XAVIER PLOQUIN

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In France a very good book was recently published called, *Le climat après la fin du mois*, which highlights this question about the conflicting priorities we are facing. Our next speaker, Xavier Ploquin, will develop on this. Xavier was former advisor for energy industry innovation at the French Ministry for the Ecological and Inclusive Transition. Thank you for developing your point of view on elements of answer.

Xavier PLOQUIN

Hi, everybody. Like James, I am talking on my own behalf and expressing my opinion and not that of the French government. Today, I will present the way France is fighting climate change, the difficulties that arose and the innovative, democratic solution that we have tried to find.

First, I have to remind everyone that France is among the best-in-class when it comes to CO₂ emissions. The French economy can produce USD 1 with 200 grams of CO₂, while the US uses 400 grams and the Chinese 600 grams. It is a good result, and when you add-up things you can see that the national emissions are going down. French people emit six and a half tonnes of CO₂ per year, which is more than the world average, which is between four and five. However, if you look at the carbon footprint of the French people, you can see that it has always risen and at best it has stabilised. What does it mean? It means that the French people are rich, they consume a lot of things, they consume a lot of imported goods that emit carbon somewhere else. That means that most probably, the French people have not even noticed the effort being made to reduce emissions over the last 20 years. It means that they will have to take into account the changes in the future much more strongly because it will imply changes in behaviours.

France has a plan. President Macron had a climate plan in his political programme, which was adopted in 2017. There are many things in this plan so I would just say that it leads to the adoption of carbon neutrality in 2050, which is a huge step. Also, for instance, it ends the exploration and production of oil and gas on French territory. This is mainly symbolic, but it means that we have to leave the carbon underground if we want to stop climate warming. It is detailed with several plans, a multiannual energy plan and a national low-carbon strategy that defines the pathway towards carbon neutrality. This is not like a peaceful countryside path; it is more like a jump-off a cliff. It means that we will have zero carbon for power production, zero carbon for transportation, zero carbon for housing and heating, a little carbon for industrial processes and we will have to feed more people with half the carbon we use today to feed 60 million people.

This is a radical change and people will notice it and this is the difficulty. The plan also had a lot of levers, power, transportation, building and I will not enumerate them, however there was a cornerstone, which was the carbon tax. Parliament voted a carbon rise of EUR 10 per tonne per year starting in 2017, with a target of EUR 100. It means roughly that gasoline would increase in price by EUR 0.03 per litre every year. You might think this is small and it was supposed to be a long-term signal towards the decarbonisation of our economy. It happened to be a short-term signal for massive protests. You may have seen the yellow vest crisis, which started in October 2018, around the time that Parliament adopted the finance law. People started to put on the yellow vests that they had to buy for safety reasons a decade ago, and to occupy roundabouts across the country to protest against a lot of things, but mainly targeted at car drivers. It was mainly the carbon tax, but also speed limits and other restrictions. I was a peaceful movement that had a high rate of approval at around 70%. It got tougher in November with strikes every weekend, every Saturday since this time there was a strike in various cities in France with sometimes thousands or dozens of thousands of people. Some were not peaceful and there were “black blocs” insides the strikes. However, it led to a major backlash and after three
months of protests, on December 4, the Prime Minister stopped the carbon tax rise and less than a week after that the President announced approximately EUR 10 billion in new measures in favour of purchasing power.

We started with a little rise in the carbon tax and we ended-up with no rise in carbon tax and more purchasing power, which could raise the carbon footprint. What are the solutions? At the same time, we also saw protests on the streets for climate change, mainly from youngsters. We saw polls saying that the subject is rising and is one of the main preoccupations and we saw that during the EU vote, the Green party came third, well above the traditional left and right parties. There is something that says that people want to fight climate change, especially the youth, but they do not want to accept any form of taxation.

That led the government to create three new structures that were an innovation in the way we use the democratic process in France. Those three structures are the High Council for Climate which is a council of 12 scientists who are independent from the government and they criticize the policy on the budget publicly. They bring trust to the system because we realised that people no longer trusted the government on those subjects and that we had to externalize this. It is an equivalent to the British CCC in fact, the Committee on Climate Change. We created another governance structure, which is the Ecological Defence Council, this is equivalent to the Defence Council, a gathering of the ministers around the President every two months in order to shorten the decision-making process on ecological subjects. I think it is the same in every country, it is impossible to get Ecological and Agricultural Ministers to agree on anything. Now they have to agree every two months, they have decisions and some tough decisions were taken in the Ecological Defence Council. The last and probably the most innovative solution is the Citizen Convention. We selected 150 citizens randomly who were representative of French society in terms of age, diplomas and geography and they get six months to work and learn about climate change one weekend every month. After those six months they will deliberate on measures, which President Macron has promised will be applied directly, either submitted to parliament or, if it is something really important, submitted to a referendum. Will it work? I do not know but I do know that it is inspired by the Irish convention that led to the abortion rights and the end to the crime of blasphemy, for instance. We have a lot of hope in this new way of making a democratic decision and I sincerely hope today that next year we will able to discuss the good solutions that will not only be applied, but also accepted by the population in order to fight climate change, because it will have been tailor-made as something that is representative of the real people in France. See you next year.

Patrick NICOLET

Thank you, Xavier. One important component we heard yesterday when we were talking about sustainable investing and new ways of investing when we were discussing Latin America where ecology is a very important component – not only for Latin America but also for the rest of the world.