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Framework Convention on Climate Change

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

According to decision 2/CP.17, developed country Parties are requested to submit their second biennial reports by 1 January 2016, that is, two years after the due date for submission of a full national communication. This report presents the results of the technical review of the second 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. This report covers the centralized technical review of the second biennial report (BR2)¹ of France. The review was organized 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", particularly "Part IV: UNFCCC guidelines for the technical review of biennial reports from Parties included in Annex I to the Convention" (annex to decision 13/CP.20). In accordance with the same decision, 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.

2. The review took place from 30 May to 4 June 2016 in Bonn, Germany, and was conducted by the following team of nominated experts from the UNFCCC roster of experts: Ms. Diana Barba (Colombia), Mr. Viorel Nelu Bellmondo Blujdea (Romania), Mr. Luis Caceres (Ecuador), Ms. Hoy Yen Chan (Malaysia), Mr. Amnat Chidthaisong (Thailand), Ms. Balgis Elasha Osman (Sudan), Mr. Sabin Guendehou (Benin), Ms. Lisa Hanle (United States of America), Ms. Elsa Hatanaka (Japan), Mr. Harry Vreuls (Netherlands) and Mr. Jongikhaya Witi (South Africa). Mr. Guendehou and Mr. Vreuls were the lead reviewers. The review was coordinated by Mr. Bernd Hackmann, Ms. Sylvie Marchand and Ms. Kyoko Miwa (UNFCCC secretariat).

B. Summary

3. The expert review team (ERT) conducted a technical review of the information reported in the BR2 of France in accordance with the "UNFCCC biennial reporting guidelines for developed country Parties" (hereinafter referred to as the UNFCCC reporting guidelines on BRs). During the review, France provided the following additional relevant information on: emissions and removals related to the Party's quantified economy-wide emission reduction target; assumptions, conditions and methodologies related to the attainment of the target; progress made by France in achieving its target; and France's provision of support to developing country Parties.

1. Timeliness

4. The BR2 was submitted on 18 December 2015, before the deadline of 1 January 2016 mandated by decision 2/CP.17. The common tabular format (CTF) tables were also submitted on 18 December 2015.

2. Completeness, transparency of reporting and adherence to the reporting guidelines

5. Issues and gaps related to the reported information identified by the ERT are presented in table 1 below. The information reported by France in its BR2 is mostly in adherence with the UNFCCC reporting guidelines on BRs as per decision 2/CP.17.

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 are subject to the technical review.

Table 1

Summary of completeness and transparency issues related to mandatory reported information in the second biennial report of France

Section of the biennial report	Completeness	Transparency	Paragraphs with recommendations
Greenhouse gas emissions and trends	Complete	Mostly transparent	8
Assumptions, conditions and methodologies related to the attainment of the quantified economy-wide emission reduction target	Complete	Mostly transparent	13
Progress in achievement of targets	Mostly complete	Mostly transparent	21, 35, 46, 47
Provision of support to developing country Parties	Complete	Mostly transparent	64, 72, 88, 95

Note: A list of recommendations pertaining to the completeness and transparency issues identified in this table is included in chapter III.

II. Technical review of the reported information

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

6. France has provided a summary of information on greenhouse gas (GHG) emission trends for the period 1990-2013 in its BR2 and CTF tables 1(a)-(d). The BR2 makes reference to the national inventory arrangements, which are explained in more detail in the national inventory report (NIR) included in France's 2015 annual inventory submission (in chapter 1.2 of the 2014 and 2015 NIRs of France). The national inventory arrangements were established in accordance with the reporting requirements related to national inventory arrangements contained in 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" that are required by paragraph 3 of the UNFCCC reporting guidelines on BRs. Further, France provided information confirming that there were no changes in the national inventory arrangements since its first biennial report (BR1). During the review, the ERT took note of the recommendations related to the national inventory arrangements provided in the "Report on the individual review of the annual submission of France submitted in 2014",² which includes the latest available review of France's national inventory arrangements.

7. The ERT noted that the information reported by France in the BR2 summarizing the national inventory arrangements is not fully transparent. Although the BR2 clearly indicates that there were no changes in the national inventory arrangements since the BR1, the summary of the national inventory arrangements is incomplete, noting only that the system is in compliance with Article 5, paragraph 1, of the Kyoto Protocol, and that the inventory arrangements are based on a 2011 decree governing the French national system for air emission inventories and audits.

8. During the review, France explained that it provided concise information in relation to its reporting of the national inventory arrangements in the BR2, given that there were no changes to the national system. The ERT appreciates the importance of providing concise information in the BR, but finds that France's description of its national inventory

² FCCC/ARR/2014/FRA.

arrangements addresses only the legal arrangements related to that system, and that inventory arrangements also include institutional and procedural arrangements.³ The ERT therefore recommends that, in its next BR, France briefly summarize the institutional and procedural arrangements for inventory planning, preparation and management, referring to the relevant section of the most recent NIR.

9. The information reported in the BR2 on emission trends is consistent with that reported in the 2015 annual inventory submission of France under the Convention. To reflect the most recently available data, version 2 of France's 2015 annual inventory submission under the Convention has been used as the basis for discussion in chapter II.A of this review report.

10. Total GHG emissions⁴ excluding emissions and removals from land use, land-use change and forestry (LULUCF) decreased by 10.1 per cent between 1990 and 2013, whereas total GHG emissions including net emissions and removals from LULUCF decreased by 12.6 per cent over the same period. The decrease in the total GHG emissions can be attributed to the significant reductions in both CO_2 and nitrous oxide (N₂O) emissions, which decreased by 7.3 per cent (excluding LULUCF) and 37.0 per cent, respectively, between 1990 and 2013. Over the same period, emissions of methane (CH₄) decreased by 13.8 per cent. The combined fluorinated gases (F-gases), consisting of perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃), increased by 77.8 per cent over the same period The CO₂ emission trends were driven largely by reductions in CO2 emissions from public electricity and heat production (owing to a reduction in solid and liquid fuels and an increase in gaseous fuels), as well as a reduction in emissions from the iron and steel industry due, in part, to the closure of some facilities in recent years. The N₂O emission trends were driven mainly by the closure of over half the nitric acid plants that were in operation in 1990, as well as the introduction of abatement equipment at the one adipic acid plant currently in operation.

11. The ERT noted that, during the period 1990–2013, France's gross domestic product (GDP) per capita increased by 26.8 per cent, while GHG emissions per unit of GDP and GHG emissions per capita decreased by 37.1 and 20.2 per cent, respectively. These trends are consistent with the fact that France experienced steady population and economic growth during the period 1990–2013 (increasing by 12.7 and 42.9 per cent, respectively), while GHG emissions decreased (see para. 10 above). Table 2 below illustrates the emission trends by sector and some of the economic indicators relevant to GHG emissions for France.

³ Decision 24/CP.19, annex I, paragraph 20.

⁴ In this report, the term "total GHG emissions" refers to the aggregated national GHG emissions expressed in terms of carbon dioxide equivalent excluding land use, land-use change and forestry, unless otherwise specified. Values in this paragraph are calculated based on the 2015 inventory submission, version 2.

		GHG emissions (kt CO ₂ eq) Change (%)					Share by ector (%)		
Sector	1990	2000	2010	2012	2013	1990– 2013	2012– 2013	1990	2013
1. Energy	387 027.45	402 552.63	377 626.56	355 108.96	356 643.88	-7.9	0.4	69.8	71.6
A1. Energy industries	66 777.51	62 894.76	60 813.05	53 662.31	52 981.74	-20.7	-1.3	12.0	10.6
A2. Manufacturing industries and construction	87 207.89	86 448.87	70 811.86	67 481.42	66 875.31	-23.3	-0.9	15.7	13.4
A3. Transport	121 916.51	140 688.35	135 222.39	133 924.04	133 136.68	9.2	-0.6	22.0	26.7
A4A5. Other	100 496.02	104 250.83	105 364.84	95 601.36	99 455.94	-1.0	4.0	18.1	20.0
B. Fugitive emissions from fuels	10 629.52	8 269.83	5 414.43	4 439.84	4 194.21	-60.5	-5.5	1.9	0.8
C. CO_2 transport and storage	NO	NO	NO	NO	NO	-	_	_	_
2. IPPU	61 173.79	46 939.85	42 169.64	39 952.50	40 607.16	-33.6	1.6	11.0	8.2
3. Agriculture	86 876.37	87 245.00	81 016.12	80 434.92	79 632.69	-8.3	-1.0	15.7	16.0
4. LULUCF	-37 523.85	-33 535.59	-39 382.55	-48 780.34	-46 566.24	24.1	-4.5	NA	NA
5. Waste	17 385.21	21 870.51	21 515.77	20 237.96	19 876.92	14.3	-1.8	3.1	4.0
6. Other	NO	NO	NO	NO	NO	_	_	_	_
7. Indirect CO ₂	1 994.24	1 757.19	1 055.37	1 023.83	1 005.08	-49.6	-1.8	_	_
Total GHG emissions without LULUCF	552 462.81	558 608.00	522 328.09	495 734.34	496 760.65	-10.1	0.2	100.0	100.0
Total GHG emissions with LULUCF	514 938.97	525 072.40	482 945.54	446 954.00	450 194.41	-12.6	0.7	NA	NA
Total GHG emissions without LULUCF, including indirect CO ₂	554 457.05	560 365.19	523 383.46	496 758.16	497 765.74	-10.2	0.2	NA	NA
Total GHG emissions with LULUCF, including indirect CO ₂	516 933.21	526 829.60	484 000.91	447 977.82	451 199.50	-12.7	0.7	NA	NA
Indicators									
GDP per capita (thousands 2011 USD using PPP)	29.42	34.77	36.74	37.22	37.31	26.8	0.2	NA	NA
GHG emissions without LULUCF per capita (t CO ₂ eq)	9.44	9.17	8.03	7.55	7.54	-20.2	-0.2	NA	NA
GHG emissions	0.32	0.26	0.22	0.20	0.20	-37.1	-0.4	NA	NA

Table 2

Greenhouse gas emissions by sector and some indicators relevant to greenhouse gas emissions for France for the period 1990–2013

		GHG emis	ssions (kt CO ₂ ed	<i>q</i>)		Chu	ange (%)		Share by ctor (%)
Sector	1990	2000	2010	2012	2013	1990– 2013	2012– 2013	1990	2013
without LULUCF per GDP unit (kg CO ₂ eq per 2011 USD using PPP)									

Sources: (1) GHG emission data: France's 2015 annual inventory submission, version 2; (2) GDP per capita data: World Bank. *Note*: The ratios per capita and per GDP unit as well as the changes in emissions and the shares by sector are calculated relative to total GHG emissions without LULUCF using the exact (not rounded) values, and may therefore differ from the ratio calculated with the rounded numbers provided in the table.

Abbreviations: GDP = gross domestic product, GHG = greenhouse gas, IPPU = industrial processes and product use, LULUCF = land use, land-use change and forestry, NA = not applicable, NO = not occurring, PPP = purchasing power parity.

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

12. In its BR2 and CTF tables 2(a)–(f), France reported a description of its target, including associated conditions and assumptions. CTF tables 2(a)–(f) contain the required information in relation to the description of the Party's emission reduction target, such as the target, base year, gases and global warming potential (GWP) values used, the inclusion of LULUCF and the use of market-based mechanisms. Further information on the target and the assumptions, conditions and methodologies related to the target is provided in chapter 2 of the BR2 and in this report (see paras. 14–17 below).

13. CTF tables 2(e)I, 2(e)II and 2(f) do not include all of the information required by the UNFCCC reporting guidelines on BRs. The ERT noted that there were several blank cells in CTF tables 2(e)I and 2(e)II that could readily be completed with information that is currently available and comprehensively described in the BR2. In order to increase transparency, the ERT recommends that France complete all relevant parts of CTF tables 2(e)I, 2(e)II and 2(f) in accordance with its target, including associated conditions and assumptions. The ERT notes that if the problem described above, or a similar problem, occurs in the next biennial report (BR) submission, France should attempt to resolve it with the support of the secretariat and provide an explanation in the BR for such gaps in the CTF tables.

14. For France, the Convention entered into force on 23 June 1994. Under the Convention, France committed to contributing to the achievement of the joint European Union (EU) economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. The EU offered to move to a 30 per cent reduction on the condition that other developed countries commit to a comparable target and developing countries contribute according to their responsibilities and respective capabilities under a new global climate change agreement.

15. The target for the EU and its member States is formalized in the EU 2020 climate and energy package. This legislative package regulates emissions of CO_2 , CH_4 , N_2O , HFCs, PFCs and SF₆ using GWP values from the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) to aggregate the GHG emissions of the EU up to 2020. Emissions and removals from the LULUCF sector are not included in the quantified economy-wide emission reduction target under the Convention. The EU generally allows its member States to use units from the Kyoto Protocol mechanisms as well as new market mechanisms for compliance purposes, subject to a number of restrictions in terms of origin and type of project and up to an established limit. Companies can make use of such units to fulfil their requirements under the EU Emissions Trading System (EU ETS).

16. The EU 2020 climate and energy package includes the EU ETS and the effortsharing decision (ESD) (see chapter II.C.1 below). Further information on this package is provided in chapter II.1 of the BR2. The EU ETS covers mainly point emissions sources in the energy, industry and aviation sectors. For the period 2013–2020, an EU-wide cap has been put in place with the goal of reducing emissions by 21 per cent below the 2005 level by 2020. Emissions from sectors covered by the ESD are regulated by targets specific to each member State, which leads to an aggregate reduction at the EU level of 10 per cent below the 2005 level by 2020.

17. Under the ESD, France has a target to reduce its total emissions to 14.0 per cent below the 2005 level by 2020 from sectors covered by the ESD (non-ETS sectors). National emission targets for non-ETS sectors for 2020 have been translated into binding quantified annual emission allocations (AEAs) for the period 2013–2020. France's AEAs change following a linear path from 394,076 kt of carbon dioxide equivalent (CO₂ eq) in 2013 to 359,293 kt CO₂ eq in 2020.⁵

C. Progress made towards the achievement of the quantified economywide emission reduction target

18. This chapter provides information on the review of the reporting by France on the progress made in reducing emissions in relation to the target, mitigation actions taken to achieve its target, and the use of units from market-based mechanisms and LULUCF.

1. Mitigation actions and their effects

19. In its BR2 and CTF table 3, France reported on its progress in the achievement of its target and the mitigation actions implemented and planned since its sixth national communication (NC6) and BR1 to achieve its target. France has provided information on mitigation actions introduced to achieve its target. The BR2 includes information on mitigation actions organized by sector and by gas. Further information on the mitigation actions related to the Party's target is provided in chapter III.1 of the BR2.

20. The ERT noted that the information provided in CTF table 3 related to the impacts of policies and measures (PaMs) is not fully transparent. The individual estimated mitigation impacts were not provided for some policy actions. During the review, France provided additional information, explaining that there were no estimates of the impacts of certain individual measures reported in CTF table 3, and that the aggregated impact of all the measures included in the 'with measures' (WEM) scenario is reflected in the projections.

21. The ERT therefore recommends that France report, to the extent possible, the estimated impacts of its individual PaMs in CTF table 3 or, where information is not available or is included elsewhere, that the Party explain this transparently, including by

⁵ European Commission decision 2013/162/EU of 26 March 2013 "on determining member States" annual emission allocations for the period from 2013 to 2020 pursuant to Decision No. 406/2009/EC of the European Parliament and of the Council" and European Commission implementing decision 2013/634/EU of 31 October 2013 "on the adjustments to member States" annual emission allocations for the period from 2013 to 2020 pursuant to Decision No. 406/2009/EC of the European Parliament and of the Council".

providing a description or reference in future BRs to improve the transparency of the reporting.

22. BR2 highlights the changes made since the publication of the Party's NC6 and BR1. In its BR2, 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 made towards its target.

23. France recently adopted the Energy Transition for Green Growth Act on 17 August 2015, and the National Low-Carbon Strategy has been developed under this Act. Interministerial work on developing the National Low-Carbon Strategy began in 2014, and the Information and Policy Committee was established in February 2015 to contribute to the elaboration of the strategy under the Act. The first three carbon budgets under the strategy cover the periods 2015–2018, 2019–2023 and 2024–2028. In terms of monitoring the related PaMs, the Ministry of Ecology, Sustainable Development and Energy has committed to report to the National Council on Environmental Transition on the indicators that contribute to the monitoring of the implementation of the policy recommendations specified in the strategy at least once every other year.

24. France provided, to the extent possible, detailed information on the assessment of the economic and social consequences of its response measures. The Party reported the direct and indirect effects of its response measures on developing countries in terms of social, environmental and economic consequences. Almost all of the effects reported in the BR2 are positive, except for a few indirect negative effects related to the clean development mechanism, biofuel development, and the promotion of energy efficiency and renewable energy.

25. In the BR2, the description of the domestic arrangements focused more on the monitoring and evaluation systems for PaMs, rather than on self-assessment of compliance with emission reductions required by science or rules for assessment of compliance. During the review, France provided additional information, elaborating on the domestic arrangements and rules for assessment of compliance. The Party assessed its progress under the ESD each year during the period 2005–2014. France also reports to the European Commission on the emissions from the sectors covered by the ESD, in accordance with its obligation under the EU monitoring mechanism regulation. The ERT therefore encourages France to include information on the domestic arrangements for the self-assessment of compliance with national annual emission reduction targets set under the ESD and also the progress towards the targets of the Energy Transition for Green Growth Act in future BRs.

26. In the BR2, the ERT noted a lack of information on the progress made in relation to certain PaMs. For example, as mentioned in paragraph 24 of the "Report of the technical review of the first biennial report of France"⁶ (TRR1) the target of renovating "500,000 buildings per year by 2017" is ambitious and challenging, and there is no information in the BR2 on the status of the achievement of this goal. Therefore, a brief summary of, or a reference to, the progress made in the implementation of PaMs will assist the ERT during the review process.

27. The key overarching cross-sectoral policy in the EU is the 2020 climate and energy package adopted in 2009, which includes the revised EU ETS and the ESD. This package is supplemented by renewable energy and energy efficiency legislation and legislative proposals on the 2020 targets for CO_2 emissions from cars and vans, the carbon capture and

⁶ FCCC/TRR.1/FRA.

storage directive, and the general programmes for environmental conservation, namely the 7th Environment Action Programme and the Clean Air Policy Package (see table 3 below).

28. In operation since 2005, the EU ETS is a cap-and-trade system that covers all significant energy-intensive installations (mainly large point emissions sources such as power plants and industrial facilities), which produce 40–45 per cent of the GHG emissions of the EU. It is expected that the EU ETS will guarantee that the 2020 target (a 21 per cent emission reduction below the 2005 level) will be achieved for sectors under the scheme. The third phase of the EU ETS started in 2013 and the system now includes aircraft operations (since 2012) as well as N₂O emissions from chemical industries, PFC emissions from aluminium production and CO₂ emissions from industrial processes (since 2013).

29. The ESD became operational in 2013 and covers sectors outside the EU ETS, including transport (excluding domestic and international aviation, and international maritime transport), residential and commercial buildings, agriculture, waste and other sectors, together accounting for 55–60 per cent of the GHG emissions of the EU. The ESD aims to decrease GHG emissions in the EU by 10 per cent below the 2005 level by 2020 and includes binding annual targets for each member State for 2013–2020, which are underpinned by the national policies and actions of the member States (see para. 17 above).

30. At the national level, France introduced policies to achieve its targets under the Convention and domestic emission reduction targets. The key policies reported in the BR2 are energy saving certificates and the Heat Fund to support the development of thermal renewable energy. The mitigation effect of the energy saving certificates is the most significant: it is a cross-sectoral policy whereby energy suppliers must fulfil a multi-year obligation to achieve energy-saving operations. The estimated impact of this PaM is 18,584 kt CO₂ eq by 2020. Apart from the key policies, other policies that have delivered significant emission reductions are the support for renewable energy in the electricity mix (feed-in-tariffs and calls for tender), the Housing Energy Renovation Plan, and the carbon component of the Energy Taxation Scheme, which include financial incentives to promote renewable energy and energy efficiency.

31. The BR2 highlights the domestic mitigation actions that are under development, such as the strengthening of the Thermal Regulation by 2020. In addition, France also recently adopted the Energy Transition for Green Growth Act on 17 August 2015; however, its potential impacts have not yet been estimated.⁷ Among those mitigation actions that provide a foundation for significant additional actions, the following actions from the Energy Transition for Green Growth Act are critical for France to attain the 2020 emission reduction targets: making buildings and housing energy efficient; giving priority to clean means of transport; "making tomorrow's materials out of today's waste"; increasing the use of renewable energies; and combating fuel poverty, which together are estimated to result in a GHG emission reduction of 40 per cent below the 1990 level by 2030.

32. Table 3 below provides a concise summary of the key mitigation actions and estimates of their mitigation effects reported by France to achieve its target.

⁷ More information on this Act can be found at <<u>http://www.developpement-</u> durable.gouv.fr/IMG/pdf/14123-8-GB_loi-TE-mode-emploi_DEF_light.pdf>.

Table 3

Summary of information on	mitigation actions and the	eir impacts reported by France

Sector affected	List of key mitigation actions	Estimate of mitigation impact by 2013 (kt CO ₂ eq)	Estimate of mitigation impact by 2020 (kt CO ₂ eq)
Policy framework and cross- sectoral measures	Energy Transition for Green Growth Act (adopted on 17 August 2015)	NE	NE
	Carbon component of the Energy Taxation Scheme	NA	3 773
	EU Emissions Trading System, third phase (2013–2020)	940	2 000
	EU F-gas regulation (842/2006)	3 415	7 890
	EU F-gas II regulation (517/2014)	0	8 922
Energy, including:			
Transport	CO ₂ labelling	1 613 ^{<i>a</i>}	5 356 ^a
	Bonus-malus (reward/penalty) system		
	EU regulation 443/2009 on emission performance standards for new passenger cars		
	EU regulation 333/2014 on emissions from new passenger cars		
	First National Plan for the Development of Electric and Hybrid Vehicles	0	1 461 ^{<i>a</i>}
Renewable energy	Support for renewable energy in the electricity mix (feed-in tariffs and calls for tender)	NE	2 975
	Heat Fund	3 010	9 990
Energy efficiency	Energy saving certificates	11 860	18 584
	Thermal Regulation 2012	NE	3 460
	Housing Energy Renovation Plan	NE	7 200 ^a
	0 per cent interest eco-loan		
	Energy transition tax credit		
IPPU	EU energy efficiency directive (2012/27/EU) (compulsory energy audit every four years)	NE	NE
Agriculture	Methane Energy and Nitrogen Autonomy Plan	NE	842
Waste	Waste Reduction and Recovery Plan 2025	NE	NE

Note: The estimates of mitigation impact are estimates of emissions of carbon dioxide or carbon dioxide equivalent avoided in a given year as a result of the implementation of mitigation actions.

Abbreviations: EU = European Union, F-gas = fluorinated gas, IPPU = industrial processes and product use, NA = not applicable, NE = not estimated.

^{*a*} The estimates include the mitigation effects of combined measures.

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

33. France reported in its BR2 and CTF tables 4, 4(a)I, 4(a)II and 4(b) its use of units from market-based mechanisms under the Convention and the contribution of LULUCF to achieving its target. Further relevant information on emissions and removals and the use of units is provided in this report (see paras. 34–37 below).

34. Although the BR2 is complete, CTF tables 4, 4(a)I and 4(b) do not include the information required by the UNFCCC reporting guidelines on BRs. These tables have been only partially completed. Specifically, CTF table 4 is blank except for the quantity of units from market-based mechanisms under the Convention for 2013 and 2014, CTF table 4(a)I is blank except for net GHG emissions/removals from LULUCF categories and CTF table 4(b) is blank for the reporting of other units. The information reported in these tables is consistent with the textual part of the BR2 (see paras. 36 and 37 below on use of units from market-based mechanisms).

35. The ERT noted that the blank cells in CTF tables 4, 4(a)I and 4(b) could readily be completed with information that is currently available and comprehensively described in the BR2. During the review, the Party explained that it thought that some cells (e.g. "total emissions, excluding LULUCF") were automatically completed by the reporting software, and that it was more appropriate to leave some cells blank (e.g. other market-based mechanisms). The ERT finds that the blank cells lead to a lack of clarity in the reporting, because it is not clear whether information was inadvertently omitted or intentionally not reported. Therefore, the ERT recommends that France improve the transparency of its reporting by addressing the gaps in these tables (e.g. by reporting data or using the notation key "NA" (not applicable) in all cells). The ERT further noted France's use of a custom footnote to CTF table 4(a)I: such a custom footnote could be used for CTF table 4(b) to clarify that the use of other units is also not applicable for France.

36. For 2013, France reported in its BR2 annual total GHG emissions (excluding LULUCF) of 496,760.65 kt CO₂ eq, or 10.1 per cent below the 1990 level. In 2013, emissions from the non-ETS sectors relating to the target under the ESD were 371,650 kt CO_2 eq.⁸

37. On its use of units from LULUCF activities, France reported in CTF table 4(a) that in 2013 and 2014 it did not use units to offset its total GHG emissions. France further reported that, currently, it does not intend to use units from any market-based mechanisms. Although the Party does not plan to use such units from market-based mechanisms, the ERT understands that France could reassess this decision following the compliance assessment for the first year of the ESD, which is scheduled to take place during 2016.

38. Table 4 below illustrates France's total GHG emissions, the contribution of LULUCF and the use of units from market-based mechanisms to achieve its target.

⁸ European Environment Agency. 2015. Trends and Projections in Europe 2015 – Tracking Progress towards Europe's Climate and Energy Targets.

Table 4

Summary of 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 by France towards the achievement of its target

Year	Emissions excluding LULUCF (kt CO ₂ eq) ^a	Contribution from LULUCF (kt CO ₂ eq) ^b	Emissions including contribution from LULUCF (kt CO ₂ eq)	Use of units from market-based mechanisms (kt CO2 eq)
1990	552 462.81	NA	NA	NA
2010	522 328.09	NA	NA	NA
2011	495 219.74	NA	NA	NA
2012	495 734.34	NA	NA	NA
2013	496 760.65	NA	NA	NA

Sources: France's second biennial report and common tabular format tables 1, 4, 4(a)I and 4(b). *Abbreviations*: LULUCF = land use, land-use change and forestry, NA = not applicable.

^{*a*} Emissions excluding LULUCF.

^b The European Union's unconditional commitment to reduce greenhouse gas emissions by

20 per cent by below the 1990 level by 2020 does not include emissions/removals from LULUCF.

39. To assess the progress towards the achievement of the 2020 target, the ERT noted that France's emission reduction target from sources not covered by the EU ETS under the ESD is 14.0 per cent below the 2005 level (see para. 17 above). As discussed in chapter II.B above, in 2013 France's emissions from sources not covered by the EU ETS were 5.7 per cent (approximately 22,430 kt CO_2 eq) below the AEAs under the ESD.

40. The ERT noted that France is making progress towards its emission reduction target by implementing mitigation actions that are delivering significant emission reductions. It is important to recall that France's target is part of the overall target of the EU (see paras. 14– 17 above). The overall EU target contains a target for the ETS sectors (which France expects to meet) and a target for all other emission sources in the country as part of the ESD. In this context, not only are France's current emissions for 2013 from the emission sources under the ESD below the interim target set by the EU for France, it is also projected that the national annual emissions from those sources for all years between 2016 and 2020 will remain below France's respective ESD targets given existing measures.⁹ In the view of the ERT, these projections indicate that France is contributing its share towards achieving the overall EU target.

41. In addition, the ERT notes that France recently adopted the Energy Transition for Green Growth Act (see para. 23 above), the effects of which have not yet been incorporated into the projections. This Act is likely to result in additional emission reductions in multiple sectors of the economy, beyond those currently accounted for in the projections (see para. 58 below). The implementation of this new cross-sectoral PaM, along with the observed continuous decoupling of GHG emissions from GDP and population growth (see table 2 above), provides further support to the view of the ERT that France is making sufficient progress towards achieving its target.

⁹ European Environment Agency. 2015. Trends and Projections in Europe 2015 – Tracking Progress towards Europe's Climate and Energy Targets. Table 3.2 titled "Historic (2013–2014) and projected (2015–2020) annual absolute gaps to annual ESD targets".

3. Projections

42. France reported in its BR2 and CTF table 6(a) updated projections for 2020 and 2030 relative to actual inventory data for 2013 under the WEM scenario. The ERT welcomes France's implementation in the BR2 of the recommendation made in the TRR1 to report projections for 2030 in CTF table 6(a). Projections are presented on a sectoral basis, using the same sectoral categories as used in the chapter on mitigation actions, and on a gas-by-gas basis for the following GHGs: CO₂, CH₄, N₂O, PFCs, HFCs and SF₆, as well as NF₃. Projections are also provided in an aggregated format for each sector as well as a Party total, using GWP values from the AR4. France reported on factors and activities influencing emissions for each sector. Further information on the projections is provided in chapter IV of the BR2.

43. The ERT observed that the information reported by France in CTF table 6(a) on actual historic inventory information is not fully transparent. Specifically, there is a difference in the total national GHG emissions for 2013 reported in CTF table 1 (497,765.74 kt CO₂ eq) and in CTF table 6(a) (490,190.81 kt CO₂ eq). The ERT would expect these values to be the same because, according to the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on NCs), emission projections shall be presented relative to actual inventory data for the preceding years.

44. During the review, France provided additional information clarifying that the values reported in CTF table 1 correspond to the geographical area of France under the Convention (which includes Metropolitan France, the overseas departments and the overseas collectives), while the values reported in CTF table 6(a) correspond to the geographical area under the Kyoto Protocol (which excludes the emissions from the overseas collectives).¹⁰ The Party indicated that the projections reported in the BR2 reflect the inventory data under the Kyoto Protocol, in order to maintain consistency with the data reported in 2015 to the EU, in accordance with the EU monitoring mechanism regulation. As part of its response, France also provided additional information with a separate CTF table 6(a) for the geographical area under the Convention.

45. Based on the additional data provided by France during the review, the ERT determined that, if the projections had been based on France's inventory under the Convention, total GHG emissions would have been 1.7 and 2.3 per cent higher in 2020 and 2030, respectively. The ERT also determined that reporting projections for the geographical area under the Convention would have the greatest impact on the energy sector, as approximately 85 per cent of the additional emissions covered under the Convention are reported under the energy sector.

46. Given the relatively small percentage share of GHG emissions from the overseas territories as a fraction of France's total GHG emissions, the fact that this small percentage of emissions is primarily affecting a large sector (energy), and given the inherent uncertainties associated with projections, the ERT determines that the omission of these overseas territories in the projections does not alter its conclusion that France is progressing towards meeting its Convention target. However, the ERT finds that the presentation of the

¹⁰ 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 collectives (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. The GHG emission data reported in this report are those covered by the geographical boundaries under the Convention.

information on trends in the BR2 is not transparent and not consistent, when viewed with an understanding that projections are reported in order to assess a Party's progress towards a Convention target. Therefore, the ERT recommends that, in its next BR submission, France either report its projections in CTF table 6(a) based on the GHG emissions according to its geographical boundary under the Convention, or describe in the BR why the historical information reported in CTF table 1 is based on the reporting under the Convention but the projections in CTF table 6(a) are based on the reporting under the Kyoto Protocol, including quantitative information on the sectoral, gas and total differences between the two sets of projections.

47. The ERT found a lack of clarity in the BR2 with regard to whether France includes GHG emissions from fuel sold to aircraft and ships used for international transport in its projections. During the review, France confirmed that fuel sold to ships and aircraft engaged in international transport were not included in the national totals for the projections. France also provided these projections separately from the national totals, which indicated that total GHG emissions (in kt CO_2 eq) from international aviation are expected to increase by 93.9 per cent between 1990 and 2020, and by 139.8 per cent between 1990 and 2030. In contrast, GHG emissions from international navigation are expected to decrease, by 7.6 per cent between 1990 and 2020 and by 12.3 per cent between 1990 and 2030. The ERT reiterates the recommendation made in the previous review report that France separately report in the BR its emission projections related to fuel sold to ships and aircraft engaged in international transport.

48. The BR2 does not include all of the information on projections encouraged by the UNFCCC reporting guidelines on BRs. Specifically, France does not report projections 'without measures' (WOM) and projections 'with additional measures' (WAM). During the review, France indicated that a WAM scenario was developed to incorporate the Energy Transition for Green Growth Act of 2015; however, this was not reflected in the BR2 because it is not possible to concisely describe all of the assumptions associated with such a scenario in the report. France provided the documentation for the WAM projection scenario.¹¹ The ERT encourages the Party to either include WOM and WAM scenario projections in the BR, or provide a reference to any relevant external publications in the next BR submission.

49. France did not report emission projections for indirect GHGs such as carbon monoxide, nitrogen oxides, non-methane volatile organic compounds, and sulphur oxides.

50. France provided information on the changes since the submission of its NC6/BR1 in the assumptions, methodologies, models and approaches used and on the key variables and assumptions used in the preparation of the projection scenarios using CTF table 5 (see paras. 52–53 below). To explain the changes, France provided supporting documentation. Specifically, France provided information in its BR2 explaining that it developed new projections between September 2014 and July 2015 pursuant to the EU monitoring mechanism regulation. The latest scenario used in the BR2 updates the macroeconomic assumptions related to population (an increase since the BR1 for 2020), GDP growth rate (a decline since the BR1) and international fuel prices (an increase since the BR1). Sensitivity analyses were conducted for a number of important assumptions, but France did not provide information on the sensitivity analysis in the BR2 (see para. 54 below).

¹¹ See <http://www.developpement-durable.gouv.fr/scenarios-a-l-horizon-2020-2030.html>.

Overview of projection scenarios

51. The WEM scenario reported by France includes implemented and adopted PaMs as of 1 January 2014 and up to 2030. The definition indicates that the scenario has been prepared according to the UNFCCC reporting guidelines on NCs.

Methodology and changes since the previous submission

52. To prepare its projections, France relied on the following key underlying assumptions: population trends, energy prices and GDP growth rate, as reported in CTF table 5. Additional information on carbon pricing in the EU ETS, and non-ETS CO₂ pricing is provided in the BR2. The assumptions have been updated on the basis of the most recent economic developments known at the time of the reporting on projections. However, the ERT noted that it is difficult to understand the changes in the models and approaches used based on the information provided in the BR2. The ERT mentions, as an example, the projections for the waste sector. In the BR1, the waste sector was expected to emit 11,390 kt CO_2 eq in 2020, but in the BR2, the waste sector is expected to emit 18,150 kt CO_2 eq in 2020, a 59.4 per cent increase. There is insufficient information in chapters III (there are no quantified policies for the waste sector in CTF table 3) and IV (there is no description of the changes in the assumptions used for the waste sector in the BR2 compared with the BR1) of the BR2 to explain this difference. During the review, France clarified that the difference between the two figures is mainly due to the recalculation of previous emission estimates owing to the application of the new 2006 IPCC Guidelines for National Greenhouse Gas Inventories (hereinafter referred to as the 2006 IPCC Guidelines) (for 2010, the impact is an increase of 62 per cent for the waste sector) and the introduction of new assumptions for the projections.

53. During the review, France provided additional information, noting that the changes in the modelling approach were not major and that the description in the NC6 (page 150) is still valid. The Party further noted that, broadly, these changes resulted from the use of a more detailed bottom-up model that incorporates not only new macroeconomic assumptions provided by the European Commission, but also new policies in the agriculture and waste sectors, and the effect of the implementation of the 2006 IPCC Guidelines in all sectors. The ERT encourages France to briefly describe the type of model(s) used for the projections (e.g. economy-wide versus sectoral), the purpose of the model(s), and any identified strengths or weaknesses, including interdependencies among the model(s), perhaps in a table in the BR. The ERT further reiterates the encouragement in the TRR1 that France summarize the changes in methodologies between successive submissions.

54. During the review, France indicated that it has conducted 14 sensitivity analyses on the latest WEM scenario on both the macroeconomic indicators, as well as on some sectoral measures (e.g. the EU F-gas regulation (regulation 842/2006)). Given that predictions on macroeconomic circumstances are subject to change, and because some of the sectoral measures have comparatively large impacts (e.g. the EU F-gas regulation is estimated to mitigate 8,922 kt CO_2 eq in 2020), the ERT encourages the Party to either briefly summarize in the BR any sensitivity analyses undertaken, or provide a reference in the BR to an external publication that addresses this issue.

Results of projections

55. France's total GHG emissions excluding LULUCF in 2020 and 2030 are projected to be 467,530.00 and 466,740.00 kt CO_2 eq, respectively, under the WEM scenario, which represents a decrease of 14.9 and 15.0 per cent, respectively, below the 1990 level. The 2020 projections suggest that France will continue contributing to the achievement of the EU target under the Convention (see paras. 14–17 and 40 above).

56. France's target for the emissions from sectors covered by the ESD (non-ETS sectors) is to reduce its total emissions by 14.0 per cent below the 2005 level by 2020 (see para. 17 above). France's AEAs, which correspond to its national emission target for non-ETS sectors, change linearly from 394,076.35 kt CO_2 eq in 2013 to 359,293.10 kt CO_2 eq in 2020. According to the projections under the WEM scenario, emissions from non-ETS sectors are estimated to reach approximately 345,800 kt CO_2 eq by 2020. The projected level of emissions under the WEM scenario is 3.9 per cent below the AEAs allocated for 2020. The ERT noted that this suggests that France expects to meet the target under the WEM scenario (see paras. 17 and 55 above).

57. Although the projections are provided at the level of aggregation required by the UNFCCC reporting guidelines on BRs, the ERT finds that the transparency of the Party's reporting would be enhanced if the projections were also reported for non-ETS sources. The current assumption is that France will meet the target for those sources under the EU ETS. To help evaluate whether an EU member State is likely to meet its overall target under the Convention, projections are required for all other non-ETS sources within the country (i.e. those subject to the ESD). Such projections are publicly available, although for limited years and not from France directly, but from the European Environment Agency.¹²

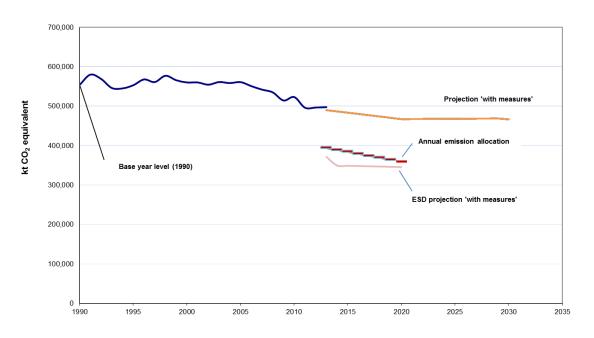
58. According to the projections reported for 2020 under the WEM scenario, the most significant emission reductions between 1990 and 2020 are expected to occur in the energy and industrial processes sectors, amounting to projected reductions of 54,889.95 kt CO₂ eq (14.3 per cent) and 19,839.77 kt CO₂ eq (32.6 per cent) between 1990 and 2020, respectively. The pattern of projected emissions reported for 2030 under the same scenario changes slightly owing to the increase in emissions observed in the energy sector between 2020 and 2030 (an increase of 4,960.00 kt CO₂ eq, or 1.5 per cent) and the slight increase in emissions in the agriculture sector (60 kt CO₂ eq, or 0.1 per cent). During the review, France explained that the alteration in the trend is a result of the lifespan of the PaMs and relevant legislation reflected in the WEM scenario, many of which will produce a large fraction of their impacts between now and 2020. The ERT finds France's response to be plausible and expects that, with the incorporation of the Energy Transition for Green Growth Act in future projections, the trends up to 2030 will be modified accordingly.

59. In 2020, the most significant reductions are projected for CO_2 and N_2O emissions: 52,425.31 kt CO_2 eq (13.2 per cent) and 26,264.11 kt CO_2 eq (37.2 per cent) between 1990 and 2020, respectively. The pattern of projected emissions reported for 2030 under the WEM scenario changes slightly, owing primarily to the increase in CO_2 emissions between 2020 and 2030 (an increase of 5,470.00 kt CO_2 eq, or 1.5 per cent). As discussed in the preceding paragraph, the observed trends reflect the time horizon of the PaMs currently implemented and adopted.

60. The projected emission levels under the different scenarios and France's quantified economy-wide emission reduction target are presented in the figure below.

¹² European Environment Agency. 2015. Trends and Projections in Europe 2015 – Tracking Progress towards Europe's Climate and Energy Targets.





Sources: (1) Data for the years 1990–2013: France's 2015 annual inventory submission under the Convention, version 2; total GHG emissions excluding land use, land-use change and forestry and including indirect CO_2 emissions; (2) Data for the years 2013–2030: France's second biennial report (CTF table 6(a)); total GHG emissions excluding land use, land-use change and forestry. The reason for the difference between the historic data and the projections for 2013 is that the historic data were based on the geographical area of France under the Convention, while the projections were based on actual inventory data for France using the geographical area of France under the Kyoto Protocol; (3) ESD projections: the Reporting Obligations Database under the EU monitoring mechanism regulation (525/2013); (4) Annual emission allocations: annex II to European Commission decision 2013/162/EU, as adjusted by the amounts defined in annex II to European Commission implementing decision 2013/634/EU.

Abbreviations: CTF = common tabular format, ESD = effort-sharing decision, EU = European Union, GHG = greenhouse gas.

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

61. In its BR2, France reported information on the provision of financial, technological and capacity-building support required under the Convention. The BR2 and additional documentation supplied during the review include information on the national approach to tracking the provision of support, indicators, delivery mechanisms used and allocation channels tracked. France reported a description of the methodology used to report financial support, including underlying assumptions. The ERT commends France for clarifying in the BR2 and during the review that there was no double counting with respect to financial support provided through different channels, in particular the French Development Agency (AFD) and the EU, in line with the recommendation formulated in the previous review report.

62. In the BR2, France did not provide clear details on what new and additional support it has provided and therefore did not clarify how the support is new and additional. Further

information on the Party's provision of support to developing country Parties is provided in chapter V of the BR2.

63. In response to a question raised by the ERT during the review, France indicated that there is currently no definition of "additional" in the context of Article 4, paragraph 3, of the Convention and that it "understood 'additional' as newly committed or disbursed climate finance". Using this definition and taking into account the fact that the budget and overall spending are negotiated every year, France considers all its climate finance to be new and additional. France further highlighted that it considered it crucial to integrate climate concerns in its approach to official development assistance (ODA), while ensuring that climate finance does not undermine or jeopardize its actions to address poverty and continued progress towards reaching the Sustainable Development Goals.

64. The ERT reiterates the recommendation from the previous review report that France include transparent information to clarify how it has determined that the support provided is new and additional in the next BR submission.

65. The BR2 includes all the remaining information required by the UNFCCC reporting guidelines on BRs.

66. France reported the financial support it provided to Parties not included in Annex I to the Convention (non-Annex I Parties), distinguishing between support for mitigation and adaptation activities in relation to the support provided through bilateral, regional and other channels only, and recognizing the capacity-building elements of such support.

67. The ERT noted that, for 2013 and 2014, France did not report information on the allocation of contributions through multilateral channels to different sectors such as energy, transport, agriculture and forestry. In response to a question raised by the ERT during the review, France highlighted that it was unable to report the support provided to mitigation and adaptation activities separately with regard to multilateral channels, in particular through the Global Environment Facility (GEF). The ERT encourages France to report, in the next BR submission, the financial contributions provided to mitigation and adaptation activities through multilateral channels or, where information is not available, explain this transparently.

68. France included in its BR2 information on how it has refined its approach to tracking climate support and methodologies, including through indicators when collecting and reporting information. The Party provided information on the methodology developed by AFD to determine whether a project is climate-relevant and whether its activities relate to mitigation, adaptation or cross-cutting and to track the finance for these activities. The same methodology was applied by the French Global Environment Facility (FFEM) for tracking support for adaptation and mitigation activities. AFD defines a "climate project" as a development project with one or more co-benefits for mitigation, adaptation and support for the implementation of climate policies. The definitions of "mitigation project" and "adaptation project", as well as the description of support for the implementation of climate change policies, were provided during the review. During the review, France also provided the spreadsheet used to track climate support and described the approach used to ensure consistency and avoid double counting in the reporting of climate support.

1. Finance

69. In its BR2 and CTF tables 7, 7(a) and 7(b), France reported information on the provision of financial support required under the Convention, including on financial support provided and committed, allocation channels and annual contributions (see paras. 74–83 below). The summary information was reported for 2013 and 2014. The ERT noted that France has implemented the recommendation from the previous review report by reporting the financial support in United States dollars and euros.

70. However, the ERT noted that the information reported by France on how it seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties with regard to climate change adaptation and mitigation was not fully transparent.

71. During the review, France provided additional information and clarified that the support provided by AFD, which is the main implementing agency of French bilateral aid, was implemented to address the needs identified in collaboration with the beneficiary countries. Arrangements such as financing contracts and/or memorandums of understanding are established with the authorities of the developing countries involving local committees to ensure that the support provided is relevant and well adapted to the needs formulated with respect to mitigation, adaptation, and technology development and transfer. To promote climate-friendly technologies in developing country Parties, in 2013 France launched, through FFEM, the Innovation Facility for the Private Sector (FISP-Climat) in the field of climate change, with the aim of encouraging reproducible and long-term projects to stimulate a market for new technologies or services to mitigate and/or adapt to climate change in developing countries. As part of the facility, four calls for projects for a total dedicated budget of EUR 10 million have been launched over the period 2013–2016.

72. The ERT reiterates the recommendation formulated in the previous review report that France transparently describe how it seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties with regard to mitigation and adaptation.

73. France described how its resources assist non-Annex I Parties to mitigate and adapt to the adverse effects of climate change, facilitate economic and social response measures, and contribute to technology development and transfer and capacity-building related to mitigation and adaptation (see chapters II.D.2 and II.D.3 below).

74. France provided financial support to climate-related programmes and projects to a wide range of developing countries across the world, in particular in Africa, Asia, Latin America and the Mediterranean, to address mitigation actions, adaptation to climate change and cross-cutting activities (such as climate policies). The financial support committed was provided through the GEF, and the bilateral cooperation was implemented by AFD and FFEM in multiple sectors such as energy, forestry, transport, agriculture and natural resources, urban infrastructure, climate policy, geothermal, renewable energy and climate risk prevention. The financial instruments reported were grants, concessional loans and non-concessional loans. The support provided in 2014 amounted to USD 3,671,481,569 and was 23.1 per cent higher than that provided in 2013. The distribution of financial support in 2014 was 80.7 per cent for mitigation, 10.1 per cent for adaptation and 9.2 per cent for cross-cutting activities. The support provided for mitigation activities increased by 35.9 per cent in 2014, while the support provided for adaptation decreased by 26.7 per cent. The major funding source was ODA.

75. The ERT found that the information provided by France in the BR2 and during the review was sufficiently complete and transparent to understand the financial support provided by France to developing countries. France provided information on the types of instrument used in the provision of its assistance (see para. 84 below). In addition, France reported information on its private financial flows from bilateral sources directed towards mitigation and adaptation activities in non-Annex I Parties.

76. The BR2 does not include transparent information on PaMs in place in France to promote the scaling up of private investment in mitigation and adaptation activities in developing country Parties.

77. In its BR2, France indicated that it commissioned for the first time, in 2015, a study to identify the private finance mobilized for mitigation and adaptation activities in

developing countries and the PaMs and actions that promote the scaling up of private investment in those countries. The report provided to the ERT during the review indicated that credit lines were instruments used by France to mobilize private investments for mitigation and adaptation activities in developing countries and to support local banks to finance such activities. Policy interventions, such as technical assistance, were also reported as other instruments used to mobilize private climate finance in developing countries.

78. Further, in its BR2, France also indicated that it has estimated for the first time the private climate finance mobilized through its public funding and projects in developing countries for the years 2013 and 2014. The private finance amounted to USD 791 million and USD 904 million in 2013 and 2014, respectively. However, only public finance was included in the tables reported in the BR2. The Party also explained how it promotes the provision of financial support to developing countries from the private sector through public funds, which it sees as pivotal to effectively increasing both mitigation and adaptation efforts in developing countries (see para. 66 above).

79. The ERT reiterates the encouragement made in the previous review report that France report, to the extent possible, information on the mobilization of private financial support and on PaMs that promote the scaling up of private investment in mitigation and adaptation activities in developing country Parties in its next BR submission.

80. With regard to the most recent financial contributions aimed at enhancing the implementation of the Convention by developing countries, France reported that its climate finance has been allocated on the basis of priority areas and programmes, such as mitigation and adaptation in energy, forestry, agriculture and natural resources, transport, urban infrastructure, renewable energy and climate policy. This allocation was based on policy documents such as France's environmental cooperation and development policy, and the AFD Climate Change Strategy 2012–2016.

81. France reported on its climate-specific public financial support provided in 2013 and 2014, totalling USD 2,983.07 million in 2013 and USD 3,671.48 million in 2014. With regard to the future financial pledges aimed at enhancing the implementation of the Convention by developing countries, France clarified that information on the USD 1 billon pledge for the period 2015–2018 made to the Green Climate Fund, as well as other pledges made subsequently, was provided in the BR2. During the reporting period, France placed a particular focus on countries in Africa, Asia, Latin America and the Mediterranean region, without reporting a detailed list of countries to which the financial support was provided. From a total of USD 3,657.05 million provided through bilateral cooperation in 2014, 32.8 per cent was allocated to Latin America, 30.5 per cent to Asia, 21.3 per cent to Africa, 15.2 per cent to the Mediterranean region and the remaining 0.2 per cent to what was reported as "multi-country". The ERT noted that France reported in CTF table 7(b) its bilateral support allocated to non-Annex I Parties in 2013 and 2014.

82. The BR2 includes detailed information on the financial support provided though multilateral channels, and bilateral and regional channels in 2013 and 2014. More specifically, France contributed through multilateral channels, and reported only its contributions to multilateral climate change funds such as the GEF in its BR2 and in CTF table 7(a), USD 14.44 and 14.44 million for 2013 and 2014, respectively. A large share of France's financial support is devoted to its contributions to development banks and multilateral development funds, which devote a considerable amount of their resources to combating the effects of climate change. However, France did not provide information on its core contributions to these multilateral institutions as it considered that only the climate-specific part would be relevant, but was unable to determine that information on its own and finds it more appropriate that the institutions themselves provide this type of information.

83. The BR2 and CTF table 7(b) also include detailed information on the total financial support provided through bilateral, regional and other channels, amounting to USD 2,968.63 and 3,657.05 million in 2013 and 2014, respectively. The major contributions (more than 99 per cent) were provided through bilateral, regional and other channels by AFD and FFEM. Table 5 includes some of the information reported by France on its provision of financial support.

Table 5

Summary of information on provision of financial support in 2013–2014 by France
(Millions of United States dollars)

	Years of disbursement		
Allocation channel of public financial support	2013	2014	
Official development assistance	2 617.61	2 722.29	
Climate-specific contributions through multilateral channels, including:			
Global Environment Facility	14.44	14.44	
Climate-specific contributions through bilateral, regional and other channels	2 968.63	3 657.05	

84. The BR2 provides information on the types of support provided. In terms of the focus of public financial support, as reported in CTF table 7 for 2013, the shares of total public financial support allocated for mitigation, adaptation and cross-cutting projects corresponding to these channels were 73.1, 16.9 and 10.0 per cent, respectively. In total, 0.5 per cent of the total public financial support was allocated through multilateral channels dedicated to environmental and climate issues and 99.5 per cent of it was through bilateral, regional and other channels. In 2014, the shares of total public financial support allocated for mitigation, adaptation and cross-cutting projects corresponding to these channels were 80.7, 10.1 and 9.2 per cent, respectively. Altogether, 0.4 per cent of the total public financial support was allocated through multilateral channels and climate issues and 99.6 per cent of it was through bilateral, regional and other channels.

85. CTF tables 7(a) and 7(b) include information on the types of financial instrument used in the provision of assistance to developing countries, which include grants, concessional loans and non-concessional loans. The ERT noted that the share of the concessional loans provided in 2013 and 2014 was approximately 85.0 and 72.4 per cent of the total public financial support, respectively.

2. Technology development and transfer

86. In its BR2 and CTF table 8, France provided information on measures and activities related to technology transfer, access and deployment benefiting developing countries, including information on activities undertaken by the public and private sectors. However, France did not report in the BR2 on the measures taken for the deployment of climate-friendly technologies, and for the support of the enhancement of the endogenous capacities and technologies of non-Annex I Parties.

87. France indicated during the review that one of the selection criteria used by FISP-Climat with respect to the provision of support for technology development and transfer was the involvement at each stage of the project of local expertise. However, the deployment of climate-friendly technologies and enhancement of local technologies was not clearly described in the BR2. 88. The ERT recommends that France include, in its next BR submission, transparent information on the measures taken for the deployment of climate-friendly technologies, and for the support of the enhancement of the endogenous capacities and technologies of non-Annex I Parties.

89. The BR2 does not include the information required by the UNFCCC reporting guidelines on BRs on success and failure stories with respect to measures taken to promote, facilitate and finance the transfer of, access to and deployment of climate-friendly technologies for the benefit of non-Annex I Parties and measures taken for the support of the development and enhancement of the endogenous capacities and technologies of non-Annex I Parties.

90. The ERT encourages France to include, in its next BR submission, information on success and failure stories with respect to measures taken to promote, facilitate and finance the transfer of, access to and deployment of climate-friendly technologies for the benefit of non-Annex I Parties and measures taken for the support of the development and enhancement of the endogenous capacities and technologies of non-Annex I Parties.

91. The ERT took note of the information provided in CTF table 8 on recipient countries and regions, target areas, measures and focus sectors of technology transfer programmes. France provided technology development and transfer support to a range of countries and regions across the world, in particular in Africa, Asia and Latin America, for mitigation and adaptation activities, mainly in the energy and industry sectors. Private and public sources were reported as the main sources of funding for technology. The activities were mostly implemented by the private and public sectors.

3. Capacity-building

92. In its BR2 and CTF table 9, France supplied information on how it provided capacity-building support for mitigation, adaptation and technology that responds to the existing and emerging needs identified by non-Annex I Parties. The support provided covered adaptation, preparation of the intended nationally determined contributions (INDCs) of developing countries, establishment of a national reporting system for the GHG inventory, projections and nationally appropriate mitigation actions.

93. France described individual measures and activities related to capacity-building support in textual and tabular format.

94. France did not include in the BR2 sufficient information to demonstrate the mechanism it has implemented to assess and ensure that the capacity-building support provided responds to the needs of non-Annex I Parties with respect to mitigation, adaptation and technology development and transfer.

95. During the review, France provided additional information on the mechanism used to ensure that the capacity-building support responds to the needs of non-Annex I Parties (see para. 71 above). The ERT recommends that France include this information in the next BR submission.

96. France reported that it supported climate-related capacity development activities relating to adaptation, mitigation, observation of climate systems and other sectors. The ERT noted that the capacity development support reported responded to the existing and emerging capacity-building needs of non-Annex I Parties by following the principles of national ownership, stakeholder participation, and country-driven demand. The capacity development support focused on mitigation and adaptation in the following regions and countries: Africa (Benin, Gabon, Kenya and Uganda), the South Pacific, the Western Indian Ocean, the Mediterranean Basin, small island developing States (SIDS), Southern Europe and Viet Nam. Other capacity-building activities reported were related to the

implementation of low-carbon climate development strategies in Africa, the long-term monitoring of the impacts of the monsoon in West Africa, and the preparation of INDCs in 30 countries in Africa and SIDS.

III. Conclusions

97. The ERT conducted a technical review of the information reported in the BR2 and CTF tables of France in accordance with the UNFCCC reporting guidelines on BRs. The ERT concludes that the reported information is mostly in adherence with the UNFCCC reporting guidelines on BRs and provides an overview on: emissions and removals related to the Party's quantified economy-wide emission reduction target; assumptions, conditions and methodologies related to the attainment of the target; progress made by France in achieving its target; and the Party's provision of support to developing country Parties.

98. France's total GHG emissions excluding LULUCF related to its quantified economy-wide emission reduction target were estimated to be 10.1 per cent below its 1990 level, whereas total GHG emissions including LULUCF were 12.6 per cent below its 1990 level for 2013. The emission decrease was driven largely by reductions in CO_2 emissions from public electricity and heat production, due to the fuel switch, as well as the closure of some iron and steel facilities and nitric acid plants.

99. Under the Convention, France is committed to contributing to the achievement of the joint EU quantified economy-wide target of a 20 per cent reduction in emissions below the 1990 level by 2020. The target covers all sectors and the gases CO_2 , CH_4 , N_2O , HFCs, PFCs and SF_6 , expressed using GWP values from the AR4. Emissions and removals from the LULUCF sector are not included in the quantified economy-wide emission reduction target under the Convention. The EU generally allows its member States to use units from the Kyoto Protocol mechanisms as well as new market mechanisms for compliance purposes, subject to a number of restrictions in terms of origin and type of project and up to an established limit. Companies can make use of such units to fulfil their requirements under the EU ETS.

100. Under the ESD, France has a target to reduce its emissions by 14.0 per cent below the 2005 level by 2020. France's AEAs, which correspond to its national emission target for non-ETS sectors, change linearly from 394,076.35 kt CO_2 eq in 2013 to 359,293.10 kt CO_2 eq in 2020.

101. The mitigation actions with the most significant mitigation impact are energy saving certificates and the Heat Fund to support the development of thermal renewable energy. Key legislation supporting France's climate change goals include national plans for the development of electric and hybrid vehicles, the Thermal Regulation 2012 (to be strengthened by 2020), and thermal renovation obligations for existing buildings. France's PaMs will be further strengthened in the future through its recently adopted Energy Transition for Green Growth Act (17 August 2015), the main policy framework relating to energy and climate change.

102. For 2013, France reported in its BR total GHG emissions excluding LULUCF at 496,760.65 kt CO_2 eq, or 10.1 per cent below the 1990 level. France reported that it does not currently intend to use units from market-based mechanisms to achieve its target. The ERT finds that, taking into account the Party's current emissions, as well as its projected annual emissions for sources under the ESD for all years between 2016 and 2020, France is contributing its share towards achieving the overall EU target.

103. The GHG emission projections provided by France in its BR2 include those for the WEM scenario. Under this scenario, total emissions are projected to be 14.9 and 15.0 per

cent below the 1990 level in 2020 and 2030, respectively. Emissions from non-ETS sectors are estimated to reach approximately 345,800 kt CO_2 eq by 2020. The projected level of emissions under the WEM scenario is projected to be 3.9 per cent below the AEAs allocated for 2020. On the basis of the reported information, the ERT concluded that France expects to meet its target for non-ETS sectors.

104. The ERT noted that France is making progress towards its emission reduction target by implementing mitigation actions that deliver significant emission reductions. On the basis of the results of the projections for 2020 under the WEM scenario, the ERT noted that France may achieve or overachieve its emission reduction target by 2020.

105. France continues to allocate climate financing in line with the climate finance programmes, such as those of AFD, FFEM and FISP-Climat, in order to assist developing country Parties to implement the Convention. It has increased its contributions by 78.9 per cent since its BR1, and its public financial support in 2013 and 2014 totalled USD 5,600.7 and 6,393.8 million per year, respectively. For these years, France's support provided for mitigation actions was higher than the support provided for adaptation. The highest level of financial support went to projects in the energy, forestry, agriculture and natural resources, transport, urban infrastructure, renewable energy and climate policy sectors. France provided technology development and transfer support to a range of countries and regions across the world, in particular in Africa, Asia and Latin America, for mitigation and adaptation activities, mainly in the energy and industry sectors. The capacity-building support provided by France focused on mitigation and adaptation in Africa, the South Pacific, the Western Indian Ocean, the Mediterranean Basin, SIDS, Southern Europe and Viet Nam.

106. In the course of the review, the ERT formulated the following recommendations for France to improve its adherence to the UNFCCC reporting guidelines on BRs in its next BR:¹³

 (a) Improve the completeness of its reporting by reporting separately its projections for fuel sold to ships and aircraft engaged in international transport (see para. 47 above);

(b) Improve the transparency of its reporting by:

(i) Providing more detailed information on the institutional and procedural arrangements for inventory planning, preparation and management, referring to the relevant section of the most recent NIR (see para. 8 above);

(ii) Providing complete information in all relevant parts of CTF tables 2(a)–(f) in accordance with its target, including associated conditions and assumptions (see para. 13 above);

(iii) Providing more detailed information, to the extent possible, on the estimated impacts of its individual PaMs in CTF table 3 (see para. 21 above);

(iv) Addressing the gaps in CTF tables 4, 4(a)I and 4(b) (see para. 35 above);

(v) Reporting its projections in CTF table 6(a) based on the GHG emissions according to its geographical boundary under the Convention (see para. 46 above);

(vi) Providing more detailed information on how it has determined that the support provided is new and additional (see para. 64 above);

¹³ The recommendations are given in full in the relevant chapters of this report.

(vii) Providing more detailed information on how it seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties with regard to mitigation and adaptation (see para. 72 above);

(viii) Providing more detailed information on the measures taken for the deployment of climate-friendly technologies, and for the support of the enhancement of the endogenous capacities and technologies of non-Annex I Parties (see para. 88 above);

(ix) Providing more detailed information to demonstrate that the mechanisms it has implemented to assess and ensure that the capacity-building support provided responds to the needs of non-Annex I Parties with respect to mitigation, adaptation and technology development and transfer (see para. 95 above).

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 preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories". Annex to decision 24/CP.19. Available at http://unfccc.int/resource/docs/2013/cop19/eng/10a03.pdf#page=2>.

"Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications". FCCC/CP/1999/7. Available at http://unfccc.int/resource/docs/cop5/07.pdf.

"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 13/CP.20. Available at http://unfccc.int/resource/docs/2014/cop20/eng/10a03.pdf>.

FCCC/ARR/2014/FRA. Report on the individual review of the annual submission of France submitted in 2014. Available at http://unfccc.int/resource/docs/2015/arr/fra.pdf>.

FCCC/IDR.6/FRA. Report of the technical review of the sixth national communication of France. Available at http://unfccc.int/resource/docs/2014/idr/fra06.pdf>.

FCCC/TRR.1/FRA. Report of the technical review of the first biennial report of France. Available at http://unfccc.int/resource/docs/2014/trr/fra01.pdf>.

2015 greenhouse gas inventory submission of France. Available at http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/8812.php.

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Second biennial report of France. Available at

<http://unfccc.int/files/national_reports/biennial_reports_and_iar/submitted_biennial_report s/application/pdf/french_biannual_report.pdf_-_adobe_acrobat_pro.pdf>.

Common tabular format tables of the second biennial report of France. Available at <a href="http://unfccc.int/files/national_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports/biennial_reports_and_iar/submitted_biennial_reports_and_iar/su

B. Additional information used during the review

Responses to questions during the review were received from Mr. Gilles Croquette (Ministry of Environment, Energy and the Sea), including additional material and the following documents¹ provided by France:

European Environment Agency. 2015. *Trends and projections in Europe 2015 – Tracking progress towards Europe's climate and energy targets*. Available at http://www.eea.europa.eu/publications/trends-and-projections-in-europe-2015.

Ministry of Ecology, Sustainable Development and Energy. 2015. *En application de l'article 13.1 du règlement 525/2013 relatif à un mécanisme pour la surveillance et la déclaration des émissions de gaz à effet de serre*. Available at <<u>http://cdr.eionet.europa.eu/fr/eu/mmr/art04-13-</u>14_lcds_pams_projections/envvzfc3q/2015_France_MMR_Art13.pdf>.

¹ Reproduced as received from the Party.