

## Impact Strategy Mission

The access to energy transition for people in precarious situations



GRISART Elsa - HERBILLON Michel - PIRARD Maxime

HEC-Liège Entrepreneurs

Cybèle Promotion

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## Executive summary

For this mission we have chosen to focus on the following problem : “the access to energy transition for people in precarious situations”. Because of the short timing of the mission and because of our lack of social skills it was not appropriate for us to interview precarious people on the subject as they don’t know us as trustworthy people. We have therefore chosen to interview experts that have been working on this particular issue that could then tell us about their experience on the field. Those experts were numerous with different fields of expertise which allowed us to have a broad and complete view on the subject.

In this report it was important to really understand who the main target audience was and what their main characteristics were. The various interviews conducted allowed to notice a major difference between tenants and owner in terms of power of action. Those interviews also quickly stated a major difference between the public housing and the private housing as those two are not managed and financed in the same way.

This report first describes the concrete realities of precarious people, it informs the reader about who they are and what the daily life of someone who is facing fuel poverty looks like. It also gives the reader some insights about the difficulties that can be faced by those people to take part in the energy transition. The most important one being the fact that investing in new equipment or in rehabilitation work is simply financially impossible for them.

The report studies the ecosystem of the problem and highlights many obstacles that prevent precarious people from taking part in the energy transition. Those obstacles are numerous and should not be underestimated. This report, for example, emphasizes the social inequalities that have been strengthened by policies that are not at all adapted to include precarious people.

A benchmark has been realised on the solutions that currently exist for the precarious people to try to get out of fuel poverty and to take part in the energy transition. In this benchmark there are various types of exiting solution that goes from citizen initiatives to public subventions.

The realisation of an impact gap canvas on basis of our research clearly shows that the current solutions are not sufficient to allow precarious people to improve their energy consumption and that there is a need of rising awareness of both wealthy and precarious people in order to create a collective dynamic in which everyone would feel included. This collective dynamic should also create a trustworthy environment in order for the precarious people to agree to have contractors making rehabilitation works inside their housings.

At the end of this report a suggestion of solution is presented. This solution is a first outcome of the research we have done and meet various aspects of the issue that have been identified throughout the whole mission.

## Introduction

Within the framework of our first mission, we have to detail a problematic linked with the 17 sustainable development goals of the United Nations in order to develop an impact strategy. Our group is keen on social aspect but also on the energy transition.

We first thought about possible over-consumption of energy (water, electricity, heating) from those people, before finding out that they actually consume less than a normal household, and in any case they could consume better because they have not access to healthier housing or more recent technology. This is why we chose to do our research about the access to energy transition for people in a precarious situation.

As we want to understand everything about this problem, we have to find out the exact political environment they are living in, which help are already in place, understand their needs, understand what they think about the energy transition and how they are currently living.

## Methodology

To study this problem we agreed on the following methodology : we decided to meet some people with very different profiles who could help us better understand the roots of the problem, understand the obstacles, existing initiatives and possible shortcomings.

Firstly, we thought about asking directly precarious people what they were thinking. Unfortunately, it is hard not to stigmatize those people as we had only four weeks to work on this project and also because we lack social skills to get their trust in such a short time. Thus, we decided to contact experts who had or have worked with people in a precarious situation, such as CPAS presidents or someone from an anti-poverty network.

Secondly, we wanted to have the point of view from people a bit more political due to the fact that we've soon realised that politics is an important game changer in the energy transition. Whether it is from the federal or a regional government, they have the power to create mandatory rules about housing or allow a certain amount of subsidies and financial help.

Thirdly, we needed to meet some people linked with research, or people who had already been taking actions to tackle this problematic. We thought that they may have possible solutions or statistics to provide us, which would give us a more precise idea and be a support point during our work.

Thankfully, each person we had an interview with had multiple hats covering the different aspects of the people we were looking for. Not only they were experts in their field, but they were also great communicators who were able to give us many points of view, which was really helpful for our research.

The following list contains a note about each person we met, why they are considered as experts, and what was the main subject with discussed with them.

- Philippe Defeyt – Founder of Ecolo political party, he has been an economist at the institute for a sustainable development since 1996. Mr Defeyt was also president of the Namur CPAS for 10 years. During our interview, he really managed to tell us a bit about everything whether it is about the details of the problem or its causes. As a politician, he also told us a lot about the current policies towards the energy transition.
- Fabrice Collignon – Chargé de mission at Rescoop Wallonia, which is a federation of citizen cooperatives of renewable energy. He also worked at “La Maison Liégeoise”, a group managing social housing. He told us more about the different population of precarious people and housing owners. He also obviously had a focus on some cooperatives, what they were doing to support the energy transition.
- Anne Leclercq – Political counsellor at the Walloon Anti-Poverty Network. She knows a lot about the people in a precarious situation and she is a fervent defender of social rights. Therefore, Mrs Leclercq explained to us the gap between the goals and the current achievements that are still to fulfil.
- Christine Ruelle – She has a Ph.D. in building and urban planning. Currently researcher in the Architecture, Geology and Environment department at ULiège, her Ph.D. thesis was about “Towards a sustainable transition of urban districts”. During her thesis, Mrs Ruelle focused on the Saint-Léonard District in Liège on how to help the people in a precarious situation to get a less consuming and healthier house using energetic renovation. To do so, she initiated real actions and thus had a lot of contact with those people, which was really interesting for us.
- Sébastien Pradella – Manager of the Centre for Sustainable Housing Studies. This centre operates researches in social sciences. Mr Pradella developed more about the pros and cons of the already existing policies towards the energy transition of precarious people. Thanks to his position in the research centre, he could support his speech by giving us precise statistics whether it is about population or about the effects of housing energetic renovation.
- Eric Jérôme – He was the president of Logivesdre, which is a public service housing company located in Verviers. He is currently president of the CPAS of Herve while also being the housing alderman of the same town. Finally, he also founded a Social Real Estate Agency of Herve Country. Mr Jérôme was able to give us a lot of information about the solutions that already exist from CPAS but also about the people who need help, the context they live in and what they think about it.

## First insights on the problem

Through our researches we have been able to highlight general insights on the problem chosen which will be described in this section. Then in the next sections we will focus more precisely on the ecosystem linked to the problem and on the benchmark of the existing solutions.

Most people in precarious situations do not have access to the energy transition. We therefore asked ourselves why, and more precisely what are the obstacles preventing this access. So, we were interested in individuals in a situation known as fuel poverty.

First, it is interesting to define this concept of fuel poverty. The following two definitions complement each other : "difficulty in having the energy supply necessary to meet one's basic needs due to the inadequacy of one's resources or housing conditions"<sup>1</sup> and "Households, situations or processes where energy expenditure in the home fuels the economic, health and social difficulties of the household"<sup>2</sup>. This concept makes the link between poverty, the quality of infrastructure including housing and health. In 2018 in Wallonia, more than 20% of households will be in a situation of energy insecurity. The majority of these are tenants (social but also private) but there is also a large number of homeowners in precarious situations and they are essentially single persons or single-parent families. We also note that there is a correlation between fuel poverty and at-risk-of-poverty situations<sup>3</sup>. This represents more than 400,000 households, considering only gas and electricity consumers but we know that some households are forced to use oil-fired space heaters because they do not have central heating, for example. The cost represents for them on average about 8 and 10% of their median net disposable income against an average of 5% for the others<sup>4</sup>.

It is important to note that precarious people do not consume more than others, on the contrary, but they sometimes consume more poorly (unsustainably for example) due to a lack of choice and sometimes a lack of information.

These precarious households will then be in situations where they have to consume "more" for less comfort compared to the rest of the population. They cannot achieve a minimum level of comfort because of both the quality of their housing and their income. Indeed, they earn less but would have to pay more to reach the same level... It leads them to lower their consumption but it still represents a higher part of their salary, so the comfort of life is inevitably much lower compared to the rest of the population (discussed with Sébastien Pradella). Moreover, the price of energy is constantly rising, which tends to always increase the difficulties of the most precarious people and the inequalities given the percentage of their income that this cost represents for them. All this despite the social tariff which only concerns gas and electricity, and which does not affect the most precarious households as a whole<sup>5</sup>.

The source of the problem would be that people in a precarious situation cannot invest the large sums required to ensure the energy transition of their housing, especially since they are often tenants, the rebound effect which stipulates that since these households already consume less than they would like the return on investment is compromised, etc.

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<sup>1</sup> . Loi Grenelle 2, 2010

<sup>2</sup> . [4] Jouffe & Massot, 2013

<sup>3</sup> . [2] Coene & Meyer, 2020

<sup>4</sup> . [6] Commission de Régulation de l'Électricité et du Gaz, 2019 5. idem

Besides, as we discussed with Anne Leclercq, today the policies to help the energy transition are themselves unequal. Indeed, they exclude the poor and even further deepen the social inequalities linked to this phenomenon. Take for example the aid for photovoltaic panels, this simply means that when you have you can have even more, but when you have nothing you cannot have more... If we have the possibility to invest then we can get help. Generally speaking, energy efficiency programs are primarily aimed at families with the financial capacity to equip themselves more efficiently and to invest in an energy renovation project, and families motivated by the ecological challenge. They leave out those who do not have the means to invest in energyefficient equipment, those who are in a situation of energy and/or social precariousness, so those who are least aware of energy and environmental issues, and the majority of occupants of social housing or living in collective housing<sup>5</sup>.

Finally, giving access to the energy transition to the most precarious part of the population is essential to reduce social inequalities related to comfort and quality of life. But also related to health! In fact, it is noticeable that energy renovation allows improving the quality of the building in terms of humidity, etc. and therefore has a direct influence on the health of individuals. A study of the euroform institute has shown that this type of investment pays for itself within 3 years at the health care level. It is therefore a quick return.

In addition, giving access to this transition also has an environmental purpose. Indeed, we know that more than 70% of the greenhouse gas emissions produced by housing come from heating and that these emissions are significant. This is due to the consumption of fossil energy or sometimes electricity not produced by nuclear power (less emitting but not renewable anyway) or not renewable...<sup>6</sup> In view of the large proportion of people still in a precarious situation, it is clear that allowing them to make this transition would have a positive and significant impact on the environmental problems we are experiencing.

As Anne Leclercq reminded us, it is important to first think about social justice to combat climate problems. This cannot be done effectively in the opposite direction. These changes must be made collectively and not individually as it is currently the case. The capitalist theory of runoff is clearly not effective. The energy transition... must therefore first be done socially...

We can therefore already see the importance and complexity of this issue and that it is essential to understand and find solutions regarding access to the energy transition for this more precarious population.

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<sup>5</sup> . [5] Zélem & Beslay, 2011

<sup>6</sup> . [7] Garric et al.,2020

## The ecosystem analysis

In this part we will first study the ecosystem of our problem and then develop the main obstacles between precarious people and the energy transition that we have noticed through the analysis of the ecosystem.

### The ecosystem

#### The population

Let's first focus on the ecosystem linked with the problem chosen. We have chosen to focus on the precarious people that can't access the energy transition in their housing. The first step in the study of this problem is of course to explore who those people actually are. We are focusing on people living in fuel poverty. This concerns about one out of five households in Belgium in 2018. These households are actually mainly isolated people as more than 35% of the isolated people are actually facing fuel poverty. There are also a lot of mono-parental families that are affected as 32.5% of them suffer from fuel poverty. The Roi Baudoin Fondation also emphasizes the fact that in those populations the single mothers and also the isolated old women are the ones that are affected the most by fuel poverty.

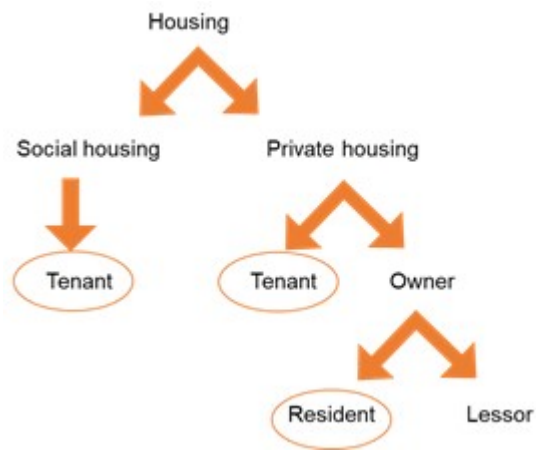
There is also a clear difference in the chances of facing fuel poverty if people are owners or tenants of their housing. Indeed, the risk of facing fuel poverty is two to three times higher for the households that are tenants of their housing as their rent has been increasing a lot lately. The Roi Baudoin Fondation also states that people renting social housing are even more vulnerable<sup>7</sup>.

#### The kind of housing

It is important to be aware of the differences between the housings in which precarious people can live. In this report, the main difference we would like to emphasize is the difference between private housings and social housings. First social housings are financed by public funding and therefore the renovation work in those highly depends on the budget that is allowed by the public authorities for that purpose. On the other hand there are private housings. In those housings it is important to make another difference between the housing owned by people who rent them and the housings whose owners live in it. We can easily understand that most precarious people, if they own housing, actually live in it. Therefore, the people we are focusing on are the precarious people meeting one of those categories :

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<sup>7</sup> . Fondation Roi Beaudoin : La précarité énergétique



In Wallonia, the social housing is managed by the Walloon Society of Housing and depends on the funding that is accorded to it. Recently a project and therefore a budget have been allocated for the renovation of 25 000 social housings. However according to misters Defeyt and Pradella, this is clearly not enough as there are more than one million social housings. Also, the work will take time and by the end of this project many other social housing will urgently need renovation work as well. But at least this is better than nothing and both of them as well as Anne Leclercq are also convinced that if there is no stronger legal obligation in the private sector, the huge renovation process of poor quality housing will be fixed sooner in the social housings. As social housing depends on the public sector we have chosen not to focus on it but to try to understand better the problem of the private housing in which precarious people live.

### The legal framework

According to the decree related to the energetic performance of buildings, everyone who sells or rents a building has to certify the energetic performance of it thanks to a specific calculation method. In actual facts, Phillipe Defeyt and Fabrice Collignon have told us that this is not always respected, and as a consequence the housing owners do not care much about this certification and even less about the fact of owning a low scored housing. Indeed, even if a building has a very low score, there is no legal obligation for its owner to change anything about that. Mister Defeyt mentioned a draft bill that had the ambition of forcing new housing owners to renovate those in order to improve the energetic performance in the three years following the purchase of the housing. This draft bill has been abandoned as it would discourage young people from buying housing due to the possible major additional cost of renovating it.

Of course there are also some subventions that help people finance their renovation works but if there is no legal obligation, most landlords do not see the interest of doing so.

### The CPAS' role

Eric Jérôme has given us much information about the support that the CPAS (CPAS – Centre Pour l'Aide Sociale) are already providing the people facing fuel poverty. First, most CPAS usually have



someone who is in charge of informing people and helping them to get through different procedures in order to improve their housing in terms of energy consumption. The CPAS also provides help for the households who are not able to pay their energy bills thanks to various funds for example. In addition, the Walloon region finances some projects to engage poor people in the energetic transition and the role of the CPAS is to inform precarious people about those and to support them through the procedure. These public helps will be developed in more details in the benchmark section.

## The main obstacles between precarious people and the energetic transition

Through the analysis of the ecosystem we have been able to highlight a few obstacles that precarious people can face concerning the energy transition of their housing. This section has for purpose to mention and explain those obstacles. They will then be used for the realization of the impact gap canvas in the next section.

- Precarious people are already facing difficulties to pay their bill or to have enough money to deal with unforeseen events. Therefore, as environmentally concerned as they can get, investing in the rehabilitation of their housing is simply impossible for them.
- Most precarious people are actually tenants of their housing and not owners which strongly limits their abilities to carry out any kind of rehabilitation in their housing. The only way that they could try to participate in the energy transition would lay in their choice of energy supplier. But even here as Eric Jérôme explained to us, the cost is their main focus and the greener suppliers are often more expensive. Moreover, the energy market is lacking a lot of transparency and the only realistic way to be aware of where the energy comes from is to join an energy cooperative for example, but this is unfortunately not possible for precarious people as they don't even have the money to become a cooperator. Therefore, we don't think the best way to consider the energy transition is about choosing a greener energy supplier. We prefer to focus on equipment and insulation.
- Concerning the owners of housing, there is no strong legal obligation that asks for measures in terms of insulation, in terms of energy supplier or in terms of equipment such as boilers, solar panels, etc. Thus, most lessors don't have an interest in rehabilitating the housing that they rent as the financial gains will almost totally benefit the tenants.
- Precarious people also sometimes lack the right information about what they could do in order to have a better energy consumption. This is not always the case but it still happens that some of them do not access this information as easily as other people. Therefore, they might not know about the interest of some renovation works or about the existence of different kinds of help for them to carry out these works.
- Individuals in general are often reluctant to any kind of change, but this is even more true for precarious people and this is linked to the lack of information among other things. They are not willing to implement change in their life that they cannot do by themselves because they have trouble trusting others, they don't like the fact of not having the control of what is

happening and not being certain of understanding everything that is happening. Moreover this can also affect the self-confidence of precarious people which makes them even more reluctant to change.

- Sometimes, even the professional contractors are not aware of everything they could do to help people improve their energy consumption.
- Third party investment mechanism usually do not work for precarious people because of the rebound effect. Indeed they are expected to lower their energy bill thanks to the renovation works carried out in their housing, but it is actually not the case as they are finally able to benefit from a decent energy consumption. In consequence, the bill doesn't change much and the third party investor cannot' get compensated for the investment he made thanks to a variation in the bill of the household.

## Benchmarking

### In other countries

In France, to fight fuel poverty, they put up a program "Living Better" ("Habiter mieux") in the early 2010's which is aiming to a thermic renovation of private housing for people with low incomes. For those people, they also created "Energy Vouchers" which are used to pay energy bills. In 2019, 5.8 billion households received their 200€ voucher.

In Germany, where the global welfare of citizens is similar to France and Belgium, they also have a financial help mechanism separated as electricity bills and heating bills, but it is often undersized. The German government has only recognised recently fuel poverty as a component in the fight against poverty. Therefore, it is currently mainly tackled by local initiatives rather than national.

### In Belgium

#### Public help

In Belgium, there are a lot of public help already in place, especially from the Centre for Social Welfare.

CPAS have what they call an "Energy Service", which gives different types of help such as financial help. The Walloon region unlocks every year a budget destined to each CPAS in order to help people who can't pay their electricity and gas bills, by totally or partially clear it. The same system exists for water and fuel. If those bills are not fully paid, the retailer can impose the use of a budget meter (electricity and gas) or a flow reducer (water), which is a real struggle for those families.

Another help in place for poor people is the social rate. It is special and reduced tariff, given either by the federal or the Walloon region, used in energy contracts only for people who are already receiving a certain social help (there a lot of conditions to be able to get it). Often, CPAS will help

people in a precarious situation to get this social rate. In this situation, the client will directly be supplied by the distribution company in charge and thus have less charges to pay.

A CPAS can also receive subsidies from the Walloon Region to initiate Energy Prevention Action Plans (PAPE – Plans d’Action Prévention Énergie). These plans consist of a 19.000€ budget and have as goal to accompany households in difficulty towards a better energy management. For example, Herve CPAS picked 7 families for which they have done an energy balance to see where they could save some money. In parallel, they are planning collective animations around the energy theme to slowly induce a change in the behaviour of people. However, Anne Leclercq is not convinced of the usefulness of those. Indeed, those little tricks are definitely not useful when the houses of precarious people are actually energy sieves.

Finally, people with low incomes can obtain financial help in order to finance renovation work that could make them use energy in a more rational manner or benefits from a decent comfort. The aid consists of a 1.365€ budget per household and given once again by the Walloon region and is called “MEBAR”. To get it, the applicant has to ask his municipality’s CPAS but can only receive it every 5 years. Yet it only allows small renovation works as for example in Herve, it is often asked to buy a gas, coal or pellets stove.

### Social Real Estate Agencies

There exists some non-profit organisations called Social Real Estate Agency (AIS – Agences Immobilières Sociales). Those organisations want to foster access to public or private housing that meet minimum health standards. They act as an intermediary between the landlords and the tenants, by taking care of everything between those two. From the landlord point of view, they earn a bit less money but they don’t have to care about getting the rent paid, giving the housing the minimum standards and so on. From the tenant point of view, they have access to a healthy house or apartment at a price they are sure they are not being scammed. Thanks to this process, these agencies are working towards the energy transition by renovating the housing they are taking care.

### Citizens’ initiatives

SUN project (Sustainable Urban Neighbourhoods) was a research project held between 2009 to 2012 by the Euregio Meuse-Rhin, in which a part of it happened in the Saint-Léonard neighbourhood, in Liège. Its main objective was to support the energy transition for urban districts. Mrs Ruelle worked on this project as a part of her Ph.D thesis. They wanted to overcome the obstacles between people with low incomes and the energy renovation of their housing. The action plan was divided into two phases. First, they focused on raising awareness of those people and working on their behaviour by offering them cheap activities and challenges to do. Then, they focused on the investments about thermal renovation by creating accompanied buying groups and selecting some trustworthy construction contractors for them, while still informing the inhabitants about some specifications of this work.

As results, people really appreciated the fact of having trustworthy contractors suggested because there was always a fear of scams. Some renovation works are really difficult to be promoted but insulation is one of the most appreciated. The accompanied buying group helped to reduce prices a bit but not that much. The owners who participated were neither the poorest of the district owing to the fact that they still had to pay the work themselves, nor the large landlords because they usually don't care as they are not using the housings and paying the charges.

In the meantime, energy-related cooperatives are beginning to expand in Wallonia. Rescoop is a federation gathering 16 cooperatives that want to produce greener energy while developing a supportive economy. These cooperatives, such as "Courant d'Air" for the German speaking part of Belgium or "Bocagen" for Herve Country, are mainly touching people with financial means because they have to bring fundings in order to become cooperators, but it indirectly affects precarious people because they aim at creating a more sustainable economy where profitability is not the main purpose. Moreover, they invest money onto raising awareness about energy saving and energy efficiency.

## Internet benchmarking

We decided to look even further on the internet for more existing initiatives or projects. ThirdParty investors is now a known principle as there are plenty of companies suggesting it. However, it is often used to finance a photovoltaic project or a new type of heating for a house (heat pump, pellets stove, ...). Some associations such as "Hello Sun" in Brussels are putting in common a photovoltaic installer and a third-party investor. A third-party investor company exists also in Flanders, it is called "Upgrade Estate", but they are focusing exclusively on building energy efficient kots for students. Finally, there is the "Réseau Éco-Habitat" in France which is putting in touch every person who wants to improve its housing in a local manner. They can create contact between contractors, tenants, owners, counsellors, investors and so on, and they are also taking care of the procedures.

The benchmarking allowed us to see what is currently going on in the markets. We can clearly see that the population in general is waking up because fuel poverty is a thing that the people affected by it can't overcome by themselves. For a ten-year period, there have been more and more projects, associations and cooperatives working towards social justice especially in the energy sector, but there is not already a perfect solution that has been found.

## Impact Gap Canvas

### Challenge mapping

While our countries start putting in a lot of effort to reduce global warming, a part of people is left out of the energy transition. These are people in a precarious situation.

Currently, different policies and measures have been taken in order to increase the part of renewable energies, renovate housing to get more efficient and less heat consuming. Technology

has improved a lot : our appliances are today smarter and we are turning into a more energy saving behaviour. Nevertheless, people with low incomes usually can't afford this technology, they can't afford investing money to renovate their apartment or their house (if only they own one). The policy is unfortunately favouring people with a mean or high income due to the fact that it is frequently about giving subsidies for which the applicant has first to advance the money. Indeed, there is a lot of administrative burden when applying for those and that can be repellent. The policies can also be about minimum standards for housing such as the building energy performance (PEB – Performance Énergétique du Bâtiment), that they still can't afford to match.

In 2018, 14% of Belgian were in a situation of fuel poverty, with a total of 24% only for Wallonia<sup>8</sup>. These people can be owners of their housing, tenants in a private housing or tenant in a public housing. Furthermore, precarious households are mostly isolated people and singleparent families, but also a couple with or without children.

Another challenge is that people in a precarious situation usually don't really know a lot about finance or construction technique. Thus, they are afraid of being scammed by incompetent or untrustworthy contractors.

It is a really recent challenge as the fuel poverty has only been defined less than 15 years ago by our governments when they were planning the energy transition.

## Impact Gaps

To solve this challenge, we expect a service that would overcome the three biggest obstacles, namely being able to finance a project, help doing the administrative burden and suggest trustworthy contractors.

Currently, there lacks a raise of global awareness, whether it is from precarious people about energy or about more eased people about social justice. There also lacks an efficient policy about energy, housing and precarious people because for example, the PEB indicator is a great idea but it is actually not well implemented. The major problem with politic is that it is always very slow to set up.

An indirect obstacle is focusing on people with low income because if those gaps are filled, it can benefit also for people with a mean income which is not what is intended as they can already do their part of the job in the energy transition with the current public help and cooperatives.

From our research, we have learned that if we want to impact this sector, we have to find a solution that will help the finance, help find contractors, and support the administrative burden... But the we have first to focus on people's needs, talk to them and understand them. What is important for them? What do they want?

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<sup>8</sup> . Fondation Roi Beaudoin

## Solution Mapping

Nowadays, the cooperative model is working really well. There are already some cooperatives that are promoting sustainable energy, by producing their own for example. It works well because it is changing the current economy system where in companies, the more you have, the more your vote counts. It is also a model regularly promoting local and circular economy which is great.

What is happening globally is that even if subsidies can help poor people, it solves the problem for a short period. A financial help will help them to pay their bills, but not to reduce it in the future. In the opposite, if the financial help could save them money, it would prevent them from having overdue debts. We can say that today, in general, what works well is working because the people already have the money.

The future focus should be on mixing the people. We have to find a solution to raise awareness to middle- and high-class people that the poorest can't get welfare in their housing because they already struggle to eat, and everyone deserves welfare. We have to raise awareness to the low-class people about help they can get, and also give them help. We have to find a solution to create contact between these two types of population because we believe that we can cooperate to find the best solutions.

## Learning log and actions

We have learned a lot from the persons we had an interview with. They were persons who either worked with precarious people, or who know them very well or who have fought for social justice.

We think that if we want to create a real project to solve the challenge, we will need to have more contact with people in the field, social workers, local actors.... To be able to have relevant discussion with people in a precarious situation and understand their needs better.

## Main learnings

Through our interviews and literature review, we have learned a lot about the problem of the energy transition among the precarious population. Each interview was really complete and all of them have raised our attention on different features of this problem. Even though the various differences in those interviews, the experts we met agreed on the same highlights about the origin of the problem and the fields in which action could be carried out in order to intent solving this problem.

We have understood that nowadays the current policies favouring the energy transition are not benefiting precarious people at all, those are actually even excluding them even more from it. In a perfect world we would hope for more social equalities in those measures, however we know how long this kind of political process can take and therefore we cannot count on this. Consequently, we think that the private sector has to bring a solution in order to counterbalance those inadequate policies.

What is also really important is the fact that precarious people must be involved in the process. Otherwise they might be even more reluctant to carry out any kind of rehabilitation in their housing. They need to be informed and supported through the whole process. They need educational support as well as administrative support as the administrative work can be really complicated and discouraging for them.

Also, we cannot forget about the help that precarious people can already get from the CPAS. Indeed, they can be really useful for them, however they once again need more support in order to be really effective. An ideal solution would try to take advantage of those existing helps by for example creating partnership between a private company and the CPAS.

We have also learned that collective actions are more powerful than single ones and this for different reasons. First the collective dynamics created within a neighbourhood for example might be a real accelerating factor in the process of deciding to act towards energy transition. Secondly, collective actions might lead to scale economies thanks to buying groups for example which leads to reduced costs and this aspect can of course not be denied while addressing the precarious population.

## Possible solutions

The objective of the imagined solution is to answer the following question : how to help precarious owners who want to participate in the energy transition to reduce the financial impact of a renovation project and to reduce the effort required in the process (information analysis, administrative work, finding trustworthy contractors)?

We therefore initially chose to focus on the precarious landlords in order to facilitate the launch and the viability of the solution that follows. A second step would be to include the landlords that are renting their housing to precarious people in the solution.

The chosen solution is to create a cooperative of numerous private third-party investors who will pay for the entire project. They would recover their investment plus a return on this investment thanks to the reduction of charges in 10 years in addition to a contribution to a social project. The owner would not pay a penny and would own the facility after this period.

Given the rebound effect explained above, which implies that their bill is likely to decrease very little because the people in precarious situations will be able to increase their living comfort to a suitable minimum, knowing moreover that this concerns rather small amounts at the base and the continuous increase in the price of energy resources, the following elements must be added to the solution :

- The idea is that it would be individual private investors investing sums ranging from 1000 to 15000 euros that are not expecting a big financial return. Indeed, the social value of the

project is to make this lower return accepted. The ideal would be to bring an emotional side (meeting with the owners for example) but also to diversify the portfolio in order to bring security with a higher return than a savings account.

- Given this problem of low savings, it would be necessary to concentrate on one or two types of work such as roof insulation and the installation of photovoltaic panels while working only with the same construction professionals. The goal is to play as much as possible on the cost's reduction so that the return on investment is possible...
- Incentives must be put in place to motivate people in precarious situations to continue to pay attention, such as for example a recovery of saved expenses beyond a certain threshold. Accompaniment is also needed to avoid unsustainable behaviour. All of this while guaranteeing a minimum level of comfort that these individuals did not have before.
- This solution would also ensure that the entire administrative side is taken care of to relieve this constraint and would therefore also make trusted contractors available.
- Overall, this solution would therefore provide an answer to the various obstacles and to the basic problem as well.

The idea of the prototype that would allow testing this solution is discussed in the appendix.

## Conclusion

We have tried to deepen the complicated issue of access to the energy transition by vulnerable populations.

To this end, we interviewed experts and consulted existing literature. We found that a series of obstacles exist, such as the cost of investment and the lack of information, but also that a blocking situation prevents this access if nothing changes. In fact, in addition to policies that themselves promote inequality, a deadlock situation exists where people in precarious situations already consume less than to reach a minimum level of comfort, which would imply a rebound effect preventing returns on investment.

However, various actions are already in place such as the renovation of public housing as well as some financial aid and some other kind of support provided by CPAS but this is not sufficient or only affects a small part of the people affected.

We then came up with a solution involving third party investment but in a collaborative way.

It is a collective effort that must be made to achieve the goal of access to this transition for all but also to overcome social inequalities in general which remain the basic problem.



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# Appendix

The prototype that would allow to test the solution would be the following : It would consist in finding, if they exist, who are the investors (Liege) and in which neighbourhood, more specific places we can find them and, once they are found, to determine from which return they would agree to invest (1, 2, 3, 4, 5%?) and for what duration. This could be done with the help of flyers adapted to what is being tested. Distribution channels for this information would have to be defined.

As far as the owners are concerned, we already know the main data concerning the targets and the "demand" (see in particular Christine Ruelle's PhD). On the other hand, the same mechanism could be used to determine if interested owners exist and for how long this mechanism would be acceptable.

Here is a totally fictitious example of a flyer (in French because the pretotyping would be done in Liège) :

⏏

***Vous voulez isoler votre toit et/ou installer des panneaux photovoltaïques mais vous n'avez pas assez d'argent ? Nous finançons entièrement votre projet pour vous !***

⏏

**Coopération**

Vos concitoyens pourraient investir pour améliorer votre quotidien.

Non, ce n'est pas une arnaque ! Nous sommes une coopérative dont les membres ont décidé de VOUS aider en utilisant leur épargne pour vous permettre d'avoir un logement plus sain et vous faire faire des économies de chauffage.

⏏

**Isolez-vous gratuitement**

Votre logement a des besoins importants en termes de travaux de rénovation énergétique ?

Rue Louvrex, 4000 Liège

—

0477/418.775

—

IsoleToi@gmail.com

—

IsoleToi.be



## Comment ça marche ?

Isoler sa maison apporte une véritable rentabilité en termes de charge à payer !

Le bénéfice correspondant à la diminution des charges est distribué à toutes les parties prenantes dont vous.

## Pourquoi ?

Votre logement et donc votre qualité de vie sont améliorés et vous dépensez 0 euros !

Les dix premières années les investisseurs obtiennent une partie des bénéfices de la nouvelle installation en termes de réduction des charges de manière à avoir un retour sur leur investissement en plus de vous aider.

Mais vous aussi vous recevez une partie de ces bénéfices si la réduction des charges est plus importante que le minimum que nous assurons.

Après 10 ans l'installation est entièrement votre propriété et vous bénéficiez de l'entièreté de la diminution de vos charges.

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*Améliorer votre logement et votre confort de vie pour 0 euros !*

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## Isolation

Notre partenaire spécialisé dans l'isolation de toiture pourra vous assurer un service dont nous sommes sûr de la qualité !

## Panneaux photovoltaïques

Vous pouvez aussi compléter l'œuvre par l'installation de panneaux photovoltaïques pour une diminution de votre facture encore plus importante.

## Intéressé ?

N'hésitez pas à nous contacter par téléphone ou par mail et nous serions très heureux de discuter avec vous de votre futur projet.

