

# France

## Renewable Energy Fact Sheet

### ***Policy Background***

The EU is working to reduce the effects of climate change and establish a common energy policy. As part of this policy, European Heads of State or Government agreed in March 2007 on binding targets to increase the share of renewable energy. By 2020 renewable energy should account for 20% of the EU's final energy consumption (8,5% in 2005). To meet this common target, each Member State needs to increase its production and use of renewable energy in electricity, heating and cooling and transport.

Although renewable energies are an integral part of our fight against climate change, they also contribute to growth, job creation and increase our energy security.

### ***Country targets***

The renewables targets are calculated as the share of renewable consumption to gross final energy consumption. Renewables consumption comprises the direct use of renewables (e.g. biofuels) plus the part of electricity and heat that is produced from renewables (e.g. wind, hydro), while final energy consumption is the energy that households, industry, services, agriculture and the transport sector use. The denominator for the RES share includes also distribution losses for electricity and heat and the consumption of these fuels in the process of producing electricity and heat.

*French target: 23% (2005 = 10.3%)*

### ***Key issues***

France has centred its RES approach around feed-in tariffs on the one hand, and a tendering procedure on the other. Hydro power has traditionally been important for electricity generation, and the country ranks high when it comes to biofuel production. France has vast resources of wind, geothermal energy and biomass, and wind power and geothermal electricity have shown growth. In addition, there is potential in the area of solid biomass.

In 2006, 3.9 TWh of electricity were produced from biomass, along with 9.2 Mtep for heat production.

### ***Main supporting policies***

The French policy for the promotion of RES-E includes the following mechanisms:

- Feed-in tariffs (introduced in 2001 and 2002, and modified in 2005) for PV, hydro, biomass, sewage and landfill gas, municipal solid waste, geothermal, offshore wind, onshore wind, and CHP.
- A tender system for large renewable projects.

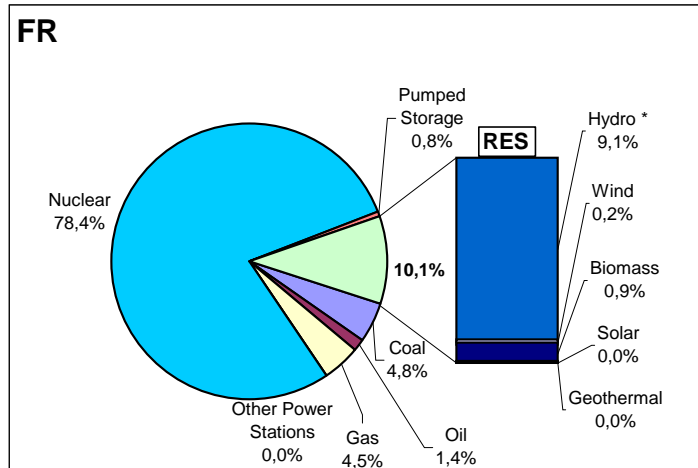
Stimulating the uptake of RES-H is done in three ways. Tax credits of 50% are available, a 5.5% reduction in VAT has been introduced for residential energy equipment using RES, and subsidies of up to 40% are granted for biomass heating plants.

Policy exists to ensure electricity is bought from biomass installations of less than 12 MW capacity. There is a tax credit for private individuals who purchase renewable energy products for their homes eg wood heating.

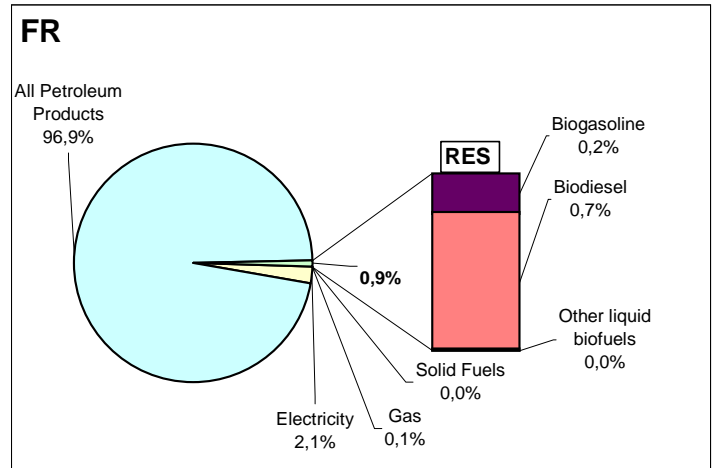
Law No. 2005-781 of 13 July 2005 ensures that biofuel use reaches 5.75% by 2008 (rather than by 2010 as mentioned in Directive 2001/77/EC), 7% by 2010 and 10% by 2015. Suppliers who do not meet these targets pay an additional tax for polluting activities. Partial tax exemption exists to cover the currently higher costs of biofuel production compared with fossil fuels, with the percentage changing annually, depending on economic conditions. Capital grants are also in place to promote biofuels.

Key figures<sup>1</sup>

Gross Electricity Generation by fuel (2005)



Final Energy Consumption by Fuel, Transport (2005)



Source: Eurostat

\* Not including generation from hydro pumped storage, but including electricity generation to pump water to storage. Municipal Solid Waste, Wood waste, Biogas included.

For further information

To find out more about renewable energy, go to: [http://ec.europa.eu/energy/res/index\\_en.htm](http://ec.europa.eu/energy/res/index_en.htm)  
[http://ec.europa.eu/energy/intelligent/index\\_en.html](http://ec.europa.eu/energy/intelligent/index_en.html)

To find out more about the current situation of renewable energy in the Member States, go to [http://ec.europa.eu/energy/res/legislation/electricity\\_member\\_states\\_en.htm](http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm)  
[http://ec.europa.eu/energy/res/legislation/share\\_res\\_eu\\_en.htm](http://ec.europa.eu/energy/res/legislation/share_res_eu_en.htm)

To find out more about support measures, go to [http://ec.europa.eu/energy/res/legislation/support\\_electricity\\_en.htm](http://ec.europa.eu/energy/res/legislation/support_electricity_en.htm)

To find out about a project or contact an energy agency in your region, go to <http://www.managenergy.net/emap/maphome.html>

<sup>1</sup> Reliable and complete data for heating and cooling is not yet available from Eurostat

## France - Renewable Energy Fact Sheet

### What is meant by.....?

**RES:** Renewable energy sources

**RES-E:** Electricity production from renewable energy sources

**RES-H:** Production of heat and cold from renewable energy sources

**Biofuels:** Mainly includes biodiesel and bioethanol

**Biomass:** Includes solid biomass, biowaste and biogas

**PV:** Photo-voltaic - technology for the production of electricity from solar energy

### **Disclaimer**

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