

European Construction Sector Observatory

Policy fact sheet



Recognised Environmental Guarantor Label

Thematic objectives 2 & 3

October 2020

In a nutshell

Implementing body	French Government (Ministry of Ecological Transition ¹) and the National Agency for Ecological and Energy Transition (ADEME ²)
Key features & objectives	Certification and labelling system (RGE) that certifies the quality of energy efficiency renovation work carried out by construction service providers.
Implementation date	2011 – ongoing
Targeted beneficiaries	Construction companies, tradespeople, customers, training providers and certification bodies.
Targeted sub- sectors	Residential and energy efficiency.
Budget (EUR)	Not published.
Good practice	***
Transferability	***

To fulfil its energy performance commitments, the French Government has gradually introduced a range of initiatives and incentives to help reduce greenhouse gas emissions and energy consumption.

Early examples of initiatives include the creation of:

- Professional associations and certification bodies focused on energy efficiency (e.g. Qualit'EnR in 2006);
- Energy efficiency training programmes such as the Energy Efficiency in Buildings Training Programme in 2007;
- Energy saving brands such as Eco-artisan® by Capeb and Energy Performance Pros® by the French Building Federation (FFB).

Examples of incentives include the Energy Transition Tax Credit (CITE), the zero-interest

eco-loan (eco-PTZ), energy saving certificates (EEC) and reduced rate VAT (5.5% VAT) for home energy renovation work.

In 2011, the Recognised Environmental Guarantor (Reconnu Garant de l'Environnement – RGE) certification and labelling system was launched. It followed the signing of an agreement between the French Government and a group of professional organisations, training providers and certification bodies.

The RGE certification system was introduced to help advance the uptake of energy efficiency in residential renovations. It aimed to improve the quality of renovation work by incentivising and supporting skills development in the construction sector. It aimed to improve quality by establishing RGE certification as a pre-requisite for energy efficiency renovations supported by publicly funded measures (e.g. eco-tax relief and eco-loans). It also aimed to help construction project owners / customers select competent contractors.

The RGE system has achieved some notable successes since its launch, but it has also experienced a considerable number of issues during implementation.

Data on its first six years of operation (2011-2016) reveals high demand for RGE certification. Nearly half of all contractors that provide energy efficiency renovation services have become RGE certified. More recent data is not available for analysis, but one might expect certification awards to have reached or surpassed two thirds of the target segment of contractors by 2020, based on the annual average achieved in the initial six-year period.

Implementation issues are however in need of remedial action to improve the measure's impact. The training programme should be better aligned with current needs. The onsite auditing process should be strengthened to ensure continued quality of work beyond certification. System requirements should also be more flexible and friendly toward small business.

General description

The Recognised Environmental Guarantor (Reconnu Garant de l'Environnement, RGE) certification and labelling system was launched in 2011 to certify the quality of energy efficiency renovation work carried out by construction service providers in the residential sector.

The RGE system targets three main objectives³:

- To help building professionals acquire new skills;
- To enable individuals and contracting authorities to identify the most competent professionals;
- To establish environmental quality eligibility criteria as a pre-condition for all grant applications for public financial support.

Two principal RGE certificates/labels are offered:

- The RGE Work (RGE Travaux) certificate/label is intended for companies that carry out energy performance improvement work for individuals;
- The RGE Study (RGE Études) certificate/label is intended for companies that conduct studies or provide project management services to large-scale renewable energy buildings or installations (biomass boilers, tertiary buildings, multi-apartment buildings, etc.).

RGE certification enables companies and tradespeople that carry out energy efficient renovation work to gain official recognition for their professional competency and the quality of their services. Use of RGE certified contractors is also a mandatory requirement for construction customers that wish to benefit from public funding support.

Certification processes

RGE Work (RGE Travaux) certification

To become "RGE Work" certified, applicants must follow a **five-step process**⁴.

Step 1: Choose a quality certification label

Applicants must first choose the appropriate quality certification that fits their business activity:



Qualibat⁵ certifies companies performing work in all types of fields and specialties related to energy efficiency and renewable energies;



Qualit'EnR⁶ certifies companies carrying out equipment installations promoting renewable energies;



Qualifelec⁷ certifies companies performing electrical work in energy efficiency and / or the installation of renewable energies;



The **Eco Artisan**⁸ qualification was initiated by CAPEB and is managed by QUALIBAT. It is issued to companies which:

- provide comprehensive advice to customers in the field of energy performance, through thermal assessment;
- carry out energy efficiency work;



Issued by QUALIBAT, this mark of the French Building Federation (FFB)⁹ concerns craftsmen and companies who carry out work related to energy performance (construction or renovation);



Céquami¹⁰ certifies building professionals that carry out major renovation work as part of a comprehensive energy renovation of housing;



Certibat¹¹ certifies building professionals able to propose and carry out comprehensive energy renovation offers.

Step 2: Get trained and then train your co-workers

At least one employee in each applicant company must receive RGE training. A range of training courses are available depending on the applicant's field of activity (energy efficiency or renewable energies) and depending on the training that the applicant/employee has already received. Once training is completed, the trainee should then become a trainer within their own company.

Step 3: Complete the certification process

Applicants must engage with the appropriate certification body, based on their choice of certification label. The relevant body advises the applicant on the specific certification process to follow for their chosen label. Certification bodies also advise on the eligibility criteria applicants must fulfil:

- administrative and legal;
- financial;
- technical (human resources, production references and material resources).

Step 4: Obtain your certificate and maintain your certification

Once certification is awarded, applicants can obtain a qualification certificate and have their company listed on the government's approved RGE register (www.faire.gouv.fr).

An RGE certificate is valid for a period of four years, after which it must be renewed every year. The renewal process verifies several elements that include the sustainability of a company's human, technical and financial resources.

Step 5: Pass a performance check

A performance check is carried out onsite within two years of certification. This follow-up activity is carried out by the certification body. It aims to verify that the company is complying with regulations.

RGE Study (RGE Études) certification¹²

To become "RGE Study" certified, applicants must follow a **four-step process**.

Step 1: Choose an organisation

First, choose from different organisations that possess the quality sign(s) that correspond to your activity.



OPQIBI¹³ brings The together engineers, qualified consulting design offices and engineering companies that carry out services (assistance with project management, study, project management, etc.) related to energy efficiency and renewable energies.



The OPQTECC¹⁴ brings together design offices and construction economists whose areas of study relate to the environmental context of operations, the energy performance of the building envelope, the resulting works and equipment.



Issued by Certivea, the NF Études Thermiques¹⁵ certification concerns design offices that carry out thermal studies in the housing / single-family home and tertiary sectors.



The qualification of energy audit providers issued by LNE¹⁶ attests to the ability of an organisation to perform an energy audit in relation to the requirements defined in the qualification reference system and French standards NF EN 16247 relating to energy audits.



AFNOR certification¹⁷ issues a company qualification for conducting energy audits.

Step 2: Get trained and then train your co-workers

Different training options are available to applicants depending on the training they have already completed. One or more of employees from the applicant company must demonstrate their skills. This proof of competence is defined on the basis of diplomas, professional experience and initial or ongoing training within the scope of the RGE quality label being sought. Once training is completed, the trainee should then become the trainer within their own company.

Step 3: complete the qualification or certification process

Applicants must engage with the appropriate certification body, based on their choice of certification label. The relevant body advises the applicant on the specific certification process to follow for their chosen label. Certification bodies also advise on the eligibility criteria applicants must fulfil:

- administrative and legal;
- financial;
- technical (human resources, production references and material resources).

Technical eligibility is also verified:

- Human resources: verification of employee skills and training;
- References: presentation of three detailed experiences, completed over the last three years. One of these experiments will be the subject of a detailed analysis by independent experts;
- Capacity and equipment: proof of sufficient technical means for the RGE certification requested (e.g. thermal camera, dynamic thermal simulation tools, etc.).

Step 4: Obtain your certificate and maintain your qualification or certification

Once certification is awarded, applicants can obtain a qualification certificate and have their company listed on the government's approved RGE register (www.faire.gouv.fr).

An RGE certificate is valid for a period of 4 years, after which it must be renewed every year. The renewal process verifies a number of elements that include the sustainability of a company's human, technical and financial resources.

Additional eligibility criteria

The applicant company must also demonstrate:

- Work and civil liability insurance;
- Compliance with legal and financial obligations;
- Proven references;
- Capacity to supply and install equipment, as well as the required human and material resources;
- Experience of managing subcontractors;
- Completion of at least two projects in the field every 2 years;
- At least one of its projects, in progress or completed, to be inspected within 24/48 months of their RGE certification award;
- At least one technical advisor has received training in the field of energy efficiency and / or renewable energies.

RGE certification costs¹⁸

The total cost of RGE certification ranges between EUR 900 and EUR 1,700, depending on the nature of the training and certification required. RGE training costs range between EUR 600 and EUR 700. The cost of RGE certification (for a period of four years) ranges between EUR 300 and EUR 1,000.

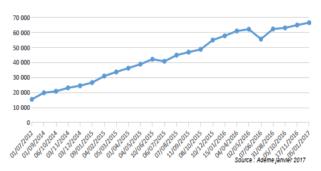
Achieved or expected results

The latest data available on the results achieved by the RGE system is reported in an evaluation report¹⁹ published in 2017. The assessment was conducted by the General Council for the Environment and Sustainable Development (Conseil Général de l'Environnement et du Développement Durable, CGEDD). It was commissioned by the Ministry of Ecological Transition and the Ministry for Territorial Cohesion.

Figure 1 shows the growth in the number of RGE certified companies up to January 2017. According to figures reported by Ademe²⁰, a total of 67,500 companies held an RGE certificate awarded by the three main certification bodies (Qualibat, Qualit'EnR, Qualifelec) in January 2017. That equates to an average of approximately 11,250 awards per year over a period of six years (2011-2016).

According to estimations by Qualibat²¹, RGE certified companies in January 2017 represented almost half (45%) of the total number of companies (150,000) providing energy efficiency renovation services to the residential sector. Qualibat represents 85% of RGE accredited companies (56,900). They include 42,000 with Qualibat certificates, 12,400 ECO-Craftsmen and 2,500 Energy Performance PROS. Qualit'EnR represents approximately 10,000 (14%) and Qualifelec 1,000²².

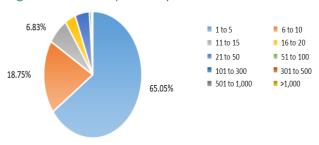
Figure 1: Number of RGE companies, 2012-2017



Source: RGE Evaluation Report, Ademe 2017²³

Figure 2 provides an overview of RGE certified companies by size²⁴, according to 2017 data. The majority of companies certified by Qualibat, have two or more employees, and an average seven employees. These companies employed 42% (500,000) of all building sector jobs in 2017 (1.2 million). Over 85% of the companies certified by Qualit'EnR have less than ten employees and 95% have less than twenty employees. Most of these small businesses are "traditional" heating engineers that occasionally carry out renewable energy equipment installation work.

Figure 2: RGE companies by size



Source: RGE Evaluation Report, Ademe 2017²⁵

The RGE evaluation revealed that the majority of RGE certification applications sought the RGE Works label, with relatively low demand for the RGE Study label. Figures on the split between the two, however, are not available. Overall, the report found that the RGE label, in general, was mainly being used for one-off works²⁶.

Further data results on the RGE initiative via the certification bodies is limited. More generic data is available, for example, on new job creation by smaller companies, however there is no clear link between that data and the RGE label²⁷.

Changes made to the RGE initiative

In **2014**²⁸, the use of an **RGE certified** contractor for energy efficiency renovation work in households became a **pre-condition** for the award of public financial support. Examples of support include the Energy Transition Tax Credit (CITE), the zero-interest

eco-loan (eco-PTZ) and energy saving certificates (EEC).

In **2015**²⁹, a first attempt was made to **simplify** elements of **the RGE system**. The two key changes made were:

- More lenient requirements on the supply of references in a first application (for certification) to make the application process easier for smaller businesses and tradespeople;
- Removal of the requirement for an applicant to carry out work on two sites during the certification process;
- Introduction of an option to extend the period after certification in which an onsite audit must be carried out from two to potentially four years. This was to provide greater flexibility for those companies that do not have completed work (for audit) ready within the two-year period.

In **2020**³⁰, **stricter RGE requirements** have been introduced to fight against fraudulent and abusive practices, the Government has decided to strengthen the RGE label, in particular, by tightening

requirements. The purpose of the changes is to increase confidence in the label and enable law-abiding companies to be better identified and recognised.

The key changes in 2020 are:

- The **selection of controlled sites** will be made **randomly** by the qualification body;
- Six critical (high risk) areas of work (for example, loft insulation and boiler replacements) will see the number of audits increased. A company with at least one critical area will be subjected, per four-year period, to two audits for its first critical area and one audit for an additional critical area;
- Penalties for companies at fault will be reviewed and additional checks will automatically be triggered in the event of major non-compliance;
- The qualification body may make the "RGE" qualification conditional on additional training.

Perspectives and lessons learned

The high uptake of RGE certification is an indication that companies recognise the value of environmental quality certification to their businesses.

According to the certification body, Qualibat³¹, RGE certification is a competitive advantage, because the use of RGE certified contractors is a precondition for the award of public financial support (e.g. grants) for energy efficiency renovation work. That pre-condition is both a business incentive for contractors and beneficial to customers and the environment.

The RGE system is criticised by some contractors for being too restrictive for many tradespeople and smaller companies.

A group of tradespeople have joined forces to encourage the government to address what they consider to be inequalities in the RGE system³². The "RGE ...not like that!" ("RGE pas comme ça!") group was set up in 2015. It argues that the costs, requirements and obligations associated with RGE certification are prohibitive for many tradespeople and smaller companies. As a result, many cannot compete on a level playing field, subsequently losing business and employment opportunities.

There are concerns that the RGE system does not comply with the EU's internal market services directive.

In March 2019, the European Commission (EC) informed the French Government that the RGE certification system does not comply with internal market rules³³. The EC describes the RGE system as imposing "overly restrictive conditions on [energy efficiency] service providers" with "disproportionately negative repercussions on service providers from other Member States". It also states that the system's eligibility criteria "such as previous experience in the field, as well as the limited duration of certification, are contrary to EU rules relating to services".

The certification body, Qualit'ENR, responded in April 2019³⁴ to the EC's formal notice by saying that the RGE is applying European regulations, but that it is adapted to the national context. It highlights the training and onsite monitoring elements as examples of the system's compliance with EU rules. It also argues that the same rules apply to all applicants, both national and international, that wish to provide energy efficiency renovation work in France. It states that a number of border companies, for example, in Belgium, Germany and Switzerland, are already RGE certified to enable them to operate in France.

The RGE training system no longer meets current needs.

In its evaluation of the RGE certification system, the General Council for the Environment and Sustainable Development (Conseil Général de l'Environnement et du Développement Durable, CGEDD) has identified a number of issues related to RGE training³⁵.

There is a discrepancy between compulsory and optional training, depending on the type of training. Energy efficiency training is optional, whereas renewable energy training is compulsory. The different legal bases for different types of training is viewed as confusing.

Much of the training content is theoretical rather than practical. Trainee feedback indicates a preference for practical training. There is also a perceived lack of flexibility for regional training providers to adapt content to local needs. In addition, the requirement for a single competent (RGE trained/certified) professional per company does not take into account varying company sizes.

The RGE onsite auditing process is limited in its ability to guarantee the quality of work carried out.

The CGEDD's evaluation report has identified several issues related to the onsite RGE auditing

process³⁶. There is concern among some of the certification bodies (e.g. Qualit'EnR) that a single onsite audit within a four-year period after certification is not sufficient to ensure quality in work execution. Audits are not carried out at random. Instead they are conducted on completed works that are chosen by the RGE certificate holder.

This limits the auditor's ability to detect poor work quality, as companies will tend to select their best example of work. Auditing practices and processes are not standardised, meaning that they are applied differently depending on the certification body.

Conclusion and recommendations

The RGE certification system has succeeded in its quest to train and certify a large number of contractors who provide energy efficiency renovation services to the residential sector. Nearly half (45%) of its target audience (67,500 out of 1,500 companies) took advantage of the system in its first six years of operation. However, there are many areas with scope for improvement.

Data on the number of certifications awarded between 2011 and 2016 indicate that RGE has achieved an average of 11,250 awards per year. If that average has been maintained over the last four years, a further 45,000 companies could potentially have availed of the system. That would take the total number of awards above 100,000, more than two thirds of the target audience.

Aside from strong demand for certification, however, there are many issues that have affected implementation. There are issues, for example, with the requirements and content of the RGE training programme, with insufficiencies in the auditing process, and with restrictions imposed by the system that prohibit many smaller companies and tradespeople from applying. There are also doubts about whether the initiative complies with EU internal market rules, evidenced by a formal notice of non-compliance to the French Government in 2019.

To improve the RGE system, six key recommendations³⁷ are put forward in the official programme evaluation conducted by the General for the Environment and Sustainable Development (CGEDD):

- Simpler and more harmonised procedures, nomenclature, quality labels and benchmarks would help to make the RGE system fairer for all companies;
- Measures that favour very small businesses are needed to establish equity of treatment in the certification process and enable them to improve

- their competences. These measures should also be reflected in the regulations and agreements made with the certification bodies;
- Measures are needed to improve RGE training and the recognition of experience. Priority should be given to amending regulatory texts, providing general national guidelines (compulsory training with an emphasis on practical training, à la carte training, recognition of professional experience, implementation of new digital training tools) and registering training in the decentralised regional framework of common law on continuous vocational training;
- Measures are needed to guarantee the correct execution of renovation works, by modifying the certification criteria (number of inspections on ongoing and targeted sites, constitution of proof of correct execution of the works carried out). A platform that enables customers to evaluate the practices and performance of contractors could provide an added incentive for good practice works;
- Improved and more understandable information for households, by simplifying certificate and label formats, and by bringing together the State and the regions to align the various public service structures that support energy efficiency renovation work in the residential sector;
- Improve existing statistical databases and share them with professional organisations and local authorities to provide greater transparency and to inform public policymaking.

Overall, the RGE label initiative is rated as a "3-star good practice measure" on a scale of 1 (low) to 5 (high).

This score represents a balance between high demand for RGE certification and the existence of a considerable number of issues related to its implementation.

On the one hand, the initiative has succeeded in training and certifying nearly on half of its target beneficiaries.

On the other hand, however, there are concerns that the training offered is no longer aligned with current needs; that the onsite auditing process is unable to guarantee correct execution of works; and that the RGE system is too restrictive to smaller companies and tradespeople.

In addition, the European Commission has identified a potential conflict between the RGE system and internal market rules. There is certainly the opportunity for the initiative to increase its good practice score, providing that improvements are made to address outstanding issues. The conclusion of discussions on internal market compliance with the European Commission will also naturally impact the extent to which the initiative can be considered a good practice or not.

The RGE label initiative is rated as a "3-star transferable measure" on a scale of 1 (low) to 5 (high).

This score is based on a number of factors. The concept of eco or green labelling of companies and products is not novel and is applied in varying ways in many other countries. That implies that the overall concept of the RGE system is readily transferable.

However, the national context within France (e.g. the nature and structure of the public sector and the fragmented accreditation structure) may make it difficult to replicate the RGE system in its entirety in another national context. Adaptation of individual elements would likely be workable in other contexts.

The score awarded is also limited by the concern voiced by the European Commission that the RGE system does not comply with internal market rules. Should it be decided that that it is ultimately the case, then the measure would not be considered appropriate for replication, unless modifications are made to ensure compliance with EU rules.

Endnotes

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