

Energy Efficiency Training Week for Sub-Saharan Africa

# French energy policies and support to energy efficiency in Africa



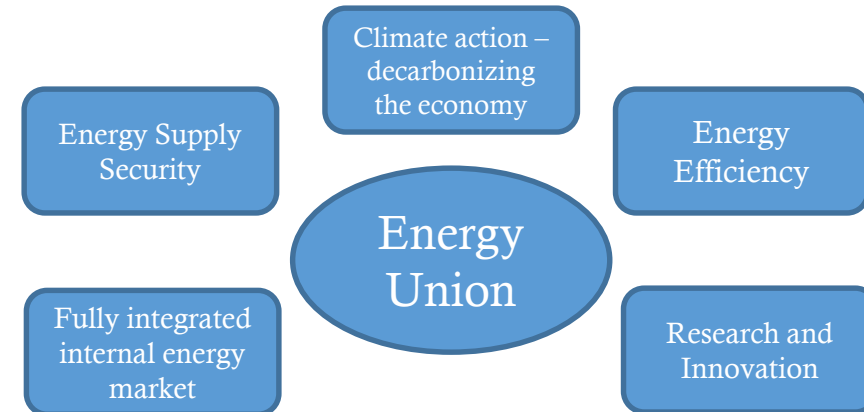
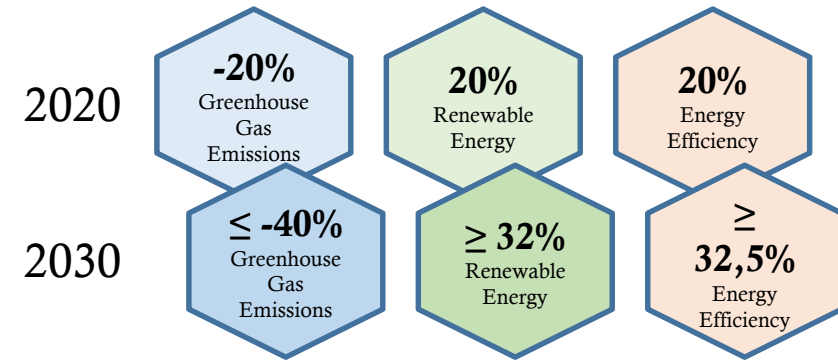
His Excellency Aurélien Lechevallier, Ambassador Designate of France to South-Africa

14th October 2019

# European energy and climate union

## EU's GHG Emissions (~4,2 GtCO<sub>2</sub>e in 2017) : 9,3% global emissions

- 2030 climate and energy framework
  - Sets EU-wide targets and policy objectives for the period from 2021 to 2030
- Energy union aims at ensuring that Europe's energy supply is safe, viable and accessible to all
- Main levers
  - EU ETS (Carbon market for heavy energy-using industries and airlines) → **Cap and Trade market**
  - Directives (regulations and guidelines) for energy efficiency, eco-design, building performance
  - Climate mainstreaming in the EU budget
    - 20% of the Multiannual Financial Framework for 2014-2020 (€ 206 bn)
    - 25% of the Multiannual Financial Framework for 2021-2027 (€ 320 bn)



# French energy and climate policy

## France's GHG emissions (~445 MtCO<sub>2</sub>e in 2017): 0,9% of global emissions

- Act on energy transition for green growth (2015)
- Climate Plan (July 2017)
  - Sets up the objective of Carbon neutrality for 2050
- France's national low carbon strategy (in revision)
  - Roadmap for France's climate change mitigation policy in line with European targets
- France's multiannual energy plan (in revision)



Increase the share of renewable energy sources to **32%** of the final energy in 2030  
 And **40%** of electricity production



**-40%** GHG in 2030 compared to 1990  
**Carbon neutrality** in 2050



**-30%** fossil fuel consumption in 2030 compared to 2012



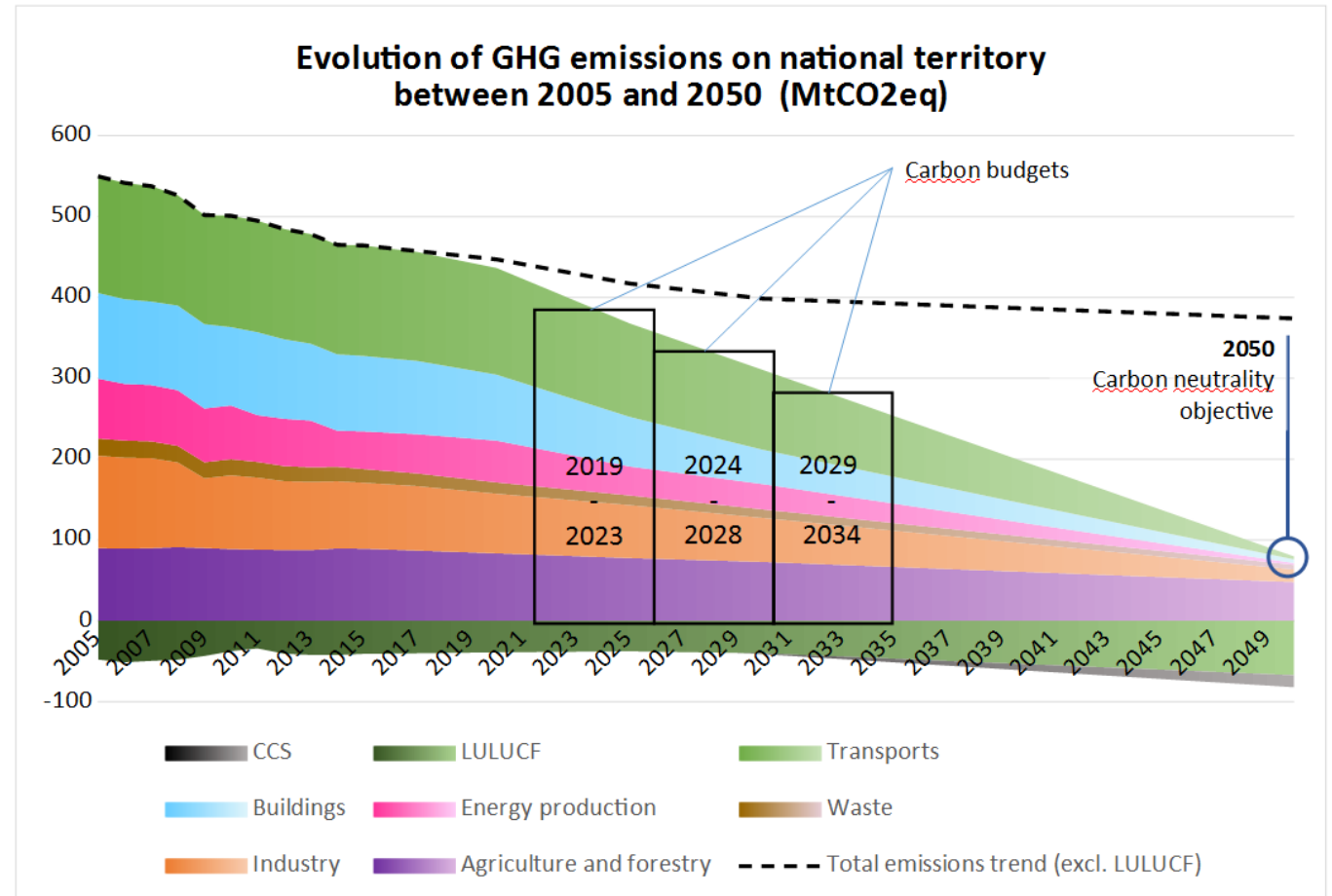
**-50%** waste in landfill by 2025



Diversify electricity production and reduce the share of nuclear power



Reduce final energy consumption by **50%** in 2050 compared to 2012



# French energy efficiency policy

## France's EE policy is in line with the European framework

- Transposition of European directives (regulations, guidelines)
- Cross-sector
  - French White Certificate (Energy Economy Certificate – CEE) that are tradable
- Building standards
  - Set energy performance targets for new building; since 2012 50 kWh/m<sup>2</sup> for the primary energy consumption in all new buildings
  - New standards will include environmental criteria as well (starting in 2020): life cycle analysis to promote the use of bio-based and sustainable materials
- Building retrofitting plan
  - Target of 500 000 homes/yr. to achieve the goal of 100% BBC (Low Consumption Buildings ~ 50 kWh/m<sup>2</sup> ) on average in 2050
  - Financial support for energy efficiency and building renovation: fiscal rebates; grants; subsidized loan; reduced VAT on building works for energy efficiency
- Transport sector
  - Incentives to replace old cars by cleaner and more efficient ones
  - Bonus-penalty schemes to accelerate the shift to cleaner and more efficient cars
- Industry sector
  - Mandatory energy audit every 4-year



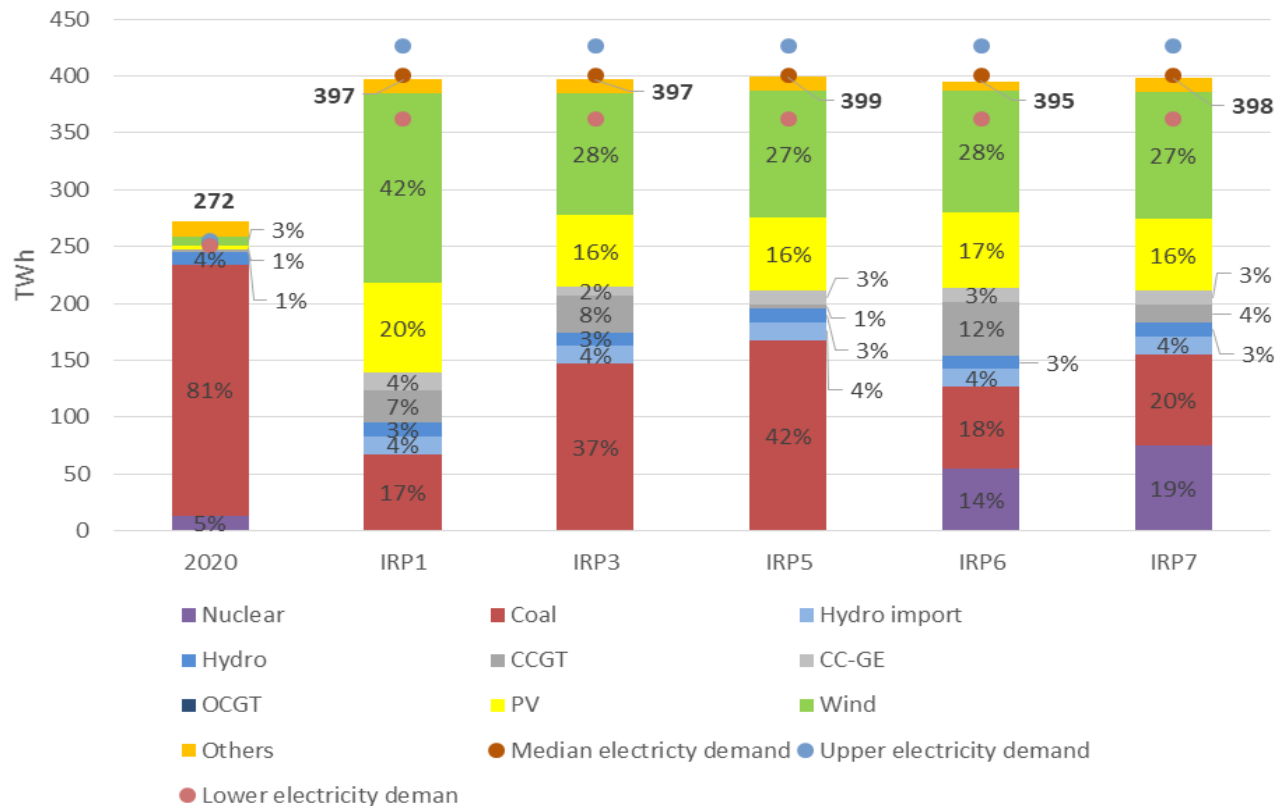
# Importance of energy efficiency

- Energy supply security and reduction of the dependence on energy imports
  - Help fill the gap between increasing electricity demand and generation capacity
- Main lever to reduce GHG emissions
  - Over 40% of the global emissions cuts needed to reach the global climate goals without new technologies according to the IEA
  - Main driver of cumulative GHG emissions reduction between 2000 and 2017 for SA (SA's 3<sup>rd</sup> climate change report, 2017)
- Reduction of household energy bill; improvement of industries' competitiveness
  - For France energy efficiency measures could save up to 17% of the industry sector consumption by 2020 with a payback time on the over-investment of less than 3 years

# South-Africa energy transition

- South-Africa's GHG emissions (~510 MtCO<sub>2</sub>e in 2017): 1,13% of global emissions
- Gap between existing+committed power plants and energy consumption growth
- IRP addresses these challenges through various scenarios

Energy Mix 2050 - Draft IRP (March 2019)

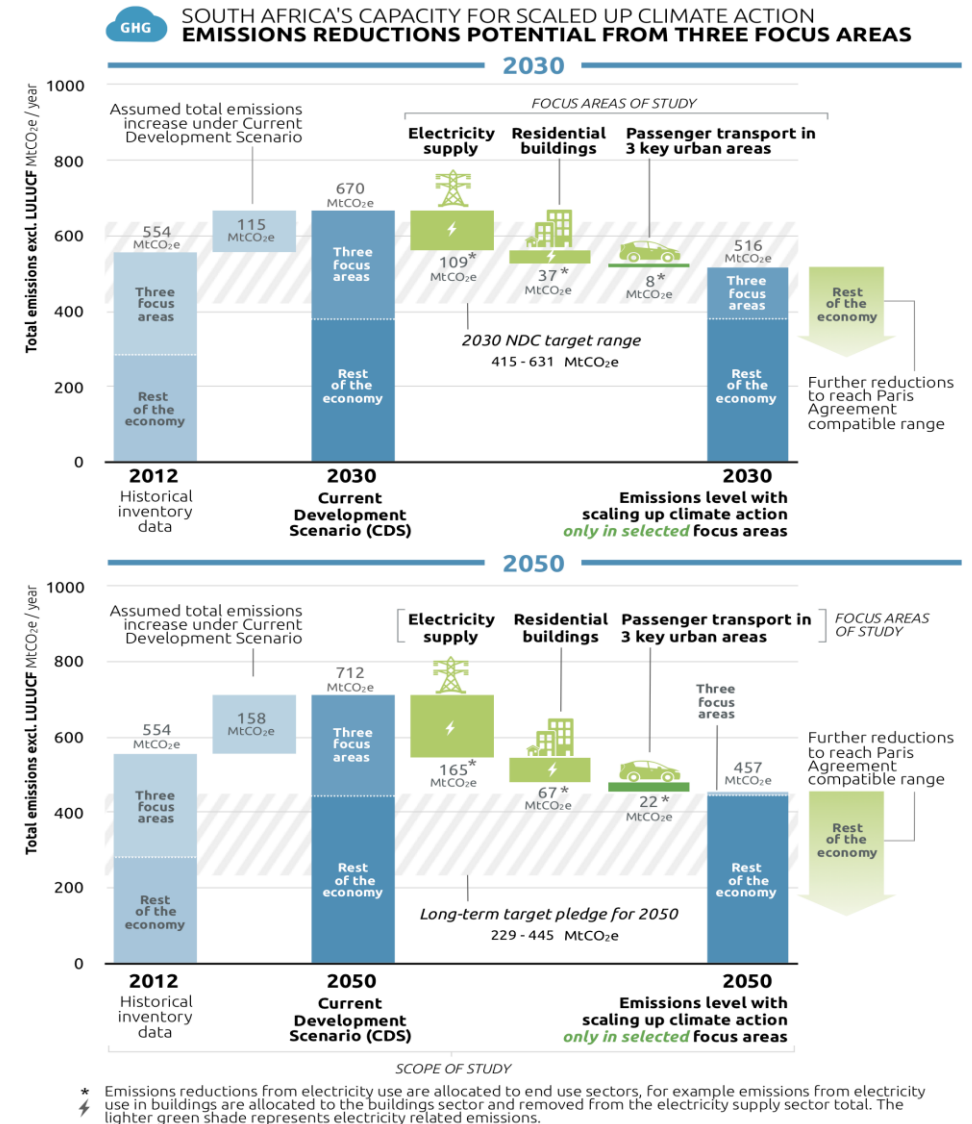


	2018	2020	IRP1 (least cost)	IRP3 (median growth)	IRP5 (market-linked gas price)	IRP6 (carbon budget)	IRP7 (carbon budget + market-linked price)
Installed capacity (GW)	54	61	148	126	126	126	126
CO <sub>2</sub> (Mt/yr.)	~240	236	36	54	51	36	38
Water usage (bn L/yr)		260	82	160	178	92	90

# Potential of scaling up climate actions in South-Africa

Study conducted by Climate Action Tracker

- Potential of scaling up climate action in South-Africa in 3 main sectors (electricity generation; urban passenger transport and residential building)
  - Reduction of the total greenhouse gas emissions by up to 96% below 2012 emissions in these focus areas by 2050
  - Reduction of economy-wide emissions by 17% below 2012 levels
  - With electricity supply current trends, energy efficiency in buildings could still reduce GHG emissions of the residential sector by 35%



# French support to energy efficiency in Africa

## France's aid instruments for developing countries

- **Bilateral cooperation** through Ministries and public entities; know-how exchanges
- Financial support through French **Facility for the Global Environment (FFEM)** for project targeting climate change, biodiversity preservation, land restoration
  - Energy access fund to help invest in access to electricity in rural and semi-urban communities in Sub-Saharan Africa
- **FASEP**: funds project preparation studies in favor of local governments and public entities realized by French consultancy firms
  - Upgrade of the electricity distribution network of Nelson Mandela Bay municipality (completed)
  - Waste to energy for the municipality of Tshwane (ongoing)
  - Sustainable energy supply for the SKA telescope (ongoing)
- **FEXTE**: funds technical cooperation programs and project preparation studies in developing countries
  - Support to Eskom for the integration of renewables in the grid, energy demand management
- **Loans, guarantees, grants of the French Development Bank (AFD)**
  - Policy dialogue : study on the impact of global low carbon transition for South African economy - with Climate Policy Initiative and DBSA
  - Facility for Eskom for transmission lines to connect renewables to the grid
  - Pilot projects for a just transition in coal regions
- **SUNREF, AFD's green finance label**: supports new energy and environmental transition by helping private actors in the South
  - SUNREF credit line with IDC to support renewables and energy efficiency

**Trésor**  
DIRECTION GÉNÉRALE



**PROPARCO**  
GROUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT





# For additional information

- French facility for the Global Environment (FFEM) <https://www.ffem.fr/en>
- French Development Agency (AFD)
  - Johannesburg office <https://www.afd.fr/en>  
[afdjohannesbourg@afd.fr](mailto:afdjohannesbourg@afd.fr)
- SUNREF label <https://www.sunref.org/en/>
- Embassy of France in South-Africa <https://za.ambafrance.org/>
  - Department of Economic Affairs [pretoria@dgtresor.gouv.fr](mailto:pretoria@dgtresor.gouv.fr)