



*Unlocking Private Finance
for a Sustainable Transition*

Lessons learned from the French National Multistakeholder Platform on Financing Building Efficient Renovation

FiRéno  Les états généraux pour
le financement des
bâtiments de demain



The French National Multistakeholder Platform on Financing Building Efficient Renovation - FiRéno+



- French multi-stakeholder roundtables supported by the European Commission (LIFE 2021-2027 programme)
- A one-year initiative to co-develop solutions addressing barriers to private financing and accelerating large-scale deep renovation.
- Two targeted sectors :
 - Residential sector led by the Sustainable Finance Observatory
 - Private tertiary sector led by ADEME

A multi-stakeholder challenge requiring the alignment of multiple objectives



Aligning Multiple Objectives



Households

- Reduce energy bills
- Improve comfort & quality of life
- Benefit from simplified financing and reliable renovation outcomes
- Increase property value



National Government

- Increase deep renovation rate
- Meet national sustainability targets (GHG emissions, energy consumption)
- Reduce social and environmental costs
- Renovate and preserve the national building stock



Professionals

- Avoid upfront cash flow strain
- Ensure proper execution of renovation works



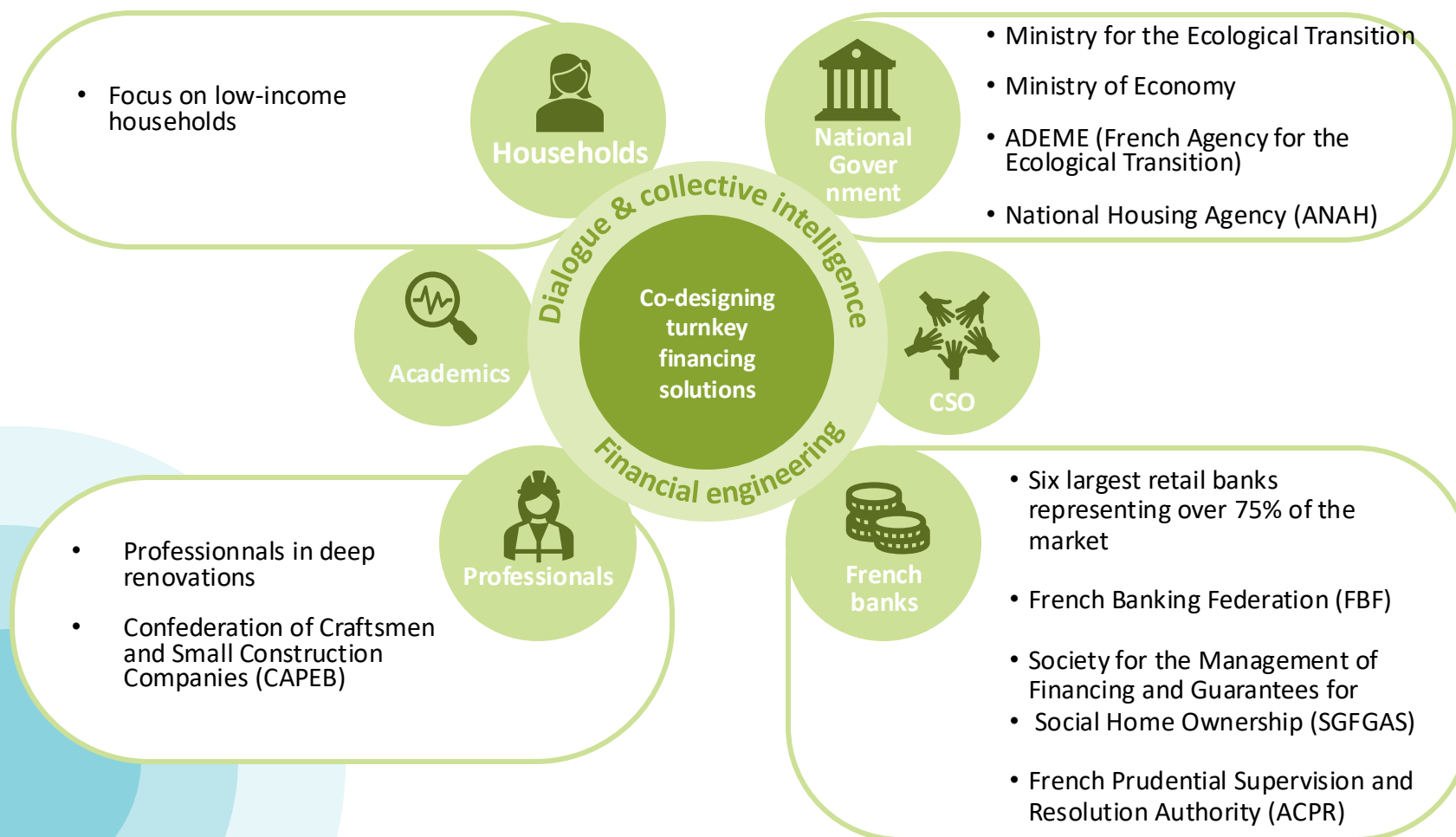
French banks

- Expand their lending portfolio
- Improve household solvency
- Reduce credit risks
- Access better pre-financing conditions
- Serve as a trusted third party for wealth management

A pioneering, action-driven multi-stakeholder dialogue on financing renovation



+150 actors



Definition and Impact of Energy-Efficient Renovation in France



Legal Definition

< 110 kWhpe/m²/year)
+ 6 projects of renovation

< 180 kWhpe/m²/year
for homes initially consuming >330
kWhpe/(m².year)

**Improvement by at least
two EPC classes**
for constrained buildings

Source : Art L111-1 17° bis, Climate and Resilience Law, 2021

Measured Impact

Average energy consumption **reduced fivefold**

418 kWhpe/(m².year)

79

kWhpe/(m².year)

Before renovation work

After

** on average*

Source : Observatoire BBC, Les maisons rénovées à basse
consommation (Sample:266 households)

No rebound effect

Energy efficiency drastically cuts energy waste
and strengthens resilience to energy market
disruptions :

Households



Less reliance on tariff shields, lower public
debt, and greater resilience

Banks



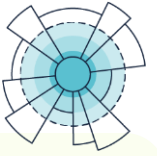
Reduced solvency risks linked to energy costs

State



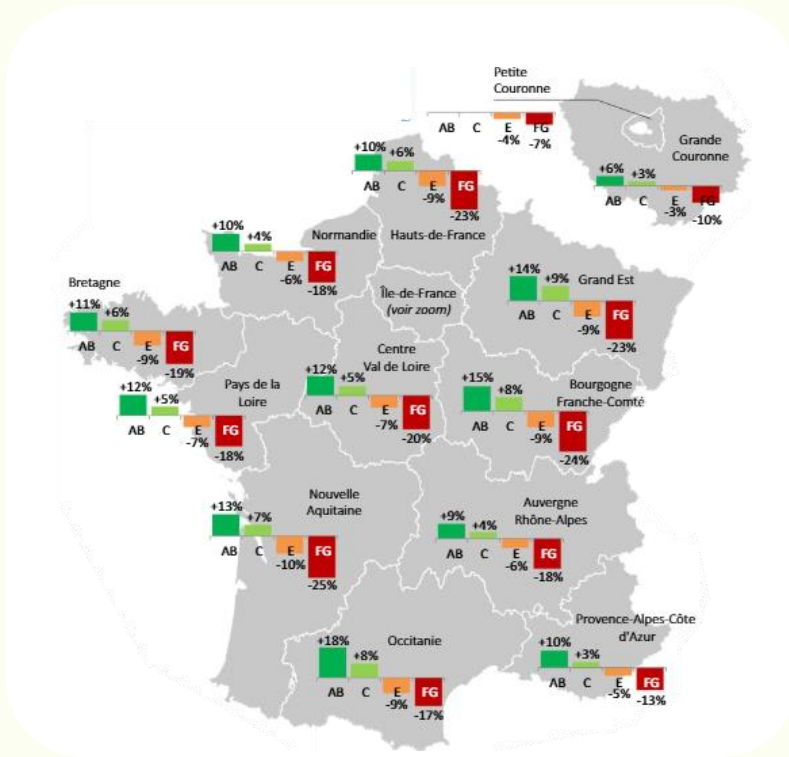
Strengthens economic and social stability

How energy-efficient renovation transforms real estate and energy consumption



Real Estate Value Creation

A 28% valuation gap between high and low-energy performance individual houses



Source : ADNOV based on Notaires de France's database BIEN and Perval

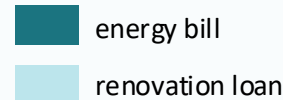
Reducing Energy Consumption

Energy bills divided by a factor of **4 to 8**



Renovation loans are repaid through future savings

Today



208€ / month

without renovation

133€ / month

27€ / month

with renovation

In 15 years

311€ / month

without renovation

42€ / month

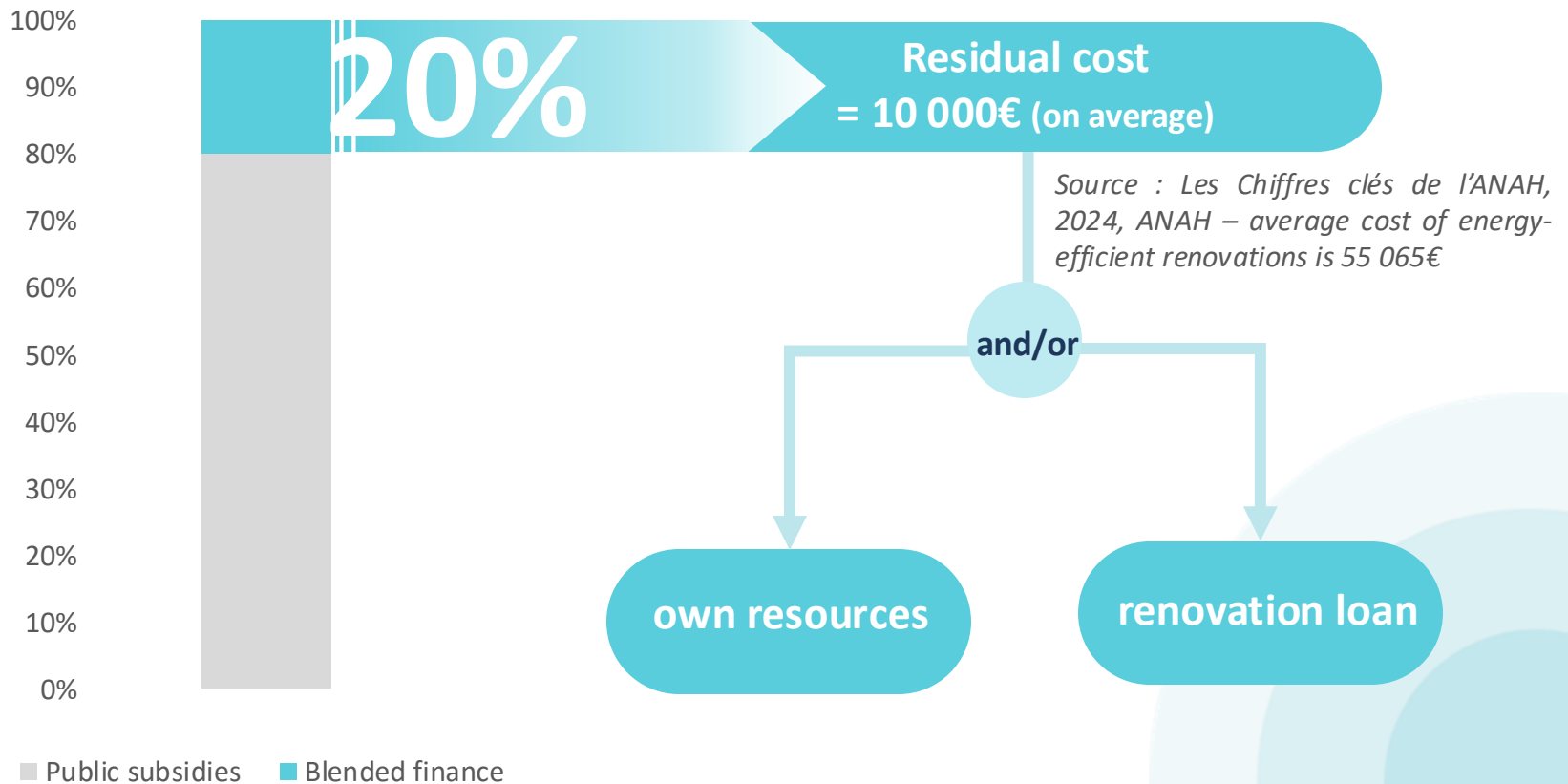
with renovation

Source : Dorémi, hypothesis: 3% of annual average growth in energy prices

The French Renovation Context : Financial Perspective

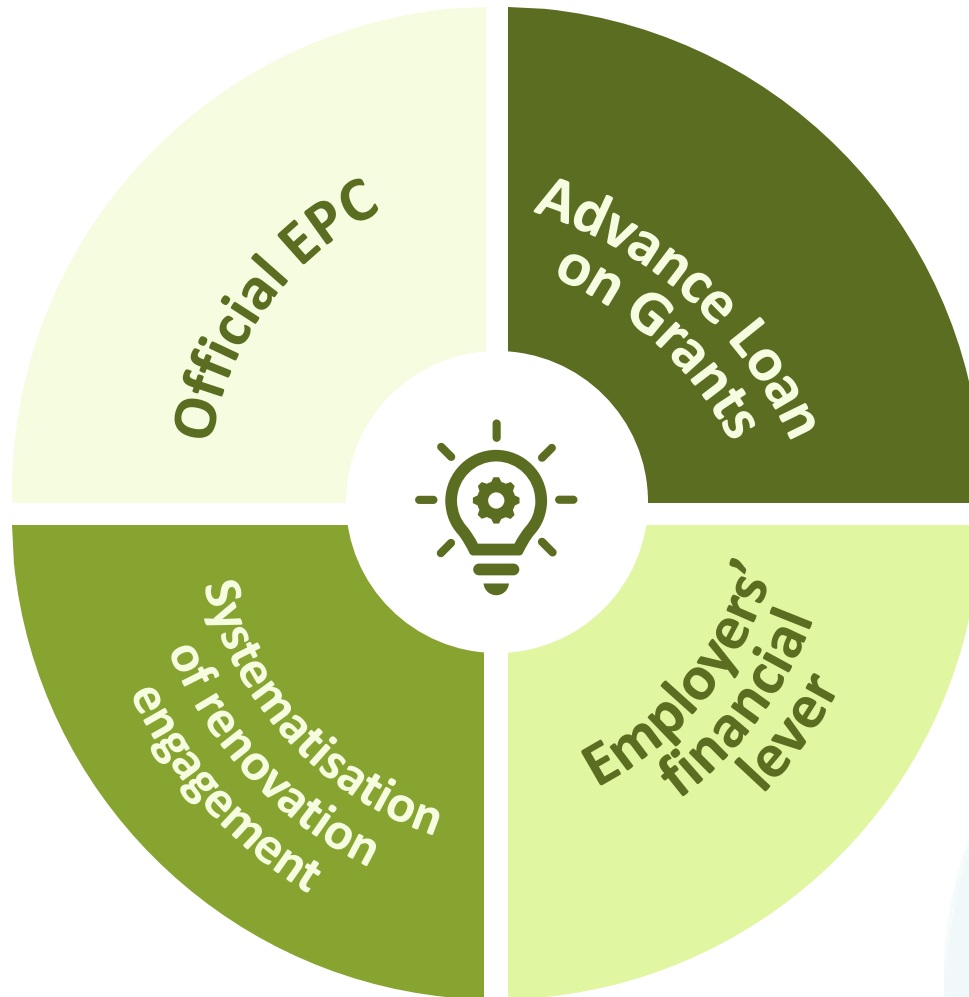
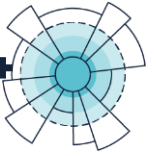


Allocation of cost of energy-efficiency renovation for very modest households



Source : Les aides financières en 2025, September 2025 Edition, ANAH (p.24)

Key Financing Mechanisms Developed under FiRénov+



EPC: Energy Performance Certificate

Focus on the Advance Loan on Grants



Public subsidies take time to be disbursed

- Delay in renovation works
- Cash-flow strain for households and companies



Advance Loan on Grants (ALG)

- Within FiRéno+, Banks developed a mechanism allowing households to receive an advance on their renovation subsidy.
- Once the aid is disbursed, the bank is reimbursed directly.



Debt ratio

- ▶ Discussions with the High Council for Financial Stability (HCSF) and the Prudential Supervision and Resolution Authority (ACPR) regarding the exclusion of the ALG from household debt ratio calculations.

Revocable mandates

- ▶ An irrevocable financial mandate specific to banks.



Focus on the Official Energy Performance Certificate



No official certification of post-renovation energy performance

- ADEME's database includes a simplified, letter-based performance rating system.
- Banks lack tools to monitor the actual impact of renovation loans.
- Households cannot rely on verified post-renovation energy performance.



Energy Performance Certificate

- Automatic EPC issued after final audit confirming renovation success.



- Banks can requalify their loans as EU Taxonomy-aligned and benefit from improved pre-financing conditions.
- Households receive an official, universally recognised EPC at no additional cost.

Conclusion



**Actors of
the largest
ecosystem**

**Information
gathering**

**Identification
of common
goals**

**Expertise in
financial
engineering**

**An additional EUR
2 billion in private
capital mobilised
annually in the
residential sector**

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