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FOREWORD

The principal aim of the OECD's Environmental Performance Reviews programme is to help member countries improve their individual and collective performances in environmental management with the following primary goals:

- to help individual governments assess progress;
- to promote a continuous policy dialogue among member countries, through a peer review process; and
- to stimulate greater accountability from member countries' governments towards their public opinion, within developed countries and beyond.

Environmental performance is assessed with regard to the degree of achievement of domestic objectives and international commitments. Such objectives and commitments may be broad aims, specific qualitative goals, precise quantitative targets or a commitment to a set of measures to be taken. Assessment of environmental performance is also placed within the context of historical environmental records, the present state of the environment, the physical endowment of the country in natural resources, its economic conditions and demographic trends.

These systematic and independent reviews have been conducted for all member countries as part of the first cycle of reviews. The OECD is now engaged in the second cycle of reviews directed at promoting sustainable development, with emphasis on implementation of domestic and international environmental policy, as well as on the integration of economic, social and environmental decision making.

The present document reviews France's environmental performance. The OECD extends its most sincere thanks to all those who helped in the course of this review, to the representatives of member countries to the Working Party on Environmental Performance, and especially to the examining countries (Belgium, Canada and Italy) and their experts. The OECD is particularly indebted to the Government of France for its co-operation in expediting the provision of information and the organisation of the experts' mission to France, and in facilitating contacts with many individuals both inside and outside administrative and governmental structures of the country. The present review benefited from grant support from Japan, Norway and Switzerland.

The OECD Working Party on Environmental Performance conducted the review of France at its meeting on 24-26 January 2005 and approved its conclusions and recommendations.

Lorents G. Lorentsen
Director, Environment Directorate

CONCLUSIONS AND RECOMMENDATIONS*

In France, environmental and natural resource issues arise not only in the national framework, but also in the context of European and global interdependencies. The country's environmental policy has influenced, and been influenced by, EU environmental policy making. Beyond metropolitan France, its overseas départements give the country a wider environmental responsibility. Moreover, these European and global interdependencies have aspects that are physical (e.g. transboundary pollution and joint stewardship of common resources) as well as economic (e.g. EU market integration and world trade). France is thus engaged in bilateral, regional and global environmental co-operation.

Over the review period (1996-2004), environmental management in France benefited from institutional strengthening, increased public and private expenditure and consideration of sustainable development in policy choices. Attention to environmental issues has reinforced economic development through the conservation of resources such as water and energy, the creation of environmental jobs, lower spending on public health and protection of the urban and natural heritage and landscape. Major concerns remain as regards pollution from agriculture and transport, the development of energy policy, improvement of environmental health and management of natural and technological risk. Other key concerns include pressures from urbanisation and the need to protect natural spaces, coastal areas and mountains, which are assets for tourism. International environmental issues, such as implementation of multilateral environmental agreements, marine conservation and the environment-development interface, are also at the top of the environmental agenda.

To meet these challenges, France will have to: i) strengthen environmental policy implementation, ii) integrate environmental concerns into sectoral and fiscal policies and iii) pursue international co-operation. This review examines progress made by France since the previous OECD Environmental Performance Review, and the extent to which the country's national objectives and international commitments are being met. It also reviews progress in the context of the OECD Environmental Strategy.** Forty-nine recommendations are put forward that could help strengthen France's environmental performance in a context of sustainable development.

* Conclusions and Recommendations reviewed and approved by the Working Party on Environmental Performance at its meeting on 25 January 2005. The OECD report on metropolitan France and the overseas départements is under preparation and will be available in June 2005.

** Objectives of the 2001 OECD Environmental Strategy covered in these Conclusions and Recommendations are maintaining integrity of ecosystems (Section 1), decoupling environmental pressures from economic growth (Sections 2.1 and 2.3), the social and environmental interface (Section 2.2) and global environmental interdependence (Section 3).

1. Environmental Management

Implementing more efficient environmental policies

France has a vast, coherent body of environmental legislation that is consistent with the principle of subsidiarity. The Environmental Charter approved in 2004 is to be incorporated into the Constitution. The 2000 Environment Code provided an opportunity to clarify France's environmental legislation, which has both influenced and been influenced by EU environment law (e.g. as concerns integrated pollution prevention and control for France's 68 000 classified installations). The new law on risk permits better economic assessment of natural and technological risk in spatial planning. Environmental policy implementation is carried out through a balanced package of instruments including regulation, economic instruments, planning and voluntary approaches. Enforcement of environmental regulations has benefited from a strengthened inspection system. A wide range of economic instruments is used. Charges for water services and waste management, and some other economic instruments, are used effectively. Several environmental taxes (as part of the general tax on polluting activities) were created. New instruments, such as trading in greenhouse gas emission permits, are being developed. Planning tools (e.g. state-regional contractual plans, climate plan, health and environment plan) and the system of land use planning play their part. Better institutional integration of economic concerns within environmental policies has been made possible by remarkable progress on economic studies and environmental assessments within the Ministry of Ecology and Sustainable Development. Environmental protection expenditure has risen to 1.9% of GDP and total environment-related expenditure (including water services and material recycling and recovery) to 2.8% of GDP. There is no indication that environmental action has affected the competitiveness of the French economy as a whole.

Recommendations

- establish a green tax commission, attached to the Prime Minister;
- increase rates of environmental taxes and charges, thereby increasing their incentive effect and reducing the budgetary cost of government environmental policies;
- ensure that economic instruments are introduced to address externalities associated with agriculture;
- in water management, maintain the basin-wide approach and setting of charges by the river basin authorities in a context of overall control by the Parliament;
- continue to strengthen enforcement of environmental regulations; improve their integration in land use planning documents, including at local level; strictly apply the laws on risk, mountains and coastal areas, including at local level;
- continue to carry out economic studies necessary for efficient action on the environment.

Nevertheless, local implementation of laws and regulations relating to the environment and land use should be improved, including the laws concerning risk, coastal areas and mountains. Some EU directives, such as those on nitrates, urban waste water, birds and habitats, pose problems. Much work is still needed to address water pollution from urban and agricultural run-off. Possibilities for co-operative efforts on nature and biodiversity protection could be further explored. For some economic instruments, rates need to be adjusted so as to better internalise positive and negative externalities. The major drive for environmental tax reform

begun in 1999 did not come to fruition. An in-depth examination of the environmental effects of taxes and subsidies should be done, and requires the establishment of a green tax commission.

Air

Since 1990, France has made progress in reducing emissions of most conventional pollutants, heavy metals and organic compounds and in decoupling them from economic growth. Emissions per unit of GDP are generally significantly lower than OECD averages, and in some cases (e.g. CO₂) among the lowest. This performance reflects not only the structure of the country's economy and energy resources but also environmental action through legislation (e.g. the 1996 Law on Air and Energy Efficiency), regulation (e.g. of classified installations) and economic instruments (e.g. taxes on polluting activities). France is a determined player on the international stage, complying with and sometimes exceeding its many commitments. For vehicle emissions, EU standards enable fleet improvement. Measures have been taken to promote use of cleaner fuels, for example by reducing the tax on liquefied natural gas. New transport and planning policies at municipal and regional levels (e.g. urban development plans) involve measures such as widespread imposition of parking fees, more efficient public transport and increased use of natural gas. In structural terms, the transport sector includes a high-speed train network for passenger transport, a toll trunk motorway network and urban public transport largely financed by companies.

Recommendations

- step up measures to reduce NO_x emissions from transport (e.g. diesel vehicles), agriculture (diesel fuel and waste combustion), industry (chemicals, ferrous metals and food processing) and energy (thermal power generation);
- strengthen measures to limit particulate emissions (e.g. from wood, biomass and diesel combustion) and consider introducing ambient quality standards for fine and ultrafine particulates (PM_{2.5} and PM_{1.0});
- increase the use of rail for passenger and goods transport and the use of combined goods transport, in the context of a modal shift framework policy based on improved internalisation of road transport externalities;
- implement urban mobility plans, increase the use of economic instruments in urban transport (notably as regards private vehicle parking and use) and introduce measures to improve emissions from heavy vehicles (e.g. bus traffic, transport of goods and waste);
- examine the impacts of maritime, inland waterway and air transport (including emissions from international journeys) on regional air quality and consider national or international measures to reduce them.

This progress notwithstanding, several challenges remain, mainly concerning ozone, NO_x and fine particulates, which adversely affect health. A great deal remains to be done to reduce particulate emissions from diesel vehicles and wood heating, and NO_x emissions from transport, to solve urban air quality problems and meet emission reduction targets for 2010. In addition, dioxin emission levels must be further decreased, and steps must be taken to prevent any increase in emissions of ammonia from farming and to control emissions of hexachlorobenzene. Integration of environmental and air quality concerns in the transport sector remains a major challenge. Improvements to the road vehicle fleet must continue and accelerate, for instance

through technological improvements to diesel vehicles, two-wheeled motor vehicles and goods vehicles. Local and regional urban and transport management plans must be put into effect. Greater use could be made of economic instruments (e.g. parking fees, congestion charges, taxation of vehicles and vehicle use, fuel taxes), in an EU framework where appropriate. In structural terms, the externalities associated with road transport need to be internalised, especially as regards transport of goods and of waste. Higher priority should be given to rail and combined goods transport. Greater attention should be paid to emissions from maritime, inland waterway and air transport. More generally, air quality concerns need to be better integrated into energy, agriculture and tourism policies.

Water

The role of the river basin authorities, which were established in 1964 and buttressed by the 1992 Water Law, has expanded from purely financial tasks (collecting abstraction and pollution charges and distributing the revenue for investment) to assessment of the state of aquatic environments and to planning. The integrated management at major basin level, which is partnership-based and multi-annual, has proved highly effective, especially in dealing with industrial and municipal pollution problems by applying the polluter pays and user pays principles. Industrial pollution of watercourses has continued to decrease. Meters have been installed to improve management of water resources, especially for irrigation. A drought plan was introduced following the 2003 heatwave. Flood prevention plans were introduced in 2003 and are binding on third parties. Operating and investment costs are financed by cost-recovery charges and Water Agency charges, respectively. This approach should give France favourable conditions for meeting its forthcoming obligations under the EU Water Framework Directive. Taxes have been introduced on pesticides, on phosphate detergents and on aggregates extraction; the scope of a more recent levy on nitrates should be extended. With floods and flood damage becoming more frequent, much has been done in terms of legislation, regulation and planning to prevent floods and their consequences.

Recommendations

- reduce pollution of agricultural origin (from both crop and livestock farming) by continuing to reform farm subsidies (to decrease incentives for pollution-prone intensive farming), by implementing cross-compliance in agricultural support and by introducing efficient, targeted measures to reduce excessive nitrogen use at individual farm level;
- improve the balance between Water Agencies' outlays on and income from agriculture;
- continue to develop flood risk prevention plans and establish a monitoring mechanism to ensure that they are effectively put into practice;
- consolidate water policing powers in each département and assure stricter control of compliance with water-related provisions of the Environment Code;
- take a more holistic approach to basin-based management by extending the Water Agencies' role, in particular as regards wetland protection;
- review the Water Agencies' procedures for financial allocations so as to make them more economically and environmentally effective; make economic analysis of projects systematic.

Over the last ten years or so, however, weaknesses in water policy have become apparent, relating to such emerging issues as chronic pollution by newer products such as endocrine disrupters and antibiotics, whose effects are still poorly understood. Agricultural pollution of watercourses with nitrates and pesticides continues despite the measures taken. Insufficient attention is paid to ecosystems such as riverbanks. Drinking water quality continues to be a concern in places, notably where supply sources are insufficiently protected. Enforcement efforts, despite progress, are dispersed among various services, reducing effectiveness. The Water Agencies do not base their financing decisions on economic analysis of proposed projects, and cross-subsidisation from households to farmers often occurs. The level of waste water treatment has not improved sufficiently, and France is under threat by the European Commission of having to pay a penalty for its shortcomings on this point.

Nature and biodiversity

France has exceptionally rich biological resources and therefore great responsibility both within Europe and, through its presence in three oceans, worldwide. It has recognised knowledge in most aspects of biodiversity, from microbiology to ecosystem processes, through institutions (e.g. Natural History Museum, French Research Institute for Exploitation of the Sea) that lead their fields in the development and dissemination of scientific knowledge. During the review period, France carried out an inventory of nearly 15 000 natural areas of interest for their ecology, fauna and flora in metropolitan France and one of landscapes in 52 départements. The country has a comprehensive body of laws relating to the protection of nature, biodiversity and landscapes. During the review period, laws on fishing, hunting and forests were added to the principal laws on nature, mountains, coastal areas and landscapes. Today 13.3% of metropolitan France is under protection, compared with 9.5% in 1996. Excellent progress is being made on regional nature parks and projects to enhance major sites. The joint involvement of public institutions, technical and financial partners, local authorities and volunteers in implementing natural heritage conservation projects should be noted. Forest management is developing more of an ecosystem approach, and eco-certification of woodland is accelerating. A more environment-friendly approach is also being taken in agriculture, for example with the conclusion of 40 000 sustainable farming contracts covering 3 million hectares. France is fulfilling its international global nature conservation commitments (e.g. Convention on Biological Diversity, CITES, Ramsar Convention) and contributes to progress in this area with initiatives such as IFRECOR on coral reefs. Following the French President's declaration at the Johannesburg Summit, a national sustainable development strategy was adopted in 2003 and a national biodiversity strategy was introduced in 2004 to help meet national, European and global challenges. In 2003, France created an ecological protection zone in the Mediterranean, extending more than 100 km off the coast.

However, major challenges remain. First, ratification of the biodiversity convention requires the introduction of mechanisms for the conservation of species, ecosystems and genetic characteristics. Several measures for the conservation of species and habitats exist, but relatively few for ecosystems and genetic diversity. Second, despite significant progress, application of the EU directives on birds and habitats is still patchy. Implementation of the Natura 2000 network is lagging even after a decision against France by the European Court of Justice. The scientific, budgetary and institutional resources devoted to conserving biodiversity in the overseas départements are not proportionate to the exceptional wealth of that biodiversity. The Guadeloupe National Park, created in 1989, is still the only overseas national park, though other projects have been put forward. Conservation mechanisms cannot cope with the great pressure

on coasts and mountains. For example, the Coastal Conservatory needs to step up its programme of land acquisitions (it now holds 12% of the coastline) and the law on coastal development needs to be consolidated and strictly enforced. The integration of biodiversity concerns into farming, forestry and tourism policies needs to continue. Intensive farming remains a source of considerable stress on biodiversity: farmland ecosystems contain France's largest number of endangered species. Greater recognition should be given to the economically important ecological services that biodiversity offers, especially as regards land use and prevention of environmental risks such as flooding and climate change.

Recommendations

- integrate biodiversity concerns into sectoral policies (dealing with farming, forestry, tourism and land use planning) in accordance with the national biodiversity strategy, and periodically evaluate progress on action plans;
- increase the integration of biodiversity concerns into local decisions relating to economic development, land use planning, infrastructure and tourism activities;
- continue to expand protected areas, especially through extension of: i) the network of protected areas under Natura 2000 to 15% of metropolitan France, ii) marine areas and iii) protected areas in overseas départements;
- seek out and improve partnerships to build consensus regarding the issues at stake in connection with the EU directives on habitats and birds and the Bern Convention;
- enforce the coastal law more strictly and speed up the Coastal Conservatory's land acquisitions by significantly increasing its budget to achieve the targets for the metropolitan coastline (200 000 hectares in 30 years); give the Conservatory an objective and resources that match the scale of the coastline challenges in overseas départements; continue to draw up and implement marine enhancement plans for the main coastal regions, in particular by introducing monitoring mechanisms;
- take landscape protection into account in sectoral policies and sectoral decisions at national and local level, and increase government assistance for the management of major sites;
- organise and increase the resources for studies on biodiversity (e.g. at the Natural History Museum, at the French Institute for the Environment, and in the overseas départements); increase funding for nature conservation, including by adjusting local taxation and finance.

2. Towards Sustainable Development

The integration of environmental concerns into economic, social and sectoral decision making is essential to improving environmental performance and moving towards sustainable development. Such integration, whether effected through institutions or through market mechanisms, is also needed to achieve cost-effective responses to environmental challenges. Economic forces and changes in such major sectors as energy, industry, agriculture, transport and tourism strongly influence environmental conditions and trends, and hence can either enhance or diminish the benefits of environmental policy.

Integration of environmental concerns in economic decisions

France has successfully decoupled several environmental pressures from economic growth, including SO_x and NO_x emissions, freshwater abstraction and pesticide and nitrogenous fertiliser use. Several major institutional and legislative reforms have been made since 1996 to assure better integration of economic and environmental objectives and to promote sustainable development. The national sustainable development strategy was approved in 2003. The authorities apply the polluter pays and user pays principles, so both direct and indirect subsidies for environmental protection are generally minimal. The new EU directive on strategic environmental assessment, together with better environmental impact assessment procedures, should help improve integration in programmes and plans as well as projects. The National Health and Environment Plan is a major step forward, as is the integrated risk management policy. Other progress includes the elimination of environmentally harmful subsidies (with the end of coal support) and the introduction of cross-compliance in farm support. The recent reforms of the EU's Common Agricultural Policy have also tended to dissociate farm subsidies from environmental pressures. Environmental decision making has been made more coherent through various consultation mechanisms (e.g. the National Commission for Public Debate, the 2003 national sustainable development strategy and preparation of the water development and management master plans) and through joint management mechanisms (e.g. territorial contracts on coastal areas and Natura 2000 sites).

Recommendations

- continue to reform existing environmental taxes to take better account of environmental externalities and eliminate the environmentally harmful aspects of energy and transport taxation;
- continue efforts to reduce environmentally harmful subsidies, and systematically examine all types of support programme from the standpoint of their net impact on environmental effectiveness and economic efficiency;
- ensure that national and EU policies relating to environmental impact assessment and strategic environmental assessment procedures are fully implemented, including at sub-national level;
- more explicitly integrate an economic dimension when implementing the national sustainable development strategy, and promote integration of environmental concerns into sectoral policies (e.g. for agriculture, transport and energy);
- strengthen the role of indicators in measuring environmental and sustainable development progress and in policy formulation;
- set up a network of regional and national environmental authorities to manage EU structural funds with the aim of better integrating the environment and sustainable development into regional policies and programmes.

The implementation of the national sustainable development strategy could usefully focus more on market-led integration of environmental concerns in such economic sectors as agriculture, transport, energy and tourism. Many price signals are inadequate, given, for example, the long-term decline in real fuel prices, the continued tax advantage of diesel over petrol (to the benefit of road hauliers) and reduced prices for water used in agriculture. Radioactive waste management (e.g. in the very long term) should be fully built into the cost of nuclear power so as to reflect relative costs. In the current state of knowledge, the nuclear

sector's external costs (e.g. radioactive waste management) are only known in their broad outline. In this context, the major service providers have taken steps to meet those costs that are presently known and measurable. Most decisions about subsidies are still based on availability of financial resources rather than expected environmental or economic outcomes. Taxes take little account of environmental externalities, and some aspects of transport and energy taxation are harmful to the environment. Problems remain, especially at local level, with integrating environmental concerns into economic decisions and with achieving economic efficiency in implementing environment policies. Growth in road transport of goods continues to be a major cause for concern.

Integration of environmental and social concerns

Concerning employment, the "New Services, Youth Employment" programme introduced in 1997 encouraged the creation and contributed to the viability of environmental jobs, especially with local authorities and NGOs. France has also made great efforts to ensure that the most disadvantaged people have access to essential goods like water and electricity, and to this end is reorganising various solidarity funds and has introduced social tariffs that do not significantly distort price signals. Concerning health, the establishment of the French Agency for Environmental Health Safety (AFSSE) in 2001 and a review of links between the environment and health paved the way for the National Health and Environment Plan in 2004. It aims to reduce and prevent health risks connected with the environment in the broadest sense (including the outdoor and indoor environment and the work environment). Long experience with environmental information (e.g. state of the environment reports, publication of economic data on the environment, environmental indicators) and effective and improved monitoring ensure that information is actively disseminated. The right of access to environmental information is enshrined in French law and can be invoked in court; the Environmental Charter will give it constitutional force. Under the 2002 Law on New Economic Regulations, listed companies are required to account in their annual reports for the social and environmental consequences of their activities. The National Commission for Public Debate, set up in 1997 as a tripartite, independent administrative body, conducts public consultation at an early stage of proposed infrastructure projects and land use change. Several times in recent years, public consultation has been extended to draft legislation and policy formulation, for instance on energy, climate and water.

Nevertheless, the solidarity funds designed to give disadvantaged people access to essential goods like water and energy do not have enough money to provide long-term support. Despite the creation of AFSSE, expertise remains too limited to cover a remit as extensive as environmental health. Primary and secondary schools have lacked ambition and organisation in environmental education, though the situation is improving. There is a mismatch between types of environmental training and actual environmental employment. Although most legal rules relating to environmental information are consistent with the corresponding international texts, transposing the related new EU directive into French law will require fresh compliance efforts. Implementing this directive and the Aarhus Convention will require better-organised access to information and improved responsiveness to public requests. The public still needs to be better informed about its right of access to information. Websites are often unclear to inexperienced users; a national environmental information portal could improve the effectiveness, efficiency and use of the information available. More extensive environmental information on subjects such as industrial waste and biodiversity would be helpful.

Recommendations

- continue to promote environmental protection through proactive employment policies involving measures such as job creation and assuring a better match between training and employment;
- continue to improve solidarity funds for access to essential goods (water, energy, housing) by encouraging effective, long-term personal support; ensure that the planned water law favours access to water;
- continue to strengthen the environmental health sector by reinforcing expertise (e.g. develop training and research);
- free up the necessary resources to implement the National Health and Environment Plan, including the assessment of risks related to chemical products;
- pursue efforts to ensure that legislation on access to environmental information complies with recent EU directives, and take the necessary steps to implement the directives and the Aarhus Convention; better inform the public about its right of access to environmental information;
- continue to improve the co-ordination of information systems and the coverage and quality of environmental data, and increase the accessibility and use of such data in the development and monitoring of public policies;
- increase environmental education in primary and secondary schools.

Sectoral integration: energy

France's energy intensity has continued to decrease steadily since the previous OECD review, especially in industry. The decrease is due to productivity gains and improved energy efficiency, stimulated since 1998 by incentives, regulation and information. A particular effort has been made in the case of small and medium-sized enterprises, through the Environment and Energy Management Agency. In addition, emissions of the main air pollutants have declined significantly in energy generation, which is all the more remarkable as the electricity supply is 90% non-thermal (78% nuclear, 12% hydroelectric and other renewable sources). France's energy policy objectives have not changed since 1996. The national debate in 2003 revealed a quasi-consensus on the main energy concerns (security of supply, energy competitiveness, respect for the environment, solidarity between regions and with the disadvantaged), culminating in a white paper and a framework energy bill currently before the Parliament. The main thrusts of the bill are a policy of energy conservation and efficiency, diversification of energy sources and the preservation from 2020 of all energy options, including that of nuclear power. In institutional terms, in 2002 the supervisory aspects of nuclear safety and radiological protection were combined in a single body, the Nuclear Safety Authority, and the corresponding expertise was concentrated in the Radiological Protection and Nuclear Safety Institute. This marks a step forward in the consideration given to risks related to nuclear power stations for those who work in them and for the general public. France has a long tradition of planning in energy and in the framing and evaluation of government policy. The energy outlooks and assessments prepared during the review period by bodies like the General Directorate for Energy and Raw Materials of the Ministry of Economy, Finance and Industry, the Planning Commissariat, the Economic Analysis Council and the Parliamentary Office for Scientific and Technological Choices provided a very useful contribution to decision making.

Despite this progress, the energy intensity of the French economy remains slightly higher than the OECD Europe average. The situation in the transport sector gives particular cause for concern because of the increases in overall consumption and numbers of vehicles. Not enough is being done to save energy, given the many benefits that can be expected from energy conservation. Energy saving is not a research and development priority and few measures are designed to limit demand growth. Very few external costs are internalised in energy prices, as the rationale of energy taxation is not based on integrating environmental concerns into energy policies. Internalising these costs could substantially change the choice of energy sources. Renewable energy sources offer many benefits to society, but factors such as the number of administrative permits needed, delays in issuing them and the absence of a one-stop subsidy-granting body hinder the penetration of renewable energy sources such as solar power. Some NGOs charge that consultation in the public debate preceding the drafting of the framework energy bill was insufficient and biased.

Recommendations

- increase efforts to make an economic valuation of environmental damage caused by the energy sector so as to better internalise external costs in energy prices;
- step up efforts to save energy, with due attention to the cost-effectiveness of the measures taken;
- undertake economic analysis of government policies to promote renewable energy sources so as to minimise the cost to society;
- reform energy taxation to better integrate environmental concerns (e.g. continue moving towards balanced taxation on diesel and petrol, abolish the tax on hydroelectricity); set up a green tax commission;
- assess the potential environmental consequences of liberalising the gas and electricity markets; introduce safeguards if necessary;
- continue to make the nuclear sector more transparent, including through greater access to information.

3. International Commitments

Since 1996 France has continued to play an active role in the preparation of global agreements on environmental protection and sustainable development, in the development of international environmental law and, more generally, in the strengthening of international environmental governance. Climate change, biodiversity, water and the marine environment are explicit priorities. Regarding climate change, France has stabilised its greenhouse gas emissions in accordance with the UNFCCC. It has partly decoupled CO₂ emissions from GDP growth, mainly through emission reductions in the industry and energy sectors and the growing share of services in the economy. CO₂ emissions per unit of GDP are low. France is on its way towards meeting its Kyoto Protocol targets. Concerning transboundary pollution, France has more than met its objectives under the Convention on Long-range Transboundary Air Pollution and its Oslo, Sofia and Geneva Protocols, considerably reducing its emissions of NO_x, SO_x and NMVOCs. It has helped strengthen European and global agreements on maritime safety and regularly monitors its exclusive economic zone, devoting significant institutional and material resources to combating accidental marine pollution. France is engaged in a proactive policy to

eliminate illicit discharges from ships. An innovative protection zone for cetaceans, partly in the open sea, has been created in the Mediterranean, as well as an ecological protection zone. France ranks eighth among OECD countries and first among the G7 countries in terms of official development assistance as a proportion of GNI (0.41%). It seeks to integrate environmental considerations into its aid projects and is a leading contributor to multilateral environment funds. It has taken several practical steps since 2000 to better integrate environmental considerations into decisions on applications for export credits and credit guarantees.

However, France could improve its results with regard to the fulfilment of several international environmental commitments. Measures in connection with the greenhouse effect must be strengthened; the efficiency of the measures could be reviewed, especially as regards the contribution of the transport sector and the balance between internal measures such as taxation and external measures such as emission permit trading in Europe and other flexible mechanisms. Between 1996 and 2002 France did not meet its international commitments as a port state: fewer than 25% of foreign vessels were inspected in French ports to verify compliance with IMO standards, though this was corrected in 2003. French ports do not have sufficient facilities for receiving ships' waste and cargo residues. Some fish stocks are below safe biological limits, notably in the North Sea; recovery plans (e.g. for cod and hake) are in place. Recent objectives for transboundary air pollution under the Gothenburg Protocol and the EU directive setting national emission ceilings will require new domestic measures. Reductions of nitrogen emissions from agriculture will have to be stepped up if France is to meet its commitments with regard to the North Sea and the EU nitrates directive. While France generally manages to reconcile its international trade with its environmental commitments, progress is needed as regards border controls.

Recommendations

- implement measures (e.g. taxation, emission permit trading, other flexibility mechanisms) to enable fulfilment of Kyoto Protocol commitments, paying particular attention to the transport sector;
- continue to increase inspections to assure compliance with IMO standards in vessels calling at French ports;
- pursue the establishment of port plans for processing ships' waste and cargo residues by assuring their co-ordination at the national level, including through better co-operation among ports and use of existing equipment, as well as harmonising charges and identifying additional facilities needed;
- encourage the preparation of management and recovery plans, in the context of EU negotiations, and continue adjusting the fishing fleet capacity to take account of fishery resources;
- ensure that environmental assessment of projects supported by export credits and credit guarantees is consistent with recommended practices (international standards or equivalent standards set by the host country);
- continue to increase the level of official development assistance and the emphasis placed on environmental projects.

