The French environmental plan of Macron/Hulot will provide the country with an ecological change - 100 Euro/EUA is the target

The French environmental plan of president Macron and his environment and state minister Hulot will provide the country with a big ecological change. A price of 100 Euro/t CO2 until the year 2030, a completely de-carbonized electricity production, the end of fuel and diesel vehicles, the punishment for products and economic goods with a particularly high CO2 content as well as a national plan for energy efficiency are only a few of the ambitious aims the plan includes. The environmental plan's implementation is supposed to be finished until 2040. It shall be accompanied by a permanent and regular state's communication campaign in order to make sure the necessary ecological change in the population's heads and the country's economy.

Emissionshändler.com® informs in its Emission News 07-2017 about the person Hulot, a man who is designated for the implementation of the French environmental plan. The most essential items of the plan will be listed because according to a general assessment, this plan includes the potential to influence the European emission trade directly and also indirectly by means of the theme energy efficiency.

The Minister for the „ecological and social change” having been appointed by the French President Macron to his cabinet introduced the environmental plan of the new French government on 06.07.2017. President Macron started his intended fight for the environment in conformity with his election promises and makes it popular by means of his slogan “Make our planet great again!” which is a famous one already now.

The “Republican King” Emmanuel Macron initiates a national change

The candidate Macron promised it previously, now President Macron is designated to make it: France is supposed and determined to present itself as an example for the realisation of the Paris Agreement, this by means of positioning first, followed later by means As it is tradition in France, this process starts up with great symbols. The symbolism being perfectly controlled by Macron. In May he had chosen his cabinet as “republican king”. A picture and a comparison being quite normal in France and basing on the country's past.

When choosing the cabinet, not only one Prime Minister was designated but also two vice Prime Ministers which means two special ministers whose resorts and responsibilities are supposed to be considered as absolutely superordinate. The
in ecology and solidarity” in France. He is designated to take the leading role for the implementation of a national change especially for the sections climate and energy.

Who is Nicolas Hulot?
Nicolas Hulot, environmental activist, journalist, television presenter, and film-maker, is the face in France that stands for the fight against climate change. His well-known environmental confrontation the French for over 15 years with the dramatic consequences of global warming. He has been elected for years as one of the most favourite persons in France. Since 17 May 2017 he is deputy Prime Minister and minister for the ecological and solidly united transition in France.

Already Nicolas Sarkozy and François Hollande had tried to introduce Hulot to their cabinet but did not succeed, probably because they refused or were unable to guarantee him all-encompassing commitments for a serious and long-lasting political and social change. Now Emmanuel Macron is the first who succeeded in convincing the environment adventurer Hulot and winning him for his visions, one of which may be a green and CO2 free France.

It was the aim of President Macron to build a collegial and balanced government: left and right, blue and red, but above all just green. Nicolas Hulot is the symbol of the new French political life where thinking are primarily independent from party rules. In return the new environmental minister Hulot is now one of two “state ministers”, a position which is considered in France as vice prime minister. Emmanuel Macron intends to demonstrate with this decision that all subjects of political spectra are concerned by the protection of the environment.

France takes position as a world-wide green pioneer on the G-20 Summit
The today's international political context claims France to represent a clear and distinct position for the environmental sector. Due to the USA abandoning from the Paris Agreement and the scepticism of various countries concerning the climate change, stand for the necessity to take over the leading part for countries of a good will. Emmanuel Macron is willing to adopt this position, not only because the German chancellor Angela Merkel is too well prepared to let him go ahead for it.

Macron's and Hulot's announcement for the French environmental plan on 6 July 2017 came up at precisely the right time in the run-up period of the G-20-Summit. Detailed explanations about various environmental subjects and the intended social change in France within the next 20 years to come were published. On this way France positioned itself as an absolute model example for climate and environment world-wide and took over on the summit.

The French environment plan is a green social revolution
This French environmental plan presented on the summit is a little revolution. Six main subjects and 23 actions make this plan a far more demanding one than any other of the environmental plans having been published so far in France. Above all, the plan is designated to be in solidarity and so progressive at the same time that the world-wide leadership can apply it as

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reduced for ... until 2025. However, nuclear reactors will have to be shut off for this target. This is supposed to be realized not only as a symbolic act but the French environment plan provides fix legal shutdown dates for concrete nuclear power plant locations.

The older nuclear power plants are designated to be the first ones to be shut down as minister Hulot announced on 10.07.2017. The plan is now that 17 reactors are supposed to be taken out of service in order to achieve the aspired reduction of nuclear electricity until 2025.

Most of French nuclear power plants are and the new generation of nuclear reactors has not yet been put in operation. After years of planning and construction the nuclear power plant in Flamanville will be put into operation with the new EPR technology (European Pressurized Water) although severe problems with the material's carbon concentration on the reactor vessel have been detected.

The end of Diesel and Fuel cars until 2040
France intends to stop until 2040 the sale of cars with a fuel or diesel drive which means passenger cars. The new environment minister admitted frankly that this will be “hard for the automotive industry”. Significant measures for the expansion of transport routes on rivers and channels as well as by rail are planned to be realized, probably in order to prepare a corresponding ban of trucks which may follow in the near future.

It is a little bit amazing in this respect that only vehicles by which passenger cars are meant are supposed to be concerned by these measures and not yet buses or trucks. A date to forbid the sale of these has not been announced yet. On this way more time will probably be left to transport companies for which must reach not only the heads but also the logistic's technology. It has to be observed in particular here that in any case the “sale” is concerned and not the “production” of fuel and diesel vehicles, sale of which shall be forbidden after 2040.

Indemnification rewards are planned for private car owners. This means in concrete that the state will sponsor financially the purchase of a new and “clean” car respectively promote the surrender of very old diesel cars.

Furthermore the environment vignette introduced in the year 2016 with 6 colour classes of Crit’Air Vignettes will be excluded step by step from environmental areas which continue to be established more and more. At the same time the growing number of French environmental zones is supposed to ensure that more and more road traffic will be concerned so that, as a consequence, the pressure on a technical change to electric cars will be increased.

Infobox
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De-carbonization of electricity production and the end of fossil energies

According to the French environmental plan, the last coal-fired power stations of the country will be closed until 2022. A corresponding law shall be proposed by the parliament at the end of summer 2017. It will include in general the definite interdiction of oil, coal, and shale gas extraction.

Moreover, France shall no longer produce any more fossil energy. Neither in Europe nor in its overseas' districts. The problem is, however, that 90% of the fossil energy being consumed in France are imported. This means, as a consequence, that the country will primarily cease the import of fossil energies thus being forced to deliver the difference of the energy demands by an increase of the energy efficiency and by innovative solutions.

As a result, the French will produce and consume their own energy in the future. Ocean energy won by flow power stations, geothermal power, and a “methanation” of agriculture shall undergo a much more intense development than before.

In order to transpose all these measures and to face potential oppositions from the economy and society, a communication campaign initiated by the government and starting in 2018 is planned. The campaign will submit most detailed information and explanations to the French society several times a year about the advantages, the progress achieved, and the results of this national change.

Another part of this plan is the achievement of climate neutrality for France until the year 2030. This aim includes among others the mobilization of forest and agricultural sectors in order to record and store CO2 in various biological projects.

The price for one ton CO2 shall increase to 100 Euro until the year 2030

The new state minister and environment minister Nicolas Hulot intends a severe increase of pressure on the European CO2 market.

In to his opinion the today's price of roundabout 5 Euro/t is too low for the creation of a real competitive advantage for a low-carbon production of economic goods and secondary energies. Fixing the CO2 price at a high level shall boost the green economy in France. But the price of one ton CO2 depends on the European market and cannot be determined exclusively by the French government. Consequently a corresponding increase of the CO2 price is planned with the aim to disadvantage systematically polluting production industries in France. According to the French government’s plan the price of one ton CO2 can reach 100 Euro until 2030 by this method. Such measures are supposed to be applied first of all on electricity production and greenhouse gases at the same time France expresses its intention to intensify the efforts for the fixing of a CO2 price corridor on EU level.

The overview of the EUA price, unfortunately only visible for paid subscribers of emission letter

Price of one ton CO2 in the period 2011-2017

No longer import of forest destroying products

According to the French environmental plan the population will have to renounce of certain products in the long run whose production leads to destruction of the world's biggest forests (Amazonia, South Asia, and Congo Basin). For example vegetable proteins (soya for animal feed above all) are concerned. An import of such products from these areas shall no longer be allowed. In exchange new agricultural systems are designated to be imported to France, guaranteeing a “food autonomy” to the French. Such aims, however, found no exact figures and date specifications in the environmental plan yet.

The green revolution in the business world and the energy efficiency

The French environmental plan also includes various measures on the financial sector. A competition and a higher value for green investments are supposed to be invented, this by creation of “green vouchers” which are credit notes of different kinds for low-carbon products in comparison with traditional products and by the creation of “green financial labels”.

A timetable for the recycling economy shall be presented in the year 2018. This timetable will then provide the taxation of waste and include corresponding reduction measures for waste.
Reason for this timetable is the support of smaller enterprises in energy saving methods and to reduce their waste volume. The environmental plan includes the state's readiness to leave consulting service at every enterprise's disposal in order to reorganize production cycles as sustainable, local, and environmentally neutral as possible. According to the opinion of insiders, this readiness of the French state will lead to a very distinct revival of the private consulting business which can be observed already in some places in Germany.

Finally, in conformity with the environmental plan a big campaign for and the technical insulation of buildings shall take place all over France.

The main reason for this campaign is to reach private households and enterprises and to induce them to energetic restoration, this by means of tax advantages and financial support. A better energy balance can be reached generally by a better insulation and the renovation of heating systems.

**Guest Commentary**

**Emission Trade and Ship Traffic**

The old slogan Full Steam Ahead! finds application for the ship traffic. Roundabout 90 per cent of the global world trade are transported across the oceans, millions of people relax on cruise holidays. A sea journey is funny, a sea journey is nice but above all it is one thing at present: dirty.

According to the International Maritime Organisation IMO the freight traffic across the oceans causes annual greenhouse gas emissions of almost one billion tons of carbon dioxide. For comparison: if ship traffic were a country, this would charge the climate still a little bit more than Germany does. But this is not all: the IMO considers a worldwide 50 or even 250 per cent increase of emissions until 2050 resulting from ship traffic.

Contrarily to a state, ship traffic is free from one obligation and this is the climate protection. The community of nations requested the IMO already two decades ago with the Kyoto protocol to make efforts for the supervision and reduction of greenhouse gas emissions. But: No reactions so far. This unfulfilled order has severe consequences. Always awaiting an own, IMO controlled emission trade, ship traffic is not bound to regional systems like the European emissions trade (ETS) so far. The European Parliament plans to change this, at least partially. If the IMO fails to introduce an own mechanism until 2023, the shipping industry will be obliged in the frame of the European emissions trade to deposit money in a new fund, the “Maritime Climate Fund”. But this rule still needs the approval of the EU member states.

If the shipping branch were obliged to pay appropriately for its pollution, it would have an incentive for a modernisation: energy consumption and consequently emissions of container ships could be reduced for one third already now if the best disposable technologies would finally be applied.

Possible are the installation of efficient propellers, the recovery of exhaust gas heat, the lowering of the ship's hull's frictional resistance, and gas scrubber upgrade programmes. Also the change from cheap heavy oil to marine oil or liquid gas as fuel could save greenhouse gas emissions. At the long term the maritime business will not be able to avoid the way to climate neutral fuel by means of which carbon dioxide will be altered to methane and hydrogen by using green electricity.

*A guest commentary by Luise Matischok*

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Kind emission regards

Michael Kroehnert