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## International Case Studies for Scotland's Climate Plan

# National Energy Efficiency Action Plan, France

### Facts & Figures

**34% reduction in final energy consumption in homes** just from measures introduced through the interest-free loan (from an average 6,400kWh to 4,200kWh)

7 million homes renovated through the tax credit scheme alone

The French market for energy efficiency services is growing and was estimated to be around a **€7.2 billion industry in 2013**

**46,000 fuel poor households** given energy efficiency installations in just 2 years

€19,200 average cost of works carried out

**235,000 interest-free eco-loans granted**

### Overview

Over the last 15 years, the French Government has built a comprehensive package of measures around energy efficiency. In 2005, the Government introduced tax credits for homeowners to renovate their property and bring it up to new standards. In 2009, they set a target to reduce final energy consumption by 17% by 2020 through the introduction of a National Energy Efficiency Action Plan. The Plan contains several elements including the regulation of energy efficiency in private homes as well as social housing, municipal buildings and business properties. To date, over 7 million homes have been renovated through the tax credit scheme alone and many thousands of individuals have benefitted from warmer homes and more affordable energy.

### Aims

In existing buildings, the Government aims to reduce consumption by 38% by 2020. At its outset in 2009, the Plan aimed to renovate 500,000 homes a year by 2017. Additional aims include the creation of a new accreditation scheme for professionals involved in installation of measures, and support for fuel poor households.

### How it works

It involves a combination of interest-free loans, VAT of 5.5% for renovations, tax credits and free support and advice for landlords and home owners; a new accreditation scheme for professionals in the energy efficiency industry; specific financial and practical support for those in fuel poverty; energy supplier obligations; and a set of standards and support for tenants and landlords in social housing and co-ownership.

The interest-free eco-loan is available for home-owners or landlords for the funding of major renovation works, including works to achieve a minimum “overall energy performance”. This loan finances up to €30,000 for carrying out work for the improvement of the energy performance of a dwelling over a period of 10 years. Landlords can ask tenants for a contribution towards up to half of the costs of improvements but only if they reach a minimum standard of energy performance. Costs are normally recouped from tenants by rent increases over a set period of time.

The Plan is delivered by the French National Housing Agency and the Department of Ecology, Sustainable Development and Energy.

## Benefits

This comprehensive package of programmes, funds and regulations has already delivered significant financial and emissions savings in France. The combination of interest-free loans, tax credits and regulations for owners and landlords has been particularly successful. In addition, the Plan has led to the creation of thousands of new jobs in what is now a €7.2 billion energy efficiency industry. Finally, the emissions savings are significant, with a reduction in household energy consumption of over one third (34%).

### Economic

The National Energy Efficiency Plan has helped to build a French market for energy efficiency services worth €7.2 billion in 2013.

### Environmental

The energy efficiency measures installed over the last decade have resulted in household energy consumption falling by 34% to 4,200kWh.

### Social

46,000 fuel poor households have received direct support, while over 7million homes have been retrofitted, resulting in warmer, dryer homes and cheaper energy bills.

## Further information:

[http://ec.europa.eu/energy/sites/ener/files/documents/2014\\_neeap\\_en\\_france.pdf](http://ec.europa.eu/energy/sites/ener/files/documents/2014_neeap_en_france.pdf)

