



# Clean energy for EU islands

STATE-OF-PLAY INVENTORY OF LEGISLATION AND REGULATION  
FOR CLEAN ENERGY ON EUROPEAN ISLANDS

## Factsheet: France



Metropolitan France has nearly 1.300 islands and islets, 891 of which are located in the Atlantic ocean and 123 in the Mediterranean sea (around Corsica). Less than 30 are permanently inhabited. Of the total population of France, 3% live on the islands. This corresponds to 2,280,446 people.

France also has 5 overseas territories that are part of the EU: Martinique, Mayotte, Guadeloupe and Réunion are French overseas departments. Saint-Martin is an overseas community. French Metropolitan Islands vary greatly in size, from a few dozen square metres to 8,700 km<sup>2</sup> for Corsica. Corsica covers 93.3% of the island surface area in Metropolitan France.

Corsica is politically one of the eighteen regions of France. It is a territorial collectivity that exercises the powers of both a region and a department. Other Metropolitan islands, such as those in the Atlantic Ocean, do not have an autonomous status but have the rights of other municipalities/administrative units.

### **Clean energy national targets**

The Integrated National Energy and Climate Plan for the France for the period 2021-2030 set a target of 40% for the share of renewable energies in final electricity consumption by 2030, 38% for final energy used consumption for heating and cooling by 2030 and target of a reduction in emissions for the transport sector of 5% in 2030 in comparison to 2015.

### **Supported RES technologies**

When it comes to electricity generation from renewable technologies, France supports wind offshore, PV, biogas and hydro-power with feed-in tariffs; onshore wind, geothermal, biogas and hydro-power with premium tariff. While these subsidies can be received through purchase or bidding agreement, they can also be assigned through tendering procedure on the national level.

For use of renewable energy for heating and cooling, the subsidies exist for biomass, hydrothermal, geothermal and solar thermal technologies on national and regional scale. The use of renewable energy in transport is supported for biofuels and for vehicles with low CO<sub>2</sub> emissions and EV charging stations.

The French State supports renewable energy with several schemes:

- Feed-in tariff: a minimum price is paid to the renewable energy plant operator by the supplier for the electricity exported into the grid.
- Premium tariff: paid to renewable energy producers in order to compensate for the difference between the income from energy sale and a reference level of remuneration, set by decree depending on technology and size of the plant.
- Tenders for issuing feed-in and premium tariffs: the PPE lays out the objectives for calls for tenders for 2023 and 2028.
- Over-the-counter contracts for energy purchase to compensate for the additional costs linked to energy purchase contracts on the non-interconnected islands.
- Fonds chaleur: subsidy for biogas and solar thermal technologies aimed at collective housing, local authorities and companies.

- Éco-prêt à taux zero: zero interest eco-loan for energy renovation for homeowners for the installation of hydrothermal, geothermal, solar thermal or biomass based technologies for heating and cooling.
- Bonus écologique: Financial aid allocated to any purchaser of a new or used vehicle with a CO<sub>2</sub> emission rate less than or equal to 20 g/km.
- Tax incentive on the incorporation of biofuels.
- Tax credit of 75% for the installation of an electric vehicle charging station, with a limit of 300 euros per charging point.

### Electricity and heating grids

Electricity producers have a contractual right to connect renewable energy facilities to the grid. The grid operator is required to reach agreement on connection arrangements without favouring certain plant operators. Plants that generate renewable energy are not prioritized. There are 144 distribution system operators and the country has a smart meter penetration rate of 76.4%. The electricity supplier switching rates for household customers in 2020 was 11.5%.

In France, municipal or regional governments are responsible for public heat distribution. Territorial collectivities have the right to categorize heating networks in their territory in order to promote the use of renewable energies, as long as they get at least 50% of their heat from renewable sources.

### RES projects authorization process

The majority of the work on authorizations and spatial planning takes place during the administrative procedure phase, which includes spatial planning, environmental impact assessments (EIA), and construction authorization. This phase involves a large number of stakeholders. Only PV systems (including ground-mounted and rooftop) and wind onshore projects with an installed capacity of more than 50 MW require an energy production license. The grid connection procedure, which depends on installed capacity, is an additional requirement for RES projects in France.

### Supported energy efficiency measures

There are several energy-efficiency measures in France, especially aimed at buildings' renovation and increased energy efficiency for industry. These are mainly voluntary schemes, which require applicants to submit forms to relevant authorities.

### Supporting policies

France has several policies to support the integration of renewable energy sources. There are both training programmes for RES plants installers and construction workers, and certification programmes for RES installations. The French State is also leading the way by example, and it has pledged to renew a significant amount of public buildings and to finance public R&D projects.

### Self-consumption and community energy

France has an existing regulation for prosumers allowed to use self-generated energy for own consumption or sell it to the grid. Collective self-consumption or energy sharing among users is allowed with limitation of users being in the 2 km radius from each other. Finally, France adopted legal framework for energy communities.

### Island specific policies

In France, the higher costs of electricity generation on non-interconnected islands are partially mitigated via the principle of equalisation (fr. 'principe de péréquation'): the structural overcosts between production costs and the tariff revenues of the historical suppliers are compensated for by means of the public energy service charges (CSPE), to allow island consumers to pay the same level of electricity bills as in mainland France. Also, following the Third Energy Package of 2009, France has progressively developed the notion of "small isolated system" and the related derogations, in particular through the notion of areas not interconnected to the continental metropolitan network. Unbundling rules are not applied in certain of those networks.

The Green Energy Transition Law has put in place a system of 'guided energy policies', co-developed by the government and local authorities, through multi-annual energy plans for each non-interconnected area. The local authorities can ask the Minister in charge of Energy to launch a call for tenders or the Energy Regulatory Commission (CRE) to analyse a tariff provision if the pace of development of the sector concerned is not in line with the objectives of the guided energy policies.

Specifically there are different Feed-in Tariffs for renewable energy projects using a certain type of technology (e.g. tidal, wave, marine current turbine, run-of-river plants, hydro power plants) on non-interconnected islands.

### Sources

- Number of islands: Groupe d'experts de la convention de Berne sur la diversité biologique des îles européennes - contribution de la France ([Link](#))
- Island population: Fact sheets of the European Union ([Link](#))
- National Population: Eurostat 2019 ([Link](#))