France has significantly improved its performance during 2015, with coal plant retirements at home and increased political efforts to reduce the negative impact of French companies abroad. Further actions to complete its coal phase out can build on this positive foundation.

France is ranked #2 in the E3G G7 coal phase out scorecard.

In France, coal power plants provided just 2% of total electricity in 2014.

**Risk of new coal power plants**

There is no market appetite for new coal power stations in France. Recent investments by utilities in Germany have resulted in massive financial losses and are already at risk of becoming stranded assets. The French government has not yet moved formally to rule out new coal plants but could easily do so.

**Retirement of existing coal power plants**

Between 2010 and the end of 2015, France’s installed coal-fired electricity generating capacity will have decreased by almost 60% as a result of plant closures. In 2015 alone, seven coal-fired units totalling 1,758 MW of capacity will shut down, thanks to
incoming air pollution regulations. France will have just 3,018 MW of capacity remaining online in mainland France after 2015. This will be just 5 coal power units, spread across 4 plants.

The utility E.On upgraded two power plants in France in 2005 and intends to operate them until 2025. Additionally, the state-owned utility EDF has announced that it is planning to run its upgraded Cordemais and Le Havre plants until 2035. This proposed lifetime is at odds with France’s decarbonisation objectives, which include a reduction in fossil fuel use of 30% by 2030. Government action will be required to secure a full coal phase out within France.

**International impact**

France has significantly improved its performance in this category during 2015, as a result of proactive political engagement. President Hollande, Foreign Minister Fabius and Environment Minister Royal have all intervened personally in this area in recent months. As a result, France has ended support for unabated coal power generation by multilateral development banks and its own export credit agency.

In October 2015 the French government announced that the partly state-owned utility Engie (formerly GDF Suez) would end its investments in new coal plants beyond France. This has resulted in the cancellation of coal plants in Turkey and Chile.

Additionally, BNP Paribas, Societe Generale, Credit Agricole, and Natixis have taken steps to restrict financial support for coal mining and, in some cases, coal power generation projects. Further actions are now required to phase out Engie’s existing coal power plants and to extend similar actions to fellow state-owned utility EDF.

**Actions required**

The French government must continue to address the conflict between its own climate change objectives and the actions of its state-owned utilities. In the context of the UNFCCC climate negotiations in Paris, France must set a clear pathway for the completion of a double coal phase out – not just from domestic power generation but also from its investments abroad.

As host of the UNFCCC negotiations, France can add value to the international transition by helping to further catalyse coal phase out transitions by utilities and banks rather than a divestment of responsibility to new owners. Setting a firm coal phase out objective during 2015 would provide clarity in advance for workers and utility investment plans. France can act in step with its G7 peers to retire its remaining coal plants and secure a full phase out of coal-fired electricity generation.

The G7 coal phase out scorecard report and associated briefings will be available from Wednesday 21 October at [http://www.e3g.org/showcase/coal-phase-out](http://www.e3g.org/showcase/coal-phase-out)

A detailed review of the coal situation in France is available at [http://www.e3g.org/docs/France_G7_Analysis_September_2015.pdf](http://www.e3g.org/docs/France_G7_Analysis_September_2015.pdf)