

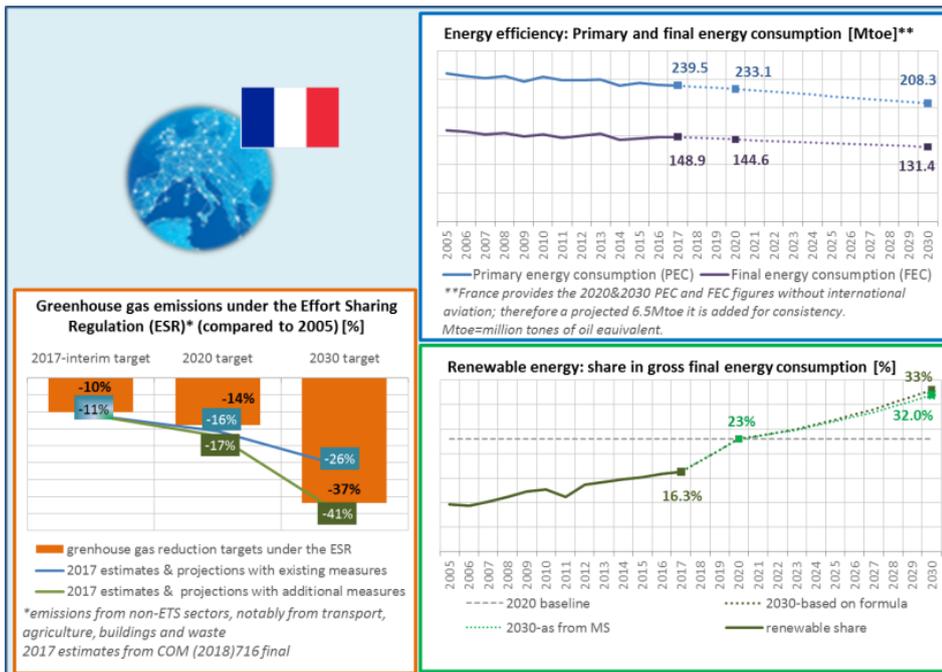


FRANCE

Summary of the Commission assessment of the draft National Energy and Climate Plan 2021-2030

The EU has committed itself to a clean energy transition, which will contribute to fulfilling the goals of the Paris Agreement on climate change and provide clean energy to all. To deliver on this commitment, the EU has set binding climate and energy targets for 2030: reducing greenhouse gas emissions by at least 40%, increasing energy efficiency by at least 32.5%, increasing the share of renewable energy to at least 32% of EU energy use and guaranteeing at least 15% electricity inter-connection levels between neighbouring Member States. To ensure that the EU targets are met, EU legislation requires that each Member State drafts a 10-year National Energy and Climate Plan (NECP), setting out how to reach its national targets, including the binding national target for reducing greenhouse gas emissions that are not covered by the EU Emissions Trading System (ETS). The European Commission has analysed each draft NECP. The summary of this assessment for France is outlined below. The final NECPs for the period 2021-2030 are due to be submitted by Member States by the end of 2019.

FRANCE - National targets and contributions foreseen in the draft National Energy and Climate Plan



Sources: France's draft National Energy & Climate Plan, Eurostat (PEC2020-2030, FEC2020-2030 indicators and renewable SHARES), COM (2018) 716 final (2017 GHG estimates)

- The draft integrated National Energy and Climate Plan (NECP) of France builds on the Multiannual Energy Planning and the National Low-Carbon Strategy; both documents were government proposals still to be adopted by the parliament at the time of submission. The **guiding objectives** of the draft plan are to **decarbonise the energy system and to achieve carbon neutrality by 2050**.
- France's 2030 target for **greenhouse gas (GHG) emissions** not covered by the EU Emissions Trading System (non-ETS), is -36% compared to 2005, as set in the Effort Sharing Regulation (ESR)¹. France has set itself a target of being carbon neutral by 2050, and presents a trajectory towards this target. If France follows this trajectory, it may overachieve its 2030 non-ETS target by 4 percentage points. This would require implementation of additional policies that keep emissions within the carbon budgets proposed in the National Low-Carbon Strategy, from 2019 onwards. These additional policies are not yet clearly defined. With existing policies and measures only, France projects to fall short of its 2030 non-ETS target by 11 percentage points, assuming that the Land Use, Land Use Change and Forestry (LULUCF) no-debit commitment is met² (meaning that emissions do not exceed removals). France has ambitious objectives for the transport and building sectors. However, specific policies need to be further defined.
- The French national contribution for **renewable energy** proposed in the draft plan is 32% of gross final energy consumption in 2030. This is slightly below the share of 33% that results from the formula in Annex II of the Governance Regulation, a situation which would also require an indicative trajectory in the final plan that reaches all reference points³ in accordance with the national contribution in the final plan. The policies and measures included in the draft plan to support the achievement of the proposed objectives and contributions for renewable energy are clear, well detailed, and cover the expected scope. The final plan would benefit from elaborating further on the policies and measures allowing the achievement of the contribution and on other relevant sectorial measures.
- As regards **energy efficiency**, the contribution of France is of modest ambition for primary energy consumption considering the need to increase efforts at the EU level to reach the Union's 2030 energy efficient targets collectively. France's contribution for final energy consumption is of sufficient ambition. It is expected that, if implemented, the planned policies and measures would deliver a significant reduction of energy consumption. This could best be estimated by including a comprehensive impact assessment in the final plan.
- In terms of **energy security**, France faces the challenges to decrease the share of nuclear energy, and to phase-out coal power plants. Policies and measures presented in the draft plan contributing to address these challenges could be further detailed in the final plan, which should also include France's views on the use of demand-side management and the long-term options offered by digitalisation to drive consumption load curves.

¹ Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013.

² Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU.

³ Pursuant to Article 4(a)(2) of Regulation (EU) 2018/1999.

- As regards the **internal energy market**, peak consumption is a key element dictating crucial features of the French electricity system. A thorough analysis of possible developments of peak consumption in the next decade would allow optimising the use of the tools to drive electricity load and enhance demand-side response, of which some relevant elements are presented in the draft plan. These will prove essential in view of managing the national electricity system and planning the necessary interconnections in cooperation with neighbouring countries. More generally, the final plan should define forward-looking objectives and targets concerning market integration, in particular measures to develop more competitive wholesale markets, including progressing towards fully market-based prices. The final plan will also need to provide an assessment of the number of households in energy poverty to allow assessing the possible need for an indicative objective for reducing energy poverty.
- The final plan would need to include an **interconnection** target and acknowledge in particular the importance of increasing interconnections with the Iberian Peninsula.
- In terms of **research, innovation and competitiveness**, the Hydrogen Plan put forward by France is a good example of a combination of concrete objectives at the 2030 horizon, accompanied by credible policies and measures. This approach could be replicated in areas such as innovation in other energy technologies, deployment of low-carbon technologies and competitiveness. The final plan would benefit from further elaborating on national objectives and funding for research and innovation.
- The analysis of **investment needs** can be considered a good practice as it includes investment needs by sector. The assessment of the different funding sources could be usefully extended to the future investment needs. The draft plan already takes advantage of the role NECPs can play in providing clarity to investors and attracting additional investments in the clean energy transition. The additional investments for realising the energy and climate transition indicated, are estimated to EUR 25-40 billion per year, which corresponds to 1.1–1.7% of GDP in 2018.
- Overall, the draft NECP of France is well developed and largely consistent across the different dimensions. It has a robust analytical basis, but is not yet complete and the impact assessment of policies and measures could be further developed, including through specifying the links between policies and measures and projections.
- The draft plan assesses the impacts on **air pollution and quality** quantitatively. The final plan could benefit from complementing this analysis with further information on the interactions, with air quality and air emissions policy, including synergies and trade-off effects.
- The draft plan does provide some elements on a **socially just energy transition**, which could however be better integrated throughout by considering social and employment impacts. The draft plan mentions the question of skills and training, but would benefit from providing more details on these aspects.
- A list of all **energy subsidies** and actions undertaken and planned to phase them out, in particular for fossil fuels, need to be included in the final plan.
- There is potential to intensify the good **regional cooperation** already taking place with Spain, Portugal and the Pentalateral countries, especially in the renewables, internal market and energy security areas. The cooperation could also be expanded to new areas such as regional generation capacity assessment and research and innovation on technologies of common interest with other Member States.

- A **good practice** is that projections were made until 2050, indicating the scale of emissions reduction by sector that will be needed to reach the carbon neutrality target and supporting the definition of five-year carbon budgets. Another good practice is that the draft plan raises the issue of the balance between production and consumption of biomass for energy and mentions the impact of increased use of biomass on the carbon sink.

Related links:

- [National Energy & Climate Plans](#) – for links to the Commission recommendations and Staff Working Document for France and all other Member States, to the Commission Communication assessing all draft NECPs, and to the draft NECPs themselves.
- More information about the [Clean energy for all Europeans package](#)
- More information about the [2030 climate & energy framework](#)