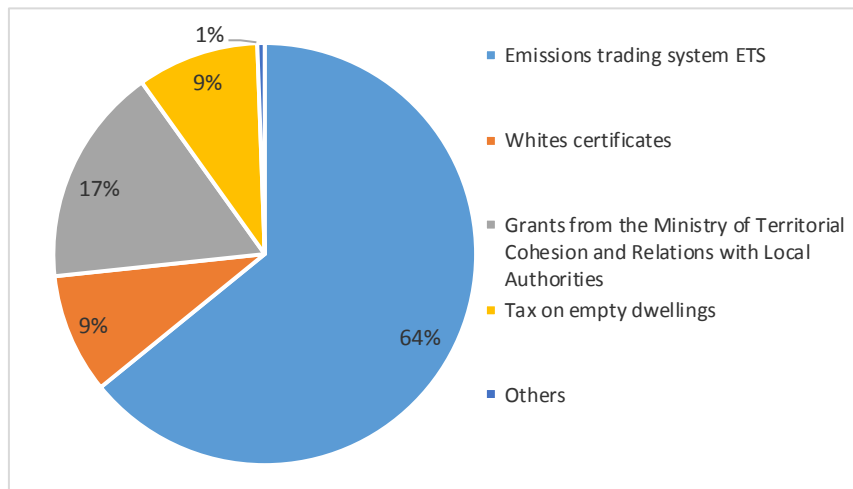


Figure 1 ANAH's funding resources for 2019 (Total M€654.9)

### *Evaluation of the Habiter Mieux program*

At the request of the Senate, the French Court of Auditors was charged to examine the management of the program entrusted to the National Housing Agency (Anah). In its report published on April 4 2018, the Court considers that the program "has been managed effectively, despite the ambitious nature of the stated objectives and the uncertainties about the ability to finance it over time."

The Court estimates that the agency has achieved good results, and specifies that the program has enabled the renovation of **243,239 dwellings between 2010 and 2017**, compared with the 300,000 initially targeted, for a total amount of **€ 2,487 million**. In terms of energy performance, the program has **exceeded its objectives**. The average energy gains were 41.9% in 2015 and 43.2% in 2016 for an expected average of 30% (see Impact section below for more details).

The program is based on a **procedure and management procedures considered "effective"**, particularly with regard to the processing of files, the checks carried out retrospectively on the work and the evaluations carried out with beneficiary households and operators. The effectiveness of the program is also based on its **"localized support" relying on local authorities** that are delegated. The Court considers that the development of these delegations should be encouraged.

Nevertheless, the Court emphasizes the **need "to improve predictability and stability"**. Indeed, the program has undergone successive changes (number of housing units to renovate, financial assistance plan, eligibility criterion...).

The Court made seven recommendations, in particular to improve the program's ability to contribute to the achievement of the ambitious goals set out in the Major Investment Plan (2018-2022):

1. Specify the targets of the program according to criterion aiming at reducing the fuel poverty;
2. Ensure the justification of a minimum performance guarantee for the allocation of grants through a prior diagnosis;
3. Stabilize the regulation of aid during the period covered by the multiannual energy renovation plans
4. Encourage type 2 and 3 delegations granted to local authorities;
5. Register the program in the multi-year contract of objectives and performance of the ANAH;
6. Make operational in the short term the simplification of the procedures for granting aid relying in particular on their dematerialization;
7. Develop the communication on the program "Habiter Mieux" and the information of concerned.

For access to the report from the Court of Auditors: <https://www.ccomptes.fr/fr/publications/le-programme-habiter-mieux-de-lagence-nationale-de-lhabitat-anah>

### III. The white certificates scheme (HOU FRA 45)

The energy transition and green growth act (*loi pour la Transition Énergétique et la Croissance Verte – LTECV*) that went into force in summer 2015, **constraints “obliged parties” to set up energy savings actions for people in fuel poverty situation by acting directly or indirectly, by buying ESC targeted to people in fuel poverty situation or by supporting energy saving programs specific to poor households** (see “FRA45 Energy Savings Certificates” for details).

In addition to mandatory energy saving actions targeting households in fuel poverty situation, programs have been launched **in the framework of the energy efficiency certificates scheme**. At the end of 2018, 16 programs targeting households in fuel poverty situation were selected to:

- Sensitize, inform and train households
- Support them in technical or administrative procedures to achieve ambitious refurbishment works

For more information on these programs: <https://www.ecologique-solidaire.gouv.fr/programmes-daccompagnement#e4>

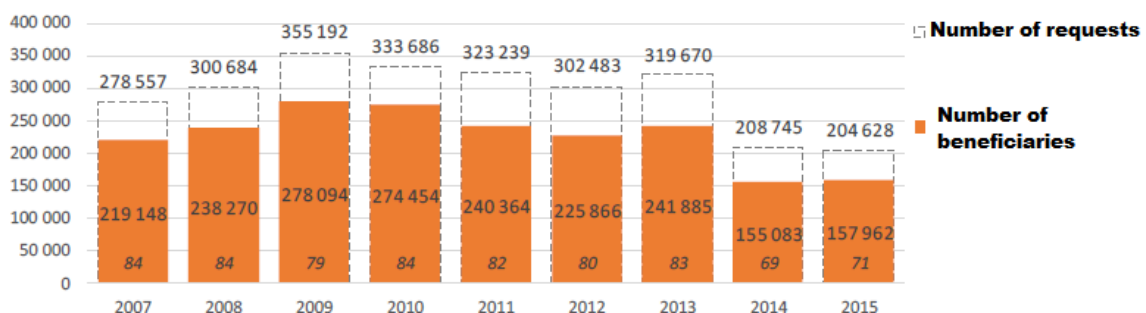
### IV. The energy cheque (HOU FRA 69)

Introduced by art. 201 of the energy transition & green growth act, this measure aims at reducing structuring defaults of social energy tariffs which depended on the heating energy (electricity or gas) that benefited to too few households (3 million of households benefited from social energy tariffs at the beginning of 2016 whereas 4 million were eligible). Depending on a unique fiscal criterion (based on income and characteristic of the households) the amount of the cheque can rise up to €227 per year whatever the energy used for heating. Furthermore, it can be used to finance building works saving energy (criteria are the same as for the credit tax for energy transition see HOU FRA 7 for more details). The amount of the energy cheque was increased of 50€ in 2019, and the grant conditions was extended in order to benefit to 5.8 households in total.

For more information: <https://chequeenergie.gouv.fr/>

### V. The dwelling solidarity funds (“Fonds de solidarité logement” FSL)

Introduced by law from March 31<sup>st</sup> 1990 on housing rights, this measure aimed at granting financial subsidies for access or maintaining to housing. Since the law on liberties and local responsibilities of August 2004, the management of this scheme is done by departmental committee since 2005; and the fund can be used to pay energy, water and phone bills in order to centralize and optimize public services. The granting modalities and subsidies amount can differ from a department to another.



**Figure 2 Number of applicants and beneficiaries of the FSL for energy bills payment**

Source: DHUP (direction for housing, town planning and landscape) – 2018 from data transmitted by departmental councils – scope: France incl. French overseas department

## VI. Social actions centers CCAS/CIAS

These administrative public institutions are in charge of social prevention and the respect of civils rights. They analyze the social needs on specific geographical scopes and can help reviewing the social subsidies files. They can also contribute to subsidies grants especially in the energy domain.

In 2016, the federation of these centers led a survey among 4,000 centers<sup>6</sup>: 900 centers has allowed collecting data on fuel poverty. It shows that the energy bill payment is the issue that is tackled the most just after grant for food.

## VII. The remote displaying of energy consumption

The article 28 of the energy transition and green growth act (*loi pour la Transition Énergétique et la Croissance Verte – LTECV*) voted in 2015 obliges the energy suppliers to provide remote displays of energy consumption (gas and electricity) to low income households. These displays are expected to give them easy access and directly understandable information about the quantity (kWh, and m<sup>3</sup> for gas) and cost (in euro) of their energy consumption in real time, in order to help them assessing the economic return of energy efficiency works. Freely available for households in energy poverty situation from January 2019<sup>7</sup> such a display could progressively be offered for free to all domestic consumers, after a technical and economic evaluation conducted by the French Energy Regulatory Commission in 2021.

### *Impact evaluation*

As far as we know, there is no official and full evaluation of these schemes (from energy saving point of view). Nevertheless, the ANAH estimated that the *Habiter Mieux* program (see box above) has allowed an energy gain in average of 41.9% in 2015, and of 43.2% in 2016. These estimations are based on energy performance certificates before and after works and resulted from the obligation to reach 25% of energy gain for occupying owners, and 35% for landlords. However, these performances do not depend on occupants behaviors especially in terms of heating and cooling that may cause rebound effect.

According to ANAH's 2018 outcomes, they were 94,081 renovated dwellings in 2018 (16.5% more than 2017) thanks to a budget of €700M that contributed to the creation or retention of 23,489 jobs. The fight against fuel poverty represents 66% of this activity (62,345 dwellings renovated in 2018).

<b>Impact Level</b>		
<input checked="" type="checkbox"/> low	<input type="checkbox"/> medium	<input type="checkbox"/> high

### Definition of impact:

Low: energy savings < 0.1% of the overall energy consumption of dwellings

Medium: between 0.1 and 0.5%

High: > 0.5%

### *Interaction of measures*

HOU FRA7 Energy Transition Tax Credit (ex-Sustainable Development Tax Credit)

HOU FRA31 Zero-rated eco-loan

HOU FRA45 Energy Saving Certificates

HOU FRA 69 Energy cheque

HOU FRA 70 smart meters

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<sup>6</sup> Report available at

[https://www.unccas.org/IMG/pdf/unccas\\_enquetes\\_et\\_observation\\_energie\\_2017.pdf](https://www.unccas.org/IMG/pdf/unccas_enquetes_et_observation_energie_2017.pdf)

<sup>7</sup> Originally scheduled to come into effect on January 1st, 2018, the measure was postponed one year because of delays in administrative orders preparation

### **Historical data**

The law for energy transition and green growth (*loi pour la Transition Énergétique et la Croissance Verte – LTCVE*) voted in **August 2015 (n°2015-992)** updated the French “Energy Code” (*Code de l’Energie*) by defining households in fuel poverty situation when their reference fiscal incomes are lower than a threshold fixed by the Ministry for Energy.

The **law of July 2010 (n°2010-788)** on national commitment to the environment has introduced a legal definition of a person in fuel poverty situation (“a person experiences in his particular housing difficulties to get the necessary energy supply to the satisfaction of basic needs due to the inadequacy of resources or the conditions of its habitat”).

### References

#### **Legislative acts**

Loi n° 2015-992 du 17 août 2015 relative à la transition énergétique pour la croissance verte (articles 3 et 30)

Loi n° 2010-788 du 12 juillet 2010 portant engagement national pour l’environnement (article 11)

Loi n° 2010-237 du 9 mars 2010 de finances rectificative pour 2010 (article 8)  
(the law allocating €500M to ANAH in order to support thermal refurbishment of households with low incomes and introducing the first legal definition of fuel poverty)

#### **For further information**

The official website of the “National Housing Agency” (*Agence Nationale de l’Habitat*): [www.anah.fr](http://www.anah.fr)

The official website of the “Fuel Poverty National Observatory” (*Observatoire National de la Précarité Énergétique*): <http://onpe.org/>

The official website of the Solidarity Energy Pact (*Pacte de Solidarité Energie*): [www.pacte-energie-solidarite.com](http://www.pacte-energie-solidarite.com)

The French NEEAP 2014 & 2017

The assessment of the *Habiter Mieux* program from ANAH published on January 2015 (*Evaluation du Programme « Habiter Mieux » Etude 1 : Synthèse de l’enquête auprès des propriétaires occupants, janvier 2015*)