United Nations FCCC/TRR.1/FRA

Framework Convention on Climate Change

Distr.: General
29 August 2014

English only

Report of the technical review of the first biennial report of France

Developed country Parties are requested, in accordance with decision 2/CP.17, to submit their first biennial report to the secretariat by 1 January 2014. This report presents the results of the technical review of the first biennial report of France conducted by an expert review team in accordance with the "Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention".

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I. Introduction and summary

A. Introduction

1. For France, the Convention entered into force on 23 June 1994. Under the Convention, France made a commitment to contribute to the joint European Union (EU) member States economy-wide greenhouse gas (GHG) emission reduction target of 20 per cent below the 1990 level by 2020.

2. This report covers the in-country technical review of the first biennial report (BR1)[1] of France, coordinated by the secretariat, in accordance with the "Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention" (decision 23/CP.19).

3. The review took place from 7 to 12 April 2014 in Paris, France, and was conducted by the following team of nominated experts from the UNFCCC roster of experts: Ms. Savitri Garivait (Thailand), Mr. Liviu Gheorghe (Romania), Ms. Maria Jose Lopez (Belgium) and Ms. Nadiya Pustovoytova (Ukraine). Ms. Garivait and Ms. Pustovoytova were the lead reviewers. The review was coordinated by Ms. Sylvie Marchand (secretariat).

4. During the review, the expert review team (ERT) reviewed each section of the BR1, including the common tabular format (CTF) tables.

5. In accordance with decision 23/CP.19, a draft version of this report was communicated to the Government of France, which provided comments that were considered and incorporated, as appropriate, into this final version of the report.

B. Summary

6. The ERT conducted a technical review of the information reported in the BR1 of France according to the "UNFCCC biennial reporting guidelines for developed country Parties" (hereinafter referred to as the UNFCCC reporting guidelines on BRs).

7. During the review, France provided further relevant information, elaborating on GHG emissions, the monitoring and reporting of policies and measures (PaMs), methodologies and assumptions used for projections, and the provision of financial support (see paras. 11, 25, 42 and 43 below).

1. Completeness and transparency of reporting

8. Gaps and issues related to the reported information identified by the ERT are presented in table 1 below.

2. Timeliness

9. The BR1 was submitted on 31 December 2013, before the deadline of 1 January 2014 mandated by decision 2/CP.17. The common tabular format (CTF) tables were submitted on 27 December 2013.

[1] The biennial report submission comprises the text of the report and the common tabular format (CTF) tables. Both the text and the CTF tables have been subject to the technical review.

3. Adherence to the reporting guidelines

10. The information reported by France in its BR1 is mostly in adherence to the UNFCCC reporting guidelines on BRs as per decision 2/CP.17 (see table 1).

Table 1
Summary of completeness and transparency issues of reported information in the first biennial report of France[a]

Sections of the biennial report	*Completeness*	*Transparency*	*Reference to paragraphs*
Greenhouse gas emissions and trends	Complete	Transparent	
Assumptions, conditions and methodologies related to the attainment of the quantified economy-wide emission reduction target	Complete	Transparent	
Progress in achievement of targets	Complete	Mostly transparent	20, 21, 33
Projections	Mostly complete	Mostly transparent	34
Provision of support to developing country Parties	Mostly complete	Mostly transparent	42, 43, 44, 45, 57

[a] A list of recommendations pertaining to the completeness and transparency issues identified in this table is included in chapter III below (conclusions).

II. Technical review of the reported information

A. All greenhouse gas emissions and removals related to the quantified economy-wide emission reduction target

11. France has provided a summary of information on GHG emission trends for the period 1990–2011 in its BR1 and CTF tables 1. This information is consistent with France's common reporting format (CRF) tables of the 2013 annual submission under the Convention.[2] However, the ERT noted that the value of total GHG emissions excluding land use, land-use change and forestry (LULUCF) in CTF tables 1 and the CRF tables (493,023.59 kt CO_2 eq) is different from that reported in the 2013 GHG national inventory report (NIR) (491,496.81 kt CO_2 eq). During the review, France explained that the correct value was reported in CTF tables 1 and the CRF tables, which took into account recalculations made following the review of the 2013 annual submission. The 2013 NIR was, however, not updated following these recalculations – only the CRF tables were.

12. Total GHG emissions[3] excluding emissions and removals from LULUCF under the Convention decreased by 12.0 per cent between 1990 and 2011, whereas total GHG emissions including net emissions or removals from LULUCF decreased by 16.6 per cent over the same period. Emission decreases were mainly driven in the energy sector by: (i) decreases in emissions from manufacturing industries and construction (22.9 per cent), owing to a general decrease in energy consumption, accentuated by the 2008 economic

[2] France defines two geographical boundaries for the purposes of reporting GHG emissions: one under the Convention which includes Metropolitan France, overseas departments (Guadeloupe, Martinique, French Guiana and Réunion), overseas collectivities (Saint Pierre and Miquelon, Mayotte, French Polynesia and Wallis and Futuna) and New Caledonia; and one under the Kyoto Protocol which includes only Metropolitan France and the overseas departments. GHG emission data reported in this report are those covered by the Convention geographical boundaries.

[3] In this report, the term "total GHG emissions" refers to the aggregated national GHG emissions expressed in terms of carbon dioxide equivalent excluding LULUCF, unless otherwise specified.

crisis, and an increased use of natural gas and biomass that substituted for fossil fuels; (ii) decreases in emissions in energy industries (16.7 per cent), owing to an increased share of natural gas and biomass and a decreased use of solid fossil fuels; and (iii) decreases in emissions in the residential and commercial buildings sector (10.6 per cent), owing to an increased share of natural gas used. The decreases were partially offset by an increase in emissions from transport, mainly from road transportation (9.4 per cent). The other main drivers were the reduction in nitrous oxide (N_2O) emissions from adipic acid production due to technological improvement; improvement in efficiency of the chemical industry; and the general contraction and stabilization of industrial activity due to the economic recession.

13. Further information on the review of emissions and emission trends is provided in chapter II.A of the report of the technical review of the sixth national communication (IDR/NC6).

B. Assumptions, conditions and methodologies related to the attainment of the quantified economy-wide emission reduction target

14. In its BR1 and CTF tables 2, France reported a description of its quantified economy-wide emission reduction target, referred to henceforth as the target, including associated conditions and assumptions. Further information on assumptions, conditions and methodologies is provided in chapter II.C of the IDR/NC6.

15. Under the Convention, France participates in the EU quantified economy-wide emission reduction target to achieve a 20 per cent reduction in emissions by 2020 compared with the 1990 (base year) level. The target for the EU and its member States is formalized in the European Union's 2020 climate and energy package. This includes the European Union Emissions Trading System (EU ETS) and the effort-sharing decision (ESD). This legislative package regulates emissions of carbon dioxide (CO_2), methane (CH_4), N_2O, hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3) using global warming potential (GWP) values from the Fourth Assessment Report (AR4)[4] of the Intergovernmental Panel on Climate Change (IPCC) to aggregate EU GHG emissions up to 2020. France also has a long-term target to reduce its GHG emissions four-fold by 2050.

16. The regulation of the emissions covered by the EU ETS entered into force on 1 January 2005, and the new period started in 2013 based on a yearly reduction equal to 1.74 per cent of the average allocation in the period 2008–2012, extrapolated starting in 2010, leading to a 21 per cent GHG emissions reduction by 2020 compared to the 2005 level. As of 2013, emissions of sectors not covered by the EU ETS are regulated by member State specific targets, based on average emissions from 2008 to 2010 and on gross domestic product (GDP), which leads to a collective reduction by all the member States of 10 per cent by 2020 compared with 2005 at the EU level. Under the ESD, France has an reduction target of 14 per cent by 2020 compared with 2005 for emissions from sectors covered by the ESD. In line with the EU approach to its target, France does not include emissions or removals from the LULUCF sector in defining its quantified economy-wide target. France does not plan to use market-based mechanisms under the Convention to

[4] The quantified economy-wide emission reduction target by France is expressed using the GWP values from the AR4, while emission levels are assessed using the values from the IPCC Second Assessment Report as per the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories".

achieve the target. The information reported on assumptions, conditions and methodologies related to the attainment of the target is complete and transparent.

C. Progress made towards the achievement of the quantified economy-wide emission reduction target

17. In its BR1 and CTF tables 3 and 4, France reported information on its mitigation actions implemented and planned since its fifth national communication (NC5) to achieve its target. France also reported on the use of units from market-based mechanisms and LULUCF to achieve its target. According to the text of the BR1, France does not foresee the use of units from market-based mechanisms and LULUCF to achieve its quantified economy-wide emission reduction target.

18. Across the EU, it is expected that the market mechanism of the EU ETS will guarantee that emissions from sectors falling under this scheme (mainly large point sources such as power plants and industrial facilities) will achieve the 2020 target of 21 per cent below 2005. Under the ESD, France has to reduce its emissions not covered under the EU ETS by 14 per cent by 2020 compared with the 2005 level. In absolute terms, this means that France has to reduce emissions from sectors covered by the ESD from 422,300 kt CO_2 eq (2005) to 363,100 kt CO_2 eq in 2020.[5] In 2012, emissions from sectors not covered under the EU ETS were at about 376,900 kt CO_2 eq, or 10.8 per cent below the 2005 level.

19. The ERT reviewed the reported information and provided its assessment of progress made towards achieving the target. The ERT noted the good progress made by France.

1. Mitigation actions and their effects

20. France has provided in its BR1 and CTF table 3 a brief overview of its package of mitigation actions introduced to achieve its target, providing a reference to the sixth national communication (NC6), which includes comprehensive information on implemented and planned PaMs. The BR1 provides information on mitigation actions organized by sector, and mostly subdivided by gas except for cases where several mitigation actions were aggregated together and reported to cover more than one sector or gas. The ERT recommends that France report, to the extent possible, its mitigation actions individually as indicated in CTF table 3, and organize them by sector, subdivided by gas.

21. The information presented in CTF table 3 includes the list of France's principal PaMs and their expected mitigation effect, but the year in which the effect is expected to occur is not specified. During the review, France confirmed that these expected effects were for 2020. The information is consistent overall with the NC6, except for minor rounding-up inconsistencies and different levels of disaggregation for some PaMs. The ERT recommends that France include the year for the estimated effect of PaMs in CTF table 3. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6.

22. The main frameworks for PaMs relating to climate change in France are the Climate Plan, the two Grenelle environment acts (2009 and 2010) and the EU 2020 climate and energy package. The Climate Plan (established in 2004 and updated every two years, with the latest update in 2013) includes France's actions for meeting its commitments under the Convention. The Climate Plan is based on two pillars, mitigation and adaptation, and is linked to the National Strategy for Sustainable Development (2010–2013). In addition, the annual Environmental Conference, initiated in 2012, which provides a platform for

[5] Trends and projections in Europe 2013. Tracking progress towards Europe's climate and energy targets until 2020.

discussion of sustainability policies, resulted in a national debate on energy transition, the aim of which was to promote conservation and efficiency and also to develop renewable energy. The debate, which concluded in July 2013, provided a framework for investments to be made over the coming years through the energy transition law to be adopted in 2014.

23. Implementation of the EU 2020 climate and energy package is supported by energy efficiency and renewable energy development measures at the national level. France has set a target to increase energy efficiency by 2 per cent per year by 2015 and by 2.5 per cent per year by 2030. France addresses energy demand through the National Energy Efficiency Action Plan, the Energy Efficiency Certificates Scheme, the implementation of the EU eco-design directive and a range of financial incentives. Promotion of the use of renewable energy sources is addressed in the National Renewable Energy Action Plan and includes introducing a feed-in tariff for electricity produced from renewable energy sources, tenders for the construction of wind and biomass power plants, and establishing the Renewable Heat Fund providing investments targeted at renewable energy development. A strong set of policies in the area of energy efficiency and renewable energy has been targeted at the transport, and residential and commercial buildings sectors.

24. The ERT noted that many of France's medium-term objectives related to its PaMs are very ambitious and their achievement seems to be challenging. For example, the goal to renovate 500,000 buildings per year by 2017 in order to cut energy consumption by 38 per cent by 2020 will require mobilizing many actors and maintaining the strong set of incentives, along with significant investments, to ensure the same pace of renovation over the whole period. The target for the shift in the share of non-air, non-road freight transport – 25 per cent by 2022 (modal shift to railway infrastructure) – is also very ambitious and there are no clear measures set yet that will ensure its achievement.

25. The ERT noted the lack of a comprehensive system for the monitoring and evaluation of implemented PaMs. During the review, additional information was provided on this topic, with the Party describing monitoring and inter-ministerial coordination during development of PaMs as well as factors tracked for ex-post evaluation and reporting on some implemented PaMs. The ERT was informed that the monitoring procedure anticipated by the Grenelle Planning Act (Grenelle I, 2009), which required the government to submit an annual report on the status of policy implementation to the French Parliament, was stopped after 2013 as the political orientations were renewed at the annual Environmental Conference. Four reports had been transmitted to the Parliament between 2009 and 2013. After 2013, the implementation of measures adopted at the Environmental Conference were and continue to be regularly tracked, in cooperation with stakeholders (including members of Parliament), through the National Council for Ecological Transition. The ERT encourages France to expand the reported information on the systematic monitoring and evaluation of PaMs, including ex-post evaluation.

26. There are many synergies among PaMs at the sectoral level, and the key instruments often combine regulatory, fiscal, economic and information measures, with a focus on development of energy options that are more efficient and emit less GHGs. The regulation on CO_2 emissions, the 'feebate'[6] scheme and CO_2 labelling for private vehicles, combined with supporting the modal shift to rail and the development and take-up of rechargeable electric and hybrid cars are good examples of these synergies. Another example of synergies among PaMs is the combination of thermal regulation for existing buildings and a broad set of financial incentives to assist energy efficiency renovations in the residential and commercial buildings sector. The ERT notes that more information on how mitigation actions interact and complement each other at the national level would enhance the reporting. This particularly concerns cross-cutting PaMs affecting several sectors and

[6] A feebate imposes a fee on inefficient technology and provides a rebate on efficient vehicles.

several gases, but the reporting would also benefit from a discussion of synergies and overlap among PaMs within sectors.

27. Table 2 provides a concise summary of the key mitigation actions implemented by France to achieve its target.

Table 2
Summary of information on policies and measures reported by France

Sectors affected	*List of key policies and measures*	*Estimate of mitigation impact in 2020 (kt CO_2 eq)*
Policy framework and cross-sectoral measures		
	Climate Plan (2004, with latest update in 2013)	
	Energy Policy Orientation Law (2005)	
	Grenelle environment acts: Grenelle I (2009) and Grenelle II (2010)	
	Energy Transition Law (to be adopted in 2015)	
	European Union Emissions Trading System (EU ETS), third phase (2013–2020)	
Energy		
Energy supply	Feed-in tariff for electricity produced from renewable energy sources	12 850[a]
	Renewable energy purchase obligations	
	Implementation of the EU ETS	
Renewable energy	National Renewable Energy Action Plan (2010)	
	Feed-in tariff for electricity produced from renewable energy sources	12 850[a]
	Tenders for the construction of wind and biomass power plants	
	Renewable energy purchase obligations	
	Renewable Heat Fund	6 600
	Research and demonstration projects under the Future Investments Fund	
Energy efficiency	EU energy efficiency directive (2013)	
	National Energy Efficiency Action Plan (2011), second phase (2011–2014) and third phase (2015–2017) (Energy and residential and commercial sectors)	6 200
	Implementation of the EU eco-design directive, specifically a second working plan for 2009–2013 (phasing out of incandescent lightbulbs)	4 050
	Labelling of energy-related products	
	Implementation of the EU ETS	
	Carbon dioxide basis for part of the excise duty on energy	
Residential and commercial sectors	For new buildings:	
	Thermal Regulation on Energy Performance (2012)	1 240
	High energy performance labels	
	For existing buildings:	
	Thermal Regulation on Energy Performance (2012)	3 550
	Sustainable development tax credit (CIDD)	3 760
	Zero-rate eco-loan (eco-PTZ)	
	Social housing eco-loan (eco-PLS)	330
	Reduced value-added tax (VAT) for renovation works	
	Compulsory energy performance diagnostics for sale and rental properties	
	Investment plan for housing, for the renovation of new and existing buildings (2013)	

Sectors affected	*List of key policies and measures*	*Estimate of mitigation impact in 2020 (kt CO_2 eq)*
Transport	National Plan for Sustainable Mobility (2013)	9 200[a]
	Kilometre ecotax on heavy vehicles (planned)	
	Carbon dioxide emissions information for transportation services	
	Automobile feebate; carbon dioxide labelling of private vehicles; annual tax for company vehicles	
	Plan for the development of rechargeable electric and hybrid cars	1 720
	General tax on polluting activities (TGAP) for petrol and diesel	
	Partial tax exemption on sales of biofuels	
	Regulation of emissions from air conditioning in motor vehicles	550
	Inclusion of aviation in the EU ETS	
Industrial sectors	Implementation of the EU ETS	
	Regulations limiting emissions of fluorinated refrigerant gases	7 170
	Limitations on energy consumption (EU industrial emissions directive (2010/75/EC))	
	Energy performance diagnostics by the Environment and Energy Management Agency	
Agriculture	More rational use of mineral fertilizers and other agroecological measures:	
	Fifth Nitrates National Action Plan (2013)	
	Investments in precision agriculture	
	National plan to develop nitrogen-fixing crops (2010–2013)	
	Methane recovery and use scheme	950
	Measures aimed at reducing energy consumption by tractors and other agricultural machinery	110
	Covering of soils in autumn and winter	
	Financial support to protect permanent pastures and develop agroforestry	
Forestry	Development of sustainable timber use and the labelling of bio-sourced buildings	
	Biomass plan (2007–2010): Development of biomass energy by the substitution of fossil fuels by wood, using high-performance equipment	
Waste management	Prevention of waste production:	
	Local prevention programmes, covering two thirds of the French population by the end of 2012	2 020[a]
	Environment and Energy Management Agency's support for implementation of trial pricing incentives	
	Campaigns to reduce food waste	
	Development of sectors with wider producer responsibility	
	National Waste Prevention Plan 2014–2020 (planned)	
	Methane recovery in landfills	

Note: The estimates of avoided greenhouse gas emissions (mitigation impact) given for some measures are reductions in carbon dioxide or carbon dioxide equivalent for 2020, relative to a scenario in which those measures are not implemented.

[a] For combined measures.

28. In its BR1, France provided information on changes in its domestic institutional arrangements, including institutional, legal, administrative and procedural arrangements used for domestic compliance, monitoring, reporting, archiving of information and evaluation of the progress towards its target.

29. France has created a national inventory system, the national system for air emissions inventories and GHG balance (SNIEBA), which was defined by an inter-ministerial decree on 24 August 2011 in accordance with Article 5, paragraph 1, of the Kyoto Protocol.

30. The French Deposits and Consignment Fund was designated holder of the French national register by Decree no. 2004-1412, and was the given responsibility for developing information systems designed to use the register and manage system security. The French national register has undergone some changes since France's NC5. Decree no. 2004–1412 was amended by Decree no. 2012-343 on 3 December 2012 in order to include changes in European directives, in particular the replacement of national registers by a single system developed by the European Commission. The amended decree confirms the national register public service concession awarded to the Deposits and Consignment Fund for the period 2013–2020.

31. France reported in tabular format information on the assessment of direct and indirect economic and social consequences of response measures on developing countries. Effects reported also covered direct and indirect environmental effects. The ERT noted that most of the consequences reported are positive and that of the negative consequences, those reported highlighted impacts on international trade from carbon labelling; an incentive to focus on the development of small mitigation projects rather than integrated, larger, infrastructure-wide measures related to the clean development mechanism; and potential negative effects on forests and food security related to the development of biofuels.

2. Estimates of emission reductions and removals and the use of units from the market-based mechanisms and land use, land-use change and forestry

32. France reported in its BR1 and CTF table 4(a)II on emissions and removals from LULUCF in relation to activities under Article 3, paragraph 3, and under Article 3, paragraph 4, of the Kyoto Protocol for the years 2008–2011. During the review, France stated that it is too early to determine the future role of LULUCF in relation to the achievement of its 2020 objective under the second commitment period of the Kyoto Protocol but it does not anticipate that the contribution from this sector will be significant. The ERT notes that emissions and removals from the LULUCF sector are excluded from the EU 2020 target under the Convention and, as such, information in the biennial reports (BRs) and CTF tables has to be consistent with this specificity.

33. Consistent with its NC6, France reported in its BR1 that it does not intend to use units from market-based mechanisms; however, CTF tables 4 and 4(b) provide figures in respect to its use of assigned amount units, certified emission reductions and emission reduction units. During the review, France reasserted that it does not, at the present time, intend to use units from market-based mechanisms. The ERT therefore recommends that France accordingly report information that is consistent with its stated position in tables 4 and 4(b) in its next BR. Table 3 illustrates how France plans to use units from market-based mechanisms and LULUCF to achieve its target.

Table 3
Summary information on the use of units from market-based mechanisms and land use, land-use change and forestry as part of the reporting on the progress made towards achievement of the target by France

Year	*Emissions excluding LULUCF (kt CO_2 eq)*	*LULUCF emissions/removals (kt CO_2 eq)*	*Emissions including LULUCF (kt CO_2 eq)*	*Use of units from the market-based mechanisms (kt CO_2 eq)*
Base year (1990)	560 463.44	NA	NA	NA
2010	521 368.27	NA	NA	0.00

Year	*Emissions excluding LULUCF (kt CO_2 eq)*	*LULUCF emissions/removals (kt CO_2 eq)*	*Emissions including LULUCF (kt CO_2 eq)*	*Use of units from the market-based mechanisms (kt CO_2 eq)*
2011	493 023.59	NA	NA	0.00
2012	–	NA	NA	0.00

Note: The European Union unconditional commitment to reduce greenhouse gas emissions by 20 per cent by 2020 compared with 1990 does not include emissions/removals from LULUCF.

Abbreviation: LULUCF = land use, land-use change and forestry, NA = not applicable.

3. Projections

34. France has provided in its BR1 and CTF tables 5 and 6 information on its projections for 2020 that is consistent with that reported in the NC6. In the BR1, France provided a brief description of its projected 'without measures', 'with measures' and 'with additional measures scenarios, accompanied by CTF table 5 on assumptions and CTF table 6(a) on the projection of the 'with measures' scenario only. In the CTF tables submitted as a separate document, France did, however, report on the projections of its three scenarios in CTF tables 6(a), 6(b) and 6(c). The ERT noted that in CTF table 6(a), France reported expected GHG emissions levels for 2020, but not for 2030. The ERT recommends that France report projections for all scenarios projected in its next BR, consistent with CTF tables 6; and the projections for 2030 including in CTF tables 6 in its next BR. In addition, emission projections related to fuel sold to ships and aircraft engaged in international transport were not reported; the ERT therefore recommends that France report to the extent possible its projections related to fuel sold to ships and aircraft separately from the total in its next BR. Finally, the ERT noted that the reported total emissions including LULUCF for all years were incorrect, although the estimates for LULUCF were reported correctly. The ERT recommends that France report the correct estimates for its total emissions including LULUCF for all reported years in its next BR. A detailed review of the reported information is provided in chapter II.C of the IDR/NC6.

35. In its BR1, France provided brief information on the changes since the previous national communication (NC) in the methodologies used for the preparation of projections, mainly taking into account the effects of the recession that started in 2008 as well as pension scheme reforms planned in France and higher population growth. The ERT encourages France to report more information on changes of methodologies between consecutive submissions and to assess and report on the effects of such changes.

36. France provided information on key variables and assumptions used in the projections in CTF table 5, which encompasses gross domestic product growth rates for 2010, 2011, 2015 and 2020; population figures for 2000, 2010 and 2020; and international oil, gas and coal prices for 2010, 2015 and 2020. These values are taken as assumptions external to the model because the one used is not a forecasting macroeconomic model per se.

37. The GHG emission projections in the BR1 and CTF tables 6 include a 'without measures', a 'with measures' and a 'with additional measures' scenario and are presented relative to actual inventory data for 1990, 2005, 2010, 2011.[7] Projections for 2020 are presented on a sectoral basis, using to the extent possible the same sectoral categories used in the PaMs section of the BR1, and on a gas-by-gas basis for all the following GHGs: CO_2,

[7] Greenhouse gas emission projections and their analysis were reported against actual inventory data from the 2013 annual submission included in the Convention geographical boundaries before recalculations that resulted from the centralized review.

CH_4, N_2O, PFCs, HFCs and SF_6. Projections are also provided using GWP values for each sector as well as for the national total.

38. Total GHG emissions in 2020 are projected to be at a level that is 17.1 per cent and 23.8 per cent below the 1990 level in the 'with measures' and the 'with additional measures' scenarios, respectively. In other words, France expects to achieve an emissions level of 463,650 kt CO_2 eq and 426,730 kt CO_2 eq in 2020 for the 'with measures' and the 'with additional measures' scenarios, respectively. This also means that compared to total emissions in 2011 (493,020 kt CO_2 eq) France has to achieve reductions of about 5.6 per cent (27,660 kt CO_2 eq) and 13.1 per cent (64,580 kt CO_2 eq) by 2020 in the 'with measures' and the 'with additional measures' scenarios, respectively.

39. Given that emissions capped under the EU ETS will achieve the 2020 target, and that France has to reduce its emissions not covered under the EU ETS by 14 per cent by 2020 compared with the 2005 level, this means that in absolute terms, France has to reduce emissions from sectors covered by the ESD from 422,300 kt CO_2 eq (2005) to 363,100 kt CO_2 eq in 2020.[8] In 2012, emissions from sectors not covered under the EU ETS were at about 376,900 kt CO_2 eq, or 10.8 per cent below the 2005 level, meaning that additional reductions to the amount of 13,800 kt CO_2 eq need to be achieved. Taken together, the results and information suggest that France can achieve its 2020 projected levels of emissions given that all implemented and planned mitigation actions fully deliver their expected GHG emission reductions, which in some cases will be challenging (see para. 24).

40. Total GHG emission projections excluding LULUCF for 2020 show a decreasing emissions trend, with the main contribution to the reduction coming from the energy sector. According to the 'with measures' scenario, energy sector emissions will decrease from 350,000 kt CO_2 eq in 2011 to 326,550 kt CO_2 eq in 2020; in the 'with additional measures' scenario, emissions from this sector decrease to 288,870 kt CO_2 eq by 2020. This decreasing trend is influenced by the package of PaMs addressing energy conservation and efficiency in the transport sector and in the residential and commercial buildings sector, as well as by ramping up the use of renewable energy. The significant additional decrease in the 'with additional measures' scenario is mainly due to the Renewable Heat Fund and by a significant increase in the consumption of wind-derived electricity.

D. Provision of financial, technological and capacity-building support to developing country Parties

1. Provision of financial support to developing country Parties

41. In its BR1 and CTF tables 7, France reported information on the provision of financial support required under the Convention for the years 2011 and 2012. The ERT noted the efforts made by France in filling CTF tables 7 and the challenges in reporting detailed financial information coming from a wide variety of channels.

42. In its BR1, France provided detailed information on climate-specific financial resources it has provided but it did not clarify whether this support was "new and additional" pursuant to Article 4, paragraph 3, of the Convention or how it has determined that such resources are new and additional. During the review, France provided additional information, elaborating on the French approach to determine which financial resources are considered "new and additional". France informed the ERT that it considers all financial resources for each reporting year provided for climate change as being "new and additional" because double counting with previous reporting periods and between the

[8] Trends and projections in Europe 2013. Tracking progress towards Europe's climate and energy targets until 2020.

different financing channels is avoided. The ERT recommends that France include this clarification of what "new and additional" financial resources it has provided and how it has determined financial resources as being "new and additional" pursuant to Article 4, paragraph 3, of the Convention in its next BR.

43. Furthermore, France did not provide figures for financial support in United States dollars, as required by CRF tables 7, 7(a) and 7(b), but in euros only. During the review, France provided exchange rate values for converting euros into United States dollars that the ERT used to convert the amounts. The ERT recommends that France report figures for financial support in United States dollars next to euros as required by CTF tables 7, 7(a) and 7(b) in its next BR.

44. Some corrections and additions were made by the Party during the review in response to the questions raised by the ERT. In particular, France has corrected an error in the values in CTF table 7 for support provided for mitigation through multilateral funds (EUR 100 million for 2011 and EUR 103 million for 2012 were replaced by EUR 67.7 million for each year). The United States dollars column was completed in all tables. The ERT recommends that France correct those values in its next BR.

45. Although the tables clearly distinguish between the type of support, the country groups, and the activity and sector, France did not explicitly describe how its resources address specifically the adaptation and mitigation needs of Parties not included in Annex I to the Convention (non-Annex I Parties). During the review, France provided additional information, elaborating on the difficulty in identifying how the funding provided addresses the climate change mitigation and adaption needs of non-Annex I Parties. Consequently, France reported in its BR1 that it gives the highest priority to ensuring that its assistance is: focused on development activities and results, and is consistent with initiatives spurred by the challenges of achieving the United Nations Millennium Development Goals; consistent with the Marrakesh Accords addressing concerns that the use of LULUCF activities should not undermine the environmental integrity of the Kyoto Protocol; the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. For all assistance provided by France, the focus is on increased and demonstrated effectiveness of development assistance. The ERT noted that broad development needs addressed are identified well in the text of the BR1 such as renewable energy, infrastructure, and recommends that France describe more transparently how it seeks to ensure that the resources it provides address effectively the needs of non-Annex I Parties with regard to climate change adaptation and mitigation.

46. France did not provide complete information on the mobilization of private financial sources and flows leveraged as well as its actions to promote the scaling-up of private investments in mitigation and adaptation in non-Annex I Parties. During the review, France explained that it is currently difficult to identify both private financial flows and the promotion of private investments. Although France has not identified the private financial flows leveraged by bilateral climate finance yet, the Party explained that there is currently work ongoing on this particular topic; for example, the work of the Research Collaborative (coordinated by the Organisation for Economic Co-operation and Development, which France co-finances), whose findings on how to undertake an assessment of private financial flows will be discussed at the national and European levels. The ERT encourages France to report, to the extent possible, its future plans for identifying and reporting more complete information on private financial flows and the promotion of private investment in mitigation and adaptation activities in developing country Parties.

47. France provided financial support for climate change related programmes and projects to a large number of countries worldwide, in particular to countries in Africa and Asia. Mitigation (in particular through energy efficiency and transport) remained the major area for support, followed by adaptation, for which agriculture and the securing of water

resources were the key areas of funding. Within the support provided, the most important instruments are loans, followed by grants.

48. France reported on its climate-specific public financial support by allocation channels for 2011 and 2012, totalling USD 6,422.67 million (USD 2,930.98 million in 2011 and USD 3,491.66 in 2012). For the reporting period, about 97.2 per cent of the assistance reported was delivered through bilateral, regional and other channels while 2.8 per cent was through multilateral funds. Of total funds reported for 2011, about 78.7 per cent went to mitigation, 19.3 per cent to adaptation and 2.0 per cent to cross-cutting activities. In 2012, 96.0 per cent of total funds are reported to have been allocated for mitigation.

49. France is the fifth largest contributor to the Global Environment Facility (GEF) and committed to providing funds of EUR 215 million over the period 2011–2014, which is a 57.0 per cent increase in the French contribution compared with the previous period (2007–2010) and represents 8.4 per cent of the fund's budget.

50. With regard to the most recent financial contributions to enhance the implementation of the Convention by developing countries, particular effort was made to meet France's forestry commitment in relation to fast-start finance resulting from the Copenhagen Accord. In fact, the French Global Environment Facility (FFEM) enhanced its commitments and contributed to REDD-plus[9] with EUR 29.6 million (USD 38.1 million) allocated for the protection of forests over the period 2011–2012.

51. France has specified that part of the 15 per cent tax on financial transactions to be dedicated to development, health and climate will be allocated to the Green Climate Fund.

52. The ERT commends France for the use of institutional channels related to the Convention and the effort made to meet France's commitment on fast-start finance resulting from the Copenhagen Accord. Table 4 includes some of the information reported by France on its provision of financial support.

Table 4
Summary of information on provision of financial support in 2011–2012
(Millions of United States dollars)

	Years of disbursement	
Allocation channel of public financial support	*2011*	*2012*
Climate-specific contributions through multilateral funds (United Nations bodies)	94.2	87.0
Climate-specific contributions through bilateral, regional and other channels	2 836.7	3 404.7
Contribution to the Global Environment Facility	89.1	82.2

2. Approach used to track support provided

53. Financial support for climate change activities are channelled in France through three institutions (the Ministry of Foreign Affairs, the French Development Agency (AFD) and the General Directorate of the Treasury) through a wide variety of channels: bilateral, multilateral and regional support and official development assistance, including the GEF, FFEM and other mechanisms for support. France allocates financial resources for multilateral aid through multilateral development banks, the EU and the United Nations. In

[9] Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

the period 2011–2012, as in previous reporting periods, France provided financial support for climate change related programmes and projects to a large number of countries worldwide, in particular to countries in Africa and Asia.

54. France reports the funds delivered for the international institutions and the funds committed for the bilateral institutions for every reporting year. France reports as climate-specific all support of climate-specific institutions and support of development projects with climate co-benefits that the different bilateral institutions and instruments implement. Reporting of the methodology used by the main operator in the French bilateral cooperation system (AFD) was particularly transparent, comprehensive and robust. Climate-specific funds are identified from development projects with climate co-benefits by AFD. A mitigation (emissions reduction or carbon sequestration) fund is identified when the development project contributes to GHG emission reductions (when the emission reductions it generates are greater than the emissions produced during its lifetime, which are estimated based on ex ante project carbon footprint calculation).

55. An adaptation fund is identified in a development project that reduces the vulnerability of goods, people or ecosystems to climate risks, based on the characteristics of the project and the local vulnerability to climate change. AFD also estimates the impact of its funded projects on adaptation to climate change effects. However, the methods and assumptions used to identify climate-specific finance information were not transparently described for the other channels. During the review, the ERT was informed by France that methodologies will be harmonized in the future and reported more transparently. The ERT commends France for the clear and transparent reporting on monitoring and tracking the provision of financial support by the main operator in the French bilateral cooperation system and welcomes France's plans of harmonization and improvement in its reporting of other channels.

56. France applies the same effectiveness requirements to both the international development institutions and its bilateral aid. It therefore supports the efforts for reform carried out within these institutions in order to improve the effectiveness of aid and the definition of operational strategies by the these institutions to ensure compliance with the objectives of sustainable development and concentration of effort on the least developed countries, fighting poverty and achieving environmental compliance. France also clarified that the management for development results (MfDR) approach aims at enhancing France's institutional dialogue with its partners in both developing and developed countries, strengthening the management of official assistance, and monitoring operational performance. MfDR is used systematically throughout the project cycle ensuring the tracking of the support provided.

57. France highlighted that aggregated indicators are being used to monitor expected and actual development results. Their definitions, such as reduction of CO_2 emissions, are standardized and harmonized within international agencies. Monitoring the contribution to the United Nations Millennium Development Goals measures the commitments of France and AFD in terms of resources and results. Finally, France clarified that the economic analysis of development projects goes beyond their financial sustainability. In fact, economic costs and benefits are assessed for society as a whole, including environmental goods and services. The analysis of how each stakeholder group benefits from a project guides the future choices of transfer mechanisms. During the review, France also elaborated on a risk assessment approach used to identify the risk of double counting, the results of which identified a risk concerning the delegated funds from the EU to AFD, which France excluded from its reporting. The ERT commends France for these helpful clarifications, and recommends that France include them in its next BR to enhance the transparency of its reporting.

3. Technology development and transfer

58. In its BR1 and CTF table 8, France has provided information on activities related to the transfer of technology to developing countries, including information on the public and private sectors and measures related to the promotion, facilitation and financing of the transfer of, or access to, environmentally sound technologies. In particular, France has provided information on incentives for the private sector to transfer technology to developing country Parties through the Fund for Research and Assistance for the Private Sector and some examples of private industrial projects.

59. France has provided information on the recipient country or region, on the target areas of mitigation (which is the main area targeted) or adaptation, and the sector involved. The majority of the technology development and transfer examples reported comprise knowledge sharing, know-how and capacity-building in the areas of energy efficiency and renewable energy. The reported examples of hard technology transfer were mainly private industrial projects, while hard technology transfer from the public sector is reported to be transferred through international agencies such as the International Renewable Energy Agency and the International Energy Agency. The ERT encourages France to increase the transparency and completeness of its reporting by providing, where possible, more specific information on the development and transfer of hard technology by public and private activities. The ERT also invites France to provide information on the effectiveness of these activities (for instance, by providing information on partnerships with local companies in developing countries and success and failure stories).

4. Capacity-building

60. In its BR1 and CTF table 9, France has provided information on how it has provided capacity-building support for mitigation, adaptation and technology. The information reported by France mainly concerns the provision of support to capacity-building in the area of climate change observation and scientific research in mitigation and adaptation. The regions targeted by France are reported to be Africa, the Mediterranean basin and Europe.

61. The ERT commends France for its transparent reporting on the provision of capacity-building support.

III. Conclusions

62. The ERT conducted a technical review of the information reported in the BR1 and CTF tables of France in accordance with the UNFCCC reporting guidelines on BRs. The ERT concludes that the BR1 and CTF tables provide a good overview of information on: emissions and removals related to the quantified economy-wide emission reduction target, a description of the target, progress made by France to achieve its target, and provision of support to developing country Parties. During the review, France provided additional information, elaborating on its national system, GHG inventory, and assumptions, models and methods used for projections.

63. France's emissions and removals under the Convention related to the target for 2011 were estimated to be 12.0 per cent below its 1990 level excluding LULUCF and 16.6 per cent below including LULUCF. Emissions decreases were mainly driven in the energy sector by: (i) decreases in emissions from manufacturing industries and construction (25.2 per cent), owing to a general decrease of energy consumption, accentuated by the 2008 economic crisis, and an increased use of natural gas and biomass that substituted for fossil fuels; (ii) decreases in emissions in energy industries (17.6 per cent), owing to an increased share of natural gas and biomass and a decreased use of solid fossil fuels; and (iii) decreases in emissions in the residential and commercial buildings sector (10.7 per cent),

owing to an increased share of natural gas used. The decreases were partially offset by an increase in emissions from transport, mainly from road transportation (9.1 per cent). The other main drivers were the reduction in N_2O emissions from adipic acid production due to technological improvement; improvement in efficiency of the chemical industry; and general contraction and stabilization of industrial activity due to the economic recession.

64. France participates in the EU quantified economy-wide emission reduction target to achieve 20 per cent reduction in emissions by 2020 compared with the 1990 (base year) level. The target for the EU and its member States is based on the EU 2020 climate and energy package. This includes the EU ETS and the ESD. Emissions and removals from the LULUCF sector are not included in the quantified economy-wide target. This legislative package regulates emissions of CO_2, CH_4, N_2O, HFCs, PFCs and SF_6, and NF_3 using GWPs from the AR4 of the IPCC to aggregate EU GHG emissions up to 2020.

65. Across the EU, it is expected that the EU ETS will guarantee that emissions from sectors falling under this scheme (mainly large point sources such as power plants and industrial facilities) will achieve the 2020 target of a 21 per cent reduction compared with 2005. For the non-EU ETS sectors covered by the ESD (excluding LULUCF), the EU-wide target of a 20 per cent emissions reduction in 2020 compared with the base year has been translated to a 14 per cent reduction target for France (compared with 2005). In absolute terms, this means that France has to reduce emissions from sectors covered by the ESD from 422,300 kt CO_2 eq (2005) to 363,100 kt CO_2 eq in 2020. In 2012, emissions from sectors covered by the ESD were at about 376,900 kt CO_2 eq, or 10.8 per cent below the 2005 level.

66. In the BR1, France presented GHG emissions projections for the period 1990–2020 for three scenarios: a 'without measures', a 'with measures' and a 'with additional measures' scenario. Total emissions in 2020 are projected to be at a level that is 17.1 per cent and 23.8 per cent below the 1990 level in the 'with measures' and the 'with additional measures' scenarios, respectively. In other words, France expects to achieve an emissions level of 463,650 kt CO_2 eq and 426,730 kt CO_2 eq in 2020 for the 'with measures' and the 'with additional measures' scenarios, respectively. This also means that compared to total emissions in 2011 (493,024 kt CO_2 eq), France has to achieve reductions of about 5.6 per cent (27,660 kt CO_2 eq) and 13.1 per cent (64,580 kt CO_2 eq) by 2020 in the 'with measures' and the 'with additional measures' scenarios, respectively. France reported it expects to meet the target with implemented and planned mitigation actions and does not plan to use units from market-based mechanisms or accounting for LULUCF activities for compliance.

67. Achieving these expected emissions levels in 2020 will be challenging but feasible. The decreasing trend is expected to be delivered by a package of PaMs addressing the use of renewable energy, the transport sector, and energy efficiency in the residential and, commercial buildings sector. The significant additional decrease in emissions expected from additional measures planned after 2013 is mainly due to the Renewable Heat Fund and by a significant increase in the consumption of wind-derived electricity. The ERT notes that the achievement of France's ambitious 2020 target hinges on the actual pace of thermal renovations of existing building stock over the 2014–2020 period and on the actual shift in the share of non-air, non-road freight transport, with a 25 per cent target for 2022 (modal shift to railway infrastructure).

68. France provided financial support for climate change related programmes and projects to a large number of countries worldwide, in particular to countries in Africa and Asia. Mitigation (in particular through energy efficiency and transport) remained the major area for support, followed by adaptation, for which agriculture and the securing of water resources were the key areas of funding. Within the support provided, the most important instruments are loans, followed by grants.

69. France is the fifth largest contributor to the GEF and committed to providing EUR 215 million over the period 2011–2014, which is a 57.0 per cent increase in the French contribution compared with the previous period (2007–2010) and represents 8.4 per cent of the fund's budget. With regard to fast-start finance, FFEM has provided USD 38.1 million over 2011–2012 for the protection of forests. Overall, France reported on its climate-specific public financial support by allocation channels for 2011 and 2012, totalling USD 6,422.67 million (USD 2,930.98 million in 2011 and USD 3,491.66 in 2012). For the reporting period, about 97.2 per cent of the assistance reported was delivered through bilateral, regional and other channels while 2.8 per cent was through multilateral funds. Of total funds reported for 2011, about 78.7 per cent went to mitigation, 19.3 per cent to adaptation and 2.0 per cent to cross-cutting activities. In 2012, 96.0 per cent of total funds are reported to have been allocated for mitigation.

70. In the course of the review, the ERT formulated several recommendations relating to the completeness and transparency of France's reporting under the Convention. The key recommendations[10] are that France:

(a) Improve the completeness of reporting by including in the next BR the following information:

(i) Projections for the year 2030 including in CTF tables 6 (para. 34);

(ii) Clarification of what "new and additional" financial resources it has provided and how it has determined financial resources as being "new and additional" pursuant to Article 4, paragraph 3, of the Convention (para. 42);

(b) Improve the transparency of reporting by including in the next BR the following information:

(i) To the extent possible, mitigation actions individually as indicated in CTF table 3, organized by sector and subdivided by gas (para. 20);

(ii) The year for the estimated impact of PaMs in CTF table 3 (para. 21);

(iii) The use of market-based mechanisms in CTF tables 4 and 4(b) that is consistent with France's stated position in the BR (para. 33);

(iv) Emissions projections for all its scenarios in the text of the BR, consistent with CTF tables 6 (para. 34);

(v) Projections related to fuel sold to ships and aircraft separately from the total (para. 34);

(vi) Correct estimates for its total emissions, including LULUCF, for all reported years (para. 34);

(vii) Figures for financial support in United States dollars in its CTF tables 7 (para. 43);

(viii) Correct values in CTF table 7 on financial support provided in 2011 and 2012 for mitigation through multilateral funds (para. 44);

(ix) Description of how financial resources provided address effectively the needs of non-Annex I Parties with regard to climate change adaptation and mitigation (para. 45);

(x) Elaborated description of the aggregated indicators used for monitoring the delivery of support to non-Annex I Parties, the benefits obtained and the risk assessment developed to avoid double counting of those benefits (para. 57).

[10] The recommendations are given in full in the relevant sections of this report.

Annex

Documents and information used during the review

A. Reference documents

"UNFCCC biennial reporting guidelines for developed country Parties". Annex to decision 2/CP.17. Available at <http://unfccc.int/resource/docs/2011/cop17/eng/09a01.pdf#page=4>.

"Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention". Annex to decision 23/CP.19. Available at <http://unfccc.int/resource/docs/2013/cop19/eng/10a02.pdf#page=20>.

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2014 GHG inventory submission of France. Available at <http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/8108.php>.

Trends and projections in Europe 2013 – Tracking progress towards Europe's climate and energy targets until 2020. Available at <http://www.eea.europa.eu/publications/trends-and-projections-2013>.

B. Additional information provided by the Party

Responses to questions during the review were received from Mr. Gilles Croquette and Mr. Julien Rude (Ministry of Ecology, Sustainable Development and Energy), including additional material on updated policies and measures, greenhouse gas projections, the national registry and recent climate policy developments in France.