

**Research RES LEGAL – Support system**  
**Country: France**

**1. Overview of support system**

<b>Overview of support system</b>	In France, electricity from renewable sources is promoted through price regulation in terms of a feed-in tariff and tax benefits. On the regional level, renewable energy is promoted through subsidies.
<b>Support schemes</b>	<ul style="list-style-type: none"> <li>• <b>Price regulation.</b> In France, electricity prices are regulated through a feed-in tariff scheme. Operators of renewable electricity systems are contractually entitled against the suppliers (EDF and private suppliers) to payment for electricity exported to the grid. The distribution grid operator is obliged to enter into agreements on the purchase of electricity at a price fixed by law ("obligation to conclude a contract"). The French government invites tenders for the construction of systems that generate electricity from renewable sources in order to reach the target capacity set by the multi-annual investment plan (Programmation Pluriannuelle des Investissements PPI). Successful tenderers may receive a higher payment.</li> <li>• <b>Tax regulation mechanisms.</b> Electricity generated from renewable energy sources is promoted through several tax incentives. Persons investing in renewable energy systems are eligible for an income tax credit (Crédit d'Impôt). Furthermore, persons who install photovoltaic systems on buildings are eligible for a reduced VAT rate. Under certain conditions, persons installing a renewable energy system on a new building may also be eligible for exemption from real estate tax.</li> <li>• <b>Subsidies.</b> In France, there aren't any federal subsidies for electricity from renewable sources. However, this support measure is widely used on the regional level.</li> </ul>
<b>Promoted technologies</b>	In general, the French support measures apply to all renewable energy generation technologies. However, some incentives are limited to certain technologies.
<b>Statutory provisions</b>	<ul style="list-style-type: none"> <li>• Loi n°2000-108 ( Loi n°2000-108 du 10 février 2000 relative à la modernisation et au développement du service public de l'électricité – Act on the modernisation and development of public electricity supply)</li> <li>• Loi n°2005-781 (Loi n°2005-781 du 13 juillet 2005 de programme fixant les orientations de la politique énergétique – Act on a strategic energy policy)</li> <li>• Loi n°2004-1484 (Loi n°2004-1484 du 30 décembre 2004 de finances pour 2005 (1) – Budget Act establishing financial guidelines for 2005)</li> <li>• Loi n°2008-1425 (Loi n°2008-1425 du 27 décembre de finances pour 2009 (1) – Budget Act establishing financial guidelines for 2009)</li> <li>• Loi n°99-1172 du 30 décembre 1999 de finances pour 2000 (1) – Budget Act 2000)</li> <li>• Décret n°2000-1196 (Décret n°2000-1196 du 6 décembre 2000 fixant par catégorie d'installations les limites de puissance des installations pouvant bénéficier de l'obligation d'achat d'électricité – Decree on capacity limits for different categories of renewable energy systems that are eligible for the feed-in tariff)</li> </ul>

	<ul style="list-style-type: none"> <li>• Décret n°2009-410 (Décret n°2009-252 du 4 mars 2009 modifiant le décret n° 2001-410 du 10 mai 2001 relatif aux conditions d'achat de l'électricité produite par des producteurs bénéficiant de l'obligation d'achat – Decree establishing detailed conditions for the beneficiaries of the feed-in tariff)</li> <li>• Décret n°2002-1434 (Décret n°2002-1434 du 4 décembre 2002 relatif à la procédure d'appel d'offres pour les installations de production d'électricité – Decree regulating the tendering procedure for the construction of renewable energy systems)</li> <li>• Décret n°2004-90 (Décret n°2004-90 du 28 janvier 2004 relatif à la compensation des charges de service public de l'électricité – Decree on compensation for the additional costs of public electricity supply)</li> <li>• Décret n° 2010-1510 (Décret n° 2010-1510 du 9 décembre 2010 suspendant l'obligation d'achat de l'électricité produite par certaines installations utilisant l'énergie radiative du soleil – Decree suspending the feed-in tariff for solar energy)</li> <li>• Arrêté du 17 novembre 2008 vent (Arrêté du 17 novembre 2008 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie mécanique du vent – Order on the eligibility requirements for wind power stations)</li> <li>• Arrêté du 31 août 2010 soleil (Arrêté du 31 août 2010 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie radiative du soleil – Order on the eligibility requirements for solar energy systems)</li> <li>• Arrêté du 23 juillet 2010 géothermie (Arrêté du 23 juillet 2010 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie des nappes aquifères ou des roches souterraines – Order on the eligibility requirements for geothermal energy systems)</li> <li>• Arrêté du 10 juillet 2006 biogaz (Arrêté du 10 juillet 2006 fixant les conditions d'achat de l'électricité produite par les installations qui valorisent le biogaz – Order on the eligibility requirements for biogas plants)</li> <li>• Arrêté du 1er mars 2007 hydro (Arrêté du 1er mars 2007 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie hydraulique des lacs, cours d'eau et mers – Order on the eligibility requirements for hydro-electric power stations)</li> <li>• Arrêté du 28 décembre 2009 biomasse (Arrêté du 28 décembre 2009 fixant les conditions d'achat de l'électricité produite par les installations utilisant, à titre principal, l'énergie dégagée par la combustion de matières non fossiles d'origine végétale ou animale telles que visées au 4° de l'article 2 du décret n° 2000-1196 du 6 décembre 2000)- Order on the eligibility requirements for biomass)</li> <li>• Arrêté du 9 février 2005 (Arrêté du 9 février 2005 pris pour l'application des articles 200 quater et 200 quater A du code général des impôts – Order implementing Articles 200 quater and 200 quater A of the Code Général des Impôts)</li> <li>• Arrêté du 13 novembre 2007 (Arrêté du 13 novembre 2007 pris pour l'application de l'article 200 quater du code général des impôts – Order implementing Article 200 quater of the Code Général des Impôts)</li> <li>• Instruction fiscale 5 B-26-05 N° 147 (Instruction fiscale 5 B-26-05 N° 147 du 1er septembre 2005 b – Tax regulation)</li> <li>• Instruction fiscale 5 B-17-07 N° 88 (Instruction fiscale 5 B-17-07 N° 88 du 11 juillet 2007 – Tax regulation)</li> <li>• Instruction fiscale 5 B-10-09 N°38 (Instruction fiscale 5 B-10-09 N°38 du 6 Avril 2009 – Tax regulation)</li> <li>• Instruction fiscale 3 C-2-01 N° 119 (Instruction fiscale 3 C-2-01 N° 119 du 3 juillet 2001 – Tax regulation)</li> <li>• Instruction fiscale 3 C-7-06 N°202 (Instruction fiscale 3 C-7-06 N°202 du 8 décembre 2006 – Tax regulation)</li> <li>• Instruction fiscale 3 C-2-10 N° 31 (Instruction fiscale 3 C-2-10 N° 31 du 10 mars 2010 - Tax regulation)</li> <li>• Code Général des Impôts, Art. 200 quater (Tax code)</li> </ul>
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	<ul style="list-style-type: none"><li>• Code Général des Impôts, Art. 279-0 bis (Tax code)</li></ul>
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## 2. Basic information on legal sources

<b>Name of legal source (original language)</b>	Loi n°2000-108 du 10 février 2000 relative à la modernisation et au développement du service public de l'électricité	Loi n°2005-781 du 13 juillet 2005 de programme fixant les orientations de la politique énergétique	Loi n°2004-1484 du 30 décembre 2004 de finances pour 2005 (1)
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Act on the modernisation and development of public electricity supply	Act establishing an energy policy programme	Finance Act 2005
<b>Abbreviated form</b>	Loi n°2000-108	Loi n°2005-781	Loi n°2004-1484
<b>Entry into force</b>	12/02/2000	14/07/2005	31/12/2004
<b>Last amended on</b>	24/10/2010	14/07/2010	11/03/2010
<b>Future amendments</b>			
<b>Purpose</b>	Modernising and developing public electricity supply (art. 1 Loi n°2000-108)	This Act sets out a strategy for energy policy.	The Finance Act establishes financial guidelines.
<b>Relevance for renewable energy</b>	This Act established the legal framework for the purchase of and payment for electricity from renewable sources (art. 10 Loi n°2000-108), the conditions regarding tenders (art. 8 Loi n°2000-108) and provisions on the funding of the support system (art. 5 Loi n°2000-108).	France supports renewable energy to ensure its energy independence and economic competitiveness (art. 2 Loi n°2005-781).	Article 90 of Loi n°2004-1484 introduced the tax credit (Crédit d'Impôt), which also applies to renewable energy systems.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=D6C0EE051DEA138D0FF0DC94F4D3513F.tpdjo13v_3?cidTexte=LEGITEXT000005629085">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=D6C0EE051DEA138D0FF0DC94F4D3513F.tpdjo13v_3?cidTexte=LEGITEXT000005629085</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000813253&amp;dateTexte=">http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000813253&amp;dateTexte=</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000005991863&amp;dateTexte=20101123">http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000005991863&amp;dateTexte=20101123</a>

	&dateTexte=20110111		
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Loi n° 2008-1425 du 27 décembre 2008 de finances pour 2009 (1)	Loi n° 99-1172 du 30 décembre 1999 de finances pour 2000 (1)	Décret n° 2000-1196 du 6 décembre 2000 fixant par catégorie d'installations les limites de puissance des installations pouvant bénéficier de l'obligation d'achat d'électricité
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Finance Act 2009	Finance Act 2000	Decree establishing capacity limits for different categories of systems for the generation of electricity from renewable sources that are eligible for the feed-in tariff
<b>Abbreviated form</b>	Loi n°2008-1425	Loi n°99-1172	Décret n°2000-1196
<b>Entry into force</b>	29/12/2008	01/01/2000	09/12/2000
<b>Last amended on</b>	01/01/2010	01/05/2010	06/09/2007
<b>Future amendments</b>			
<b>Purpose</b>	The Finance Act establishes financial guidelines.	Finance act establishing financial guidelines	The decree imposes capacity limits (art. 2 Décret n°2000-1196).
<b>Relevance for renewable energy</b>	Article 109 of Loi n°2008-1425 introduced amendments on the tax credit (Crédit d'Impôt) to promote electricity from renewable sources.	Article 5 Loi n°99-1172 introduced the VAT reduction on works on residential buildings that are more than two years old. Later, the VAT reduction was extended to the installation of renewable energy systems.	The decree establishes different categories of systems for the generation of electricity from renewable sources and imposes different capacity limits on them (art. 2 Décret n°2000-1196).
<b>Link to full text of legal source (original)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000005628932&amp;date">http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000005628932&amp;date</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000005628932&amp;date">http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000005628932&amp;date</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=0353A8399097FAF92B82C6">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=0353A8399097FAF92B82C6</a>

<b>language)</b>	xte.do;jsessionid=664DB410799D800A9DB3B2B206D2A95F.tpdjo10v_1?cidTexte=JORFTEXT000019995721&dateTexte=20101123	Texte=20101123	B35413C0AB.tpdjo11v_1?cidTexte=LEGI TEXT000005630236&dateTexte=20090910
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Décret n°2001-410 du 10 mai 2001 relatif aux conditions d'achat de l'électricité produite par des producteurs bénéficiant de l'obligation d'achat (modifié par le décret n° 2009-252 du 4 mars 2009)	Décret n°2002-1434 du 4 décembre 2002 relatif à la procédure d'appel d'offres pour les installations de production d'électricité	Décret n°2004-90 du 28 janvier 2004 relatif à la compensation des charges de service public de l'électricité
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Decree on the conditions for the purchase of electricity from producers receiving the feed-in tariff	Decree regulating the tendering procedure for the construction of systems for the generation of electricity from renewable sources	Decree on compensation for the additional costs arising for public electricity services
<b>Abbreviated form</b>	Décret n°2001-410	Décret n°2002-1434	Décret n°2004-90
<b>Entry into force</b>	12/05/2001	11/12/2002	29/01/2004
<b>Last amended on</b>	07/03/2009	01/12/2009	28/12/2009
<b>Future amendments</b>	gelöscht		
<b>Purpose</b>	Establishing detailed provisions on the feed-in tariff	The decree sets the conditions for tenders for the construction of renewable energy systems.	The decree regulates the compensation for additional costs incurring for electricity supply services.
<b>Relevance for renewable energy</b>	This decree obliges the producers of electricity from renewable sources to provide evidence of the percentage	The decree applies to tenders for the construction of systems for the generation of electricity from renewable sources (art. 1	Compensation is paid to electricity suppliers (EDF and private suppliers) to cover the additional costs arising from the

	of electricity generated from renewable sources (art. 2 Loi n°2000-108 in conjunction with art. 10 Décret n°2009-252).	Loi n°2000-108 in connection with art. 8 Décret n°2002-1434).	feed-in tariff they have to pay (art. 4 Décret n°2004-90).
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=0353A8399097FAF92B82C6B35413C0AB.tpdjo11v_1?cidTexte=JORFTEXT000020347560&amp;dateTexte=20090910">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=0353A8399097FAF92B82C6B35413C0AB.tpdjo11v_1?cidTexte=JORFTEXT000020347560&amp;dateTexte=20090910</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=DBE69F50C6685093DFD9FFE8E19EA9F4.tpdjo11v_1?cidTexte=JORFTEXT000000782766&amp;dateTexte=20090910">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=DBE69F50C6685093DFD9FFE8E19EA9F4.tpdjo11v_1?cidTexte=JORFTEXT000000782766&amp;dateTexte=20090910</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=4F78C5C1C54248B16DB58369739524D5.tpdjo11v_1?cidTexte=JORFTEXT000000434194&amp;idArticle=&amp;dateTexte=20090910">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=4F78C5C1C54248B16DB58369739524D5.tpdjo11v_1?cidTexte=JORFTEXT000000434194&amp;idArticle=&amp;dateTexte=20090910</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Arrêté du 17 novembre 2008 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie mécanique du vent	Arrêté du 31 août 2010 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie radiative du soleil telles que visées au 3° de l'article 2 du décret n°2000-1196 du 6 décembre 2000	Arrêté du 23 juillet 2010 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie des nappes aquifères ou des roches souterraines telles que visées au 6° de l'article 2 du décret n°2000-1196 du 6 décembre 2000
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Order establishing conditions for the purchase of electricity generated from wind energy	Order establishing conditions for the purchase of electricity generated from solar energy	Order establishing conditions for the purchase of electricity generated from geothermal energy
<b>Abbreviated form</b>	Arrêté du 17 novembre 2008 vent	Arrêté du 31 août 2010 soleil	Arrêté du 23 juillet 2010 géothermie
<b>Entry into force</b>	14/12/2008	01/09/2010	24/07/2010
<b>Last amended on</b>	29/12/2008	02/09/2010	25/07/2010
<b>Future amendments</b>			
<b>Purpose</b>	Establishing technology-specific criteria for the feed-in tariff.	Establishing technology-specific criteria for the feed-in tariff.	Establishing technology-specific criteria for the feed-in tariff.

<b>Relevance for renewable energy</b>	The order aims to promote wind energy through a feed-in tariff.	The order aims to promote solar energy through a feed-in tariff.	The order aims to promote geothermal energy through a feed-in tariff.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=695B80510005B8FEBFD84D17A02C2CC0.tpdjo11v_1?cidTexte=JORFTEXT000019917183&amp;dateTexte=20090910">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=695B80510005B8FEBFD84D17A02C2CC0.tpdjo11v_1?cidTexte=JORFTEXT000019917183&amp;dateTexte=20090910</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=54B88D8FB4DB6B398BEFF312674B04CF.tpdjo11v_1?cidTexte=JORFTEXT000022758567&amp;categorieLien=id">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=54B88D8FB4DB6B398BEFF312674B04CF.tpdjo11v_1?cidTexte=JORFTEXT000022758567&amp;categorieLien=id</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=953AA0277CADAAA00F52815CC5408168.tpdjo11v_1?cidTexte=JORFTEXT000022511606&amp;categorieLien=id">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=953AA0277CADAAA00F52815CC5408168.tpdjo11v_1?cidTexte=JORFTEXT000022511606&amp;categorieLien=id</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Arrêté du 10 juillet 2006 fixant les conditions d'achat de l'électricité produite par les installations qui valorisent le biogas	Arrêté du 1er mars 2007 fixant les conditions d'achat de l'électricité produite par les installations utilisant l'énergie hydraulique des lacs, cours d'eau et mers, telles que visées au 1° de l'article 2 du décret n°2000-1196 du 6 décembre 2000	Arrêté du 9 février 2005 pris pour l'application des articles 200 quater et 200 quater A du code général des impôts relatifs aux dépenses d'équipements de l'habitation principale et modifiant l'annexe IV à ce code
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Order establishing conditions for the purchase of electricity generated from biogas	Order establishing conditions for the purchase of electricity generated from hydro-energy	Order on articles 200 quater and 200 quater A of Code Général des Impôts regarding investments in equipment at the main place of residence and modifying Annex IV of the Code
<b>Abbreviated form</b>	Arrêté du 10 juillet 2006 biogaz	Arrêté du 1er mars 2007 hydro	Arrêté du 9 février 2005
<b>Entry into force</b>	26/07/2006	22/04/2007	15/02/2005
<b>Last amended on</b>			
<b>Future amendments</b>			
<b>Purpose</b>	Establishing technology-specific criteria for the feed-in tariff.	Establishing technology-specific criteria for the feed-in tariff.	This order regulates the implementation of articles 200 quater and 200 quater A of Code Général des Impôts.



<b>Relevance for renewable energy</b>	The Order aims to support biogas through a feed-in tariff.	The Order aims to support hydro-electricity through a feed-in tariff.	Article 1 contains a list of renewable energy systems eligible for the Crédit d'Impôts and specifies technical and performance requirements.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=83237A3061BC3AC6A0DB3B32E8B838F6.tpdjo11v_1?cidTexte=JORFTEXT000000264194&amp;dateTexte=20101124">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=83237A3061BC3AC6A0DB3B32E8B838F6.tpdjo11v_1?cidTexte=JORFTEXT000000264194&amp;dateTexte=20101124</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000794351&amp;dateTexte=">http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000794351&amp;dateTexte=</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000420625&amp;dateTexte=">http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000420625&amp;dateTexte=</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Arrêté du 13 novembre 2007 pris pour l'application de l'article 200 quater du code général des impôts relatif aux dépenses d'équipements de l'habitation principale et modifiant l'article 18 bis de l'annexe IV à ce code	Instruction fiscale 5 B-26-05 N° 147 du 1er septembre 2005  Crédit d'impôt pour dépenses d'équipements de l'habitation principale en faveur des économies d'énergie et du développement durable  Art.90 de la loi de finances pour 2005 (loi N° 2004-1484 du 30 décembre 2004)	Instruction fiscale 5 B-17-07 N° 88 du 11 juillet 2007  Impôt sur le revenu. Crédit d'impôt pour dépenses d'équipements de l'habitation principale en faveur des économies d'énergie et du développement durable
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Order on Article 200 quater of Code Général des Impôts relating to investments in equipment at the main place of residence and modifying article 18 bis of Annex IV of the Code	Tax regulation	Tax regulation
<b>Abbreviated form</b>	Arrêté du 13 novembre 2007	Instruction fiscale 5 B-26-05 N° 147	Instruction fiscale 5 B-17-07 N° 88
<b>Entry into force</b>	20/11/2007	01/09/2005	11/07/2007
<b>Last amended on</b>			

<b>Future amendments</b>			
<b>Purpose</b>	This order implements article 200 quater of Code Général des Impôts.		
<b>Relevance for renewable energy</b>	Article 1 modifies the list of renewable energy systems eligible for the Crédit d'Impôt and the technical and performance requirements set out in Arrêté du 9 février 2005.	The regulation sets out the application of the tax credit scheme.	The regulation sets out the application of the tax credit scheme.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=7EAB6E27C6737FC93BF326195AD7DA5A.tpdjo09v_3?cidTexte=JORFTEXT000000706721&amp;categorieLien=id">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=7EAB6E27C6737FC93BF326195AD7DA5A.tpdjo09v_3?cidTexte=JORFTEXT000000706721&amp;categorieLien=id</a>	<a href="http://www.mres-asso.org/IMG/pdf/Instruction_fiscale_2005.pdf">http://www.mres-asso.org/IMG/pdf/Instruction_fiscale_2005.pdf</a>	<a href="http://www11.minefi.gouv.fr/boi/boi2007/5fppub/textes/5b1707/5b1707.pdf">http://www11.minefi.gouv.fr/boi/boi2007/5fppub/textes/5b1707/5b1707.pdf</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Instruction fiscale 5 B-10-09 N°38 du 6 Avril 2009  Crédit d'impôt pour dépenses d'équipements de l'habitation principale en faveur des économies d'énergie et du développement durable (Arrêté du 13. Novembre 2007, Journal Officiel du 20. Novembre 2007)	Instruction fiscale 3 C-2-01 N° 119 du 3 juillet 2001  TVA. Application du taux réduit aux travaux (autres que de construction ou de reconstruction) portant sur des locaux à usage d'habitation achevés depuis plus de deux ans. Précisions sur la fourniture avec pose d'équipements de production d'énergie utilisant une source d'énergie renouvelable.	Instruction fiscale 3 C-7-06 N°202 du 8 décembre 2006  TVA. Taux réduit. Travaux (autres que de construction ou de reconstruction) portant sur des locaux à usage d'habitation achevés depuis plus de deux ans.
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Tax regulation	Tax regulation	Tax regulation
<b>Abbreviated form</b>	Instruction fiscale 5 B-10-09 N° 38	Instruction fiscale 3 C-2-01 N° 119	Instruction fiscale 3 C-7-06 N°202

<b>Entry into force</b>	06/04/2009	03/07/2001	08/12/2006
<b>Last amended on</b>			
<b>Future amendments</b>			
<b>Purpose</b>			
<b>Relevance for renewable energy</b>	This regulation is a commentary on those provisions of Arrêté du 13 novembre 2007 that extended the beneficiaries of the tax credit and amended the performance requirements for beneficiaries already eligible before Arrête du 13 novembre 2007 entered into force.	This regulation sets out detailed provisions on a reduced VAT rate for certain renewable energy systems.	This regulation sets out detailed provisions on a reduced VAT rate for certain construction works on residential buildings (including the installation of renewable energy systems).
<b>Link to full text of legal source (original language)</b>	<a href="http://www11.minefi.gouv.fr/boi/boi2009/5fppub/textes/5b1009/5b1009.pdf">http://www11.minefi.gouv.fr/boi/boi2009/5fppub/textes/5b1009/5b1009.pdf</a>	<a href="http://www11.minefi.gouv.fr/boi/boi2001/3c201/3c201.htm">http://www11.minefi.gouv.fr/boi/boi2001/3c201/3c201.htm</a>	<a href="http://doc.impots.gouv.fr/aida2010/Apw.fcgi?FILE=Index.html">http://doc.impots.gouv.fr/aida2010/Apw.fcgi?FILE=Index.html</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Code général des impôts, Article 200 quater	Code général des impôts , Article 279-0 bis	Instruction fiscale 3 C-2-10 N° 31 du 10 mars 2010 TVA. Taux réduit. Travaux (autres que de construction ou de reconstruction) portant sur des locaux à usage d'habitation achevés depuis plus de deux ans.
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Tax Code	Tax Code	Tax regulation
<b>Abbreviated form</b>	CGI, art. 200 quater	CGI, art. 279-0 bis	Instruction fiscale 3 C-2-01 N° 31

<b>Entry into force</b>	31/03/2000		03703/2010
<b>Last amended on</b>	11/11/2010	11/11/2010	
<b>Future amendments</b>			
<b>Purpose</b>	The Act sets out tax measures.	The Act sets out tax measures.	
<b>Relevance for renewable energy</b>	This Article describes the Crédit d'Impôt, which has become a means to support renewable energy.	Article 279-0 bis sets out provisions on a reduced VAT rate for certain construction works on residential buildings (including the installation of renewable energy systems).	This regulation sets out detailed provisions on a reduced VAT rate for certain construction works on residential buildings (including the installation of renewable energy systems).
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichCodeArticle.do;jsessionid=986F6032366659F11759C170F3D77978.tpdjo09v_3?idArticle=LEGIARTI000020038553&amp;cidTexte=LEGITEXT000006069577&amp;dateTexte=20091126">http://www.legifrance.gouv.fr/affichCodeArticle.do;jsessionid=986F6032366659F11759C170F3D77978.tpdjo09v_3?idArticle=LEGIARTI000020038553&amp;cidTexte=LEGITEXT000006069577&amp;dateTexte=20091126</a>	<a href="http://www.legifrance.gouv.fr/affichCodeArticle.do;jsessionid=A3A25BF47508074DCF A9282EB8C2E83F.tpdjo09v_3?idArticle=LEGIARTI000006304368&amp;cidTexte=LEGITEXT000006069577&amp;dateTexte=20080118">http://www.legifrance.gouv.fr/affichCodeArticle.do;jsessionid=A3A25BF47508074DCF A9282EB8C2E83F.tpdjo09v_3?idArticle=LEGIARTI000006304368&amp;cidTexte=LEGITEXT000006069577&amp;dateTexte=20080118</a>	<a href="http://www11.minefi.gouv.fr/boi/boi2010/3c apub/textes/3c210/3c210.pdf">http://www11.minefi.gouv.fr/boi/boi2010/3c apub/textes/3c210/3c210.pdf</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	Arrêté du 28 décembre 2009 fixant les conditions d'achat de l'électricité produite par les installations utilisant, à titre principal, l'énergie dégagée par la combustion de matières non fossiles d'origine végétale ou animale telles que visées au 4° de l'article 2 du décret n° 2000-1196 du 6 décembre 2000	Décret n° 2010-1510 du 9 décembre 2010 suspendant l'obligation d'achat de l'électricité produite par certaines installations utilisant l'énergie radiative du soleil	
<b>Name of legal source (full name)</b>			
<b>Name of legal source (English)</b>	Order establishing conditions for the purchase of electricity generated from biomass	Decree suspending the feed-in tariff for solar energy	

<b>Abbreviated form</b>	Arrêté du 28 décembre 2009 biomasse	Décret n° 2010-1510	
<b>Entry into force</b>	31/12/2009	10/12/2010	
<b>Last amended on</b>		11/12/2010	
<b>Future amendments</b>			
<b>Purpose</b>	Establishing technology-specific criteria for the feed-in tariff.	This decree suspends the feed-in tariff for solar energy installations with a capacity of more than 3 kWp for three months.	
<b>Relevance for renewable energy</b>	The Order aims to promote biogas through a feed-in tariff.		
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=08C5AFEB68EF1D278D8938D59956648B.tpdjo03v_3?cidTexte=JORFTEXT000021560800&amp;categorieLien=id">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=08C5AFEB68EF1D278D8938D59956648B.tpdjo03v_3?cidTexte=JORFTEXT000021560800&amp;categorieLien=id</a>	<a href="http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=30ABC71A80251EF33E2BB621085A1691.tpdjo06v_1?cidTexte=JORFTEXT000023212761&amp;dateTexte=20101214">http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=30ABC71A80251EF33E2BB621085A1691.tpdjo06v_1?cidTexte=JORFTEXT000023212761&amp;dateTexte=20101214</a>	
<b>Link to full text of legal source (English)</b>			

### 3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail
<b>Ministère de l'Economie, des Finances et de l'Industrie (MINEFI)</b> Ministry of Economics, Finance and Industry	<a href="http://www.economie.gouv.fr/">http://www.economie.gouv.fr/</a>		+33 143 193 636	
<b>Syndicat des Energies Renouvelables (SER)</b> – Association for Renewable Energy	<a href="http://www.enr.fr/">http://www.enr.fr/</a>		+33 148 780 560	
<b>Agence de l'Environnement et de la Maîtrise de l'Energie (ADEME) – Energy Agency</b>	<a href="http://www2.ademe.fr/servlet/getDoc?id=38480&amp;m=3&amp;cid=96">http://www2.ademe.fr/servlet/getDoc?id=38480&amp;m=3&amp;cid=96</a>		+33 147 652 000	
<b>"Gide Loyrette Nouel" international law firm</b>	<a href="http://www.gide.com/front/EN/home.htm">http://www.gide.com/front/EN/home.htm</a>	Véronique Fröding	+33 140 7536 09	froding(at)gide.com
<b>Bureau de coordination énergie éolienne – Coordination office for wind energy</b>	<a href="http://www.wind-eole.com/">http://www.wind-eole.com/</a>		+49 30 28 550 3634	laure.kaelble(at)bmu.bund.de
<b>Ministère de l'Ecologie, du Développement durable, des Transports et du Logement – Ministry of Environment, Sustainable Development, Transport and Housing</b>	<a href="http://www.developpement-durable.gouv.fr/">http://www.developpement-durable.gouv.fr/</a>		+33 014 081 212 2	

#### 4. Support schemes

##### 4.1. Subsidy (name of means of promotion)

<b>Abbreviated form of legal source(s)</b>		
<b>Country-specific support system</b>		
<b>Promoted technologies</b>	<b>General information</b>	
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	
	<b>Hydro-electricity</b>	
<b>Amount</b>		
<b>Addressees</b>		
<b>Procedure</b>	<b>Procedure</b>	
	<b>Competent authority</b>	
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	
	<b>System operator</b>	
	<b>Grid operator</b>	
	<b>Distribution mechanism</b>	

4.2. Loan (Name of means of promotion)

<b>Abbreviated form of legal source(s)</b>		
<b>Country-specific support system</b>		
<b>Promoted technologies</b>	<b>General information</b>	
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	
<b>Hydro-electricity</b>		
<b>Amount</b>		
<b>Addressees</b>		
<b>Procedure</b>	<b>Procedure</b>	
	<b>Competent authority</b>	
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	



#### 4.3. Feed-in tariff (Tarifs d'achat de l'électricité)

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"><li>• Loi n°2000-108</li><li>• Loi n°2005-781</li><li>• Décret n°2000-1196</li><li>• Décret n°2001-410</li><li>• Décret n°2002-1434</li><li>• Décret n°2004-90</li><li>• Décret n°2001-1510</li><li>• Arrêté du 17 novembre 2008 vent</li><li>• Arrêté du 31 août 2010 soleil</li><li>• Arrêté du 23 juillet 2010 géothermie</li><li>• Arrêté du 10 juillet 2006 biogaz</li><li>• Arrêté du 28 décembre 2009 biomasse</li><li>• Arrêté du 1er mars 2007 hydro</li></ul>	
<b>Country-specific support system</b>	<p>In France, electricity from renewable sources is promoted through a price regulation system based on a feed-in tariff. Electricity suppliers (EDF and private suppliers) and distribution grid operators are obligated to conclude a contract with the operators of systems that generate electricity from renewable energy sources, on the purchase of and payment for electricity at a price fixed by an Order ("obligation to conclude a contract", art. 10 Loi n°2000-108). Loi n°2000-108 only refers to distribution grid operators ( "distributeur") even though EDF is a supplier rather than a distribution grid operator.</p> <p>Since 9 December 2010, the feed-in tariff for solar energy systems with a capacity of more than 3 kWp has been suspended for three months. Applications for solar energy systems submitted during this period will not be accepted (Décret n° 2010-1510).</p>	
<b>Promoted technologies</b>	<b>General information</b>	Technologies eligible for the feed-in tariff are specified in art. 2 Décret n°2000-1196 (art. 2). The general provisions of the Décret are particularised by orders (arrêtés) on the individual technologies. In general, all renewable energy generation technologies are eligible.
	<b>Wind energy</b>	<p>Both onshore and offshore wind-energy plants are eligible (Arrêté du 17 novembre 2008) under the following conditions:</p> <ul style="list-style-type: none"><li>• Only systems within the designated wind development areas (zone de développement éolien) are eligible. The minimum and maximum capacities allowed depend on the particular development area of a system (art. 29 Loi n°2005-781).</li></ul>
	<b>Solar energy</b>	Eligible with the following restrictions:

		<ul style="list-style-type: none"> <li>Only systems whose installed capacity does not exceed 12 MW are eligible (art. 10 par. 2 Loi n°2000-108; art. 2 Décret n°2000-1196).</li> </ul> <p>Since 9 December 2010, the feed-in tariff for solar energy systems with a capacity of more than 3 kWp has been suspended for three months. Applications for solar energy systems submitted during the period of suspension will not be accepted (Décret n° 2010-1510).</p> <p>Systems will not be suspended from the feed-in tariff if a grid connection offer was made prior to 2 December 2010 (PTF – proposition technique et financière). However, those systems must be put into operation by a certain deadline. In addition, a new application for grid connection must be submitted.</p> <p>At the moment it is still unclear whether the new tariff decree will only amend the tariff rates or also affect the tariff requirements.</p>
	<b>Geothermal energy</b>	<p>Eligible with the following restrictions:</p> <ul style="list-style-type: none"> <li>Only systems whose installed capacity does not exceed 12 MW are eligible (art. 10 par. 2 Loi n°2000-108; art. 2 Décret n°2000-1196).</li> </ul>
	<b>Biogas</b>	<p>Eligible with the following restrictions:</p> <ul style="list-style-type: none"> <li>Only systems whose installed capacity does not exceed 12 MW are eligible (art. 10 par. 2 Loi n°2000-108; art. 2 Décret n°2000-1196).</li> <li>Electricity shall be generated either through the combustion of gas, which shall be produced through the pyrolysis or fermentation of substances and waste from agriculture, forestry and related industries, or through the treatment of water, or from domestic waste through the use of biogas (art. 1 Arrêté du 10 juillet 2006 biogaz).</li> </ul>
	<b>Biomass</b>	<p>Eligible with the following restrictions:</p> <ul style="list-style-type: none"> <li>Only systems whose installed capacity does not exceed 12 MW are eligible (art. 10 par. 2 Loi n°2000-108; art. 2 Décret n°2000-1196).</li> <li>Electricity must be generated through the combustion of non-fossil matter of plant or animal origin (art 1. Arrêté du 28 décembre 2009).</li> </ul>

		<ul style="list-style-type: none"> <li>• Biomass-fired combined heat and power plants with a capacity of more than 2MW (art. 10 Loi n° 2000-108)</li> </ul>
	<b>Hydro-electricity</b>	<p>Eligible under the following conditions:</p> <ul style="list-style-type: none"> <li>• Only plants whose installed capacity does not exceed 12 MW are eligible (art. 10 par. 2 Loi n°2000-108; art. 2 Décret n°2000-1196).</li> <li>• Only systems that fall in one of the following categories are eligible (art. 1 Arrêté du 1er mars 2007): systems that generate electricity from tidal or wave energy, marine current turbines, and run-of-river plants. Electricity generated by storage power stations that need energy to fill up their storage (e.g. pumped storage power stations) is not eligible for the feed-in tariff.</li> </ul>
<b>Amount</b>	<b>General information</b>	<p>The orders on the single technologies (arrêtés) each determine the feed-in tariff for a certain source of energy. The tariffs are guaranteed minimum payments, which may be increased by a premium.</p> <p>The tariff rate depends on the costs of investment and operation, which arise for the system operators but are to be borne by the suppliers (EDF and private suppliers). In addition, system operators may receive a premium, which depends on the amount of electricity exported and is intended to reflect the degree to which this electricity helped achieve the national energy targets (art. 10 Loi n°2000-108).</p> <p>The amount of tariff is set by a specific order (arrête) for every single source of energy. Systems located in French overseas departments and collectivities (DOMs and COMs) and photovoltaic systems in Corsica are subject to special tariffs.</p> <p>The following list gives an overview of tariffs specified by the various arrêtés on the French mainland:</p>
	<b>Wind energy</b>	2.8 - 13 €/kWh, depending on the site (onshore / offshore), overall time of operation and time of operation/year (Arrêté du 17 novembre 2008).
	<b>Solar energy</b>	<p>The tariff applies to photovoltaic and thermodynamic systems (Arrêté du 31 août 2010):</p> <ul style="list-style-type: none"> <li>• Building-integrated systems: 44 – 58 €/kWh (depending on the intended use of the building and the system capacity)</li> <li>• Systems with „simple“ building-integration: 37 €/kWh.</li> </ul>

		<ul style="list-style-type: none"> <li>Other systems (e.g. ground-mounted systems and roof-top systems): <ul style="list-style-type: none"> <li>Corsica, DOMs (overseas departments), some COMs (overseas collectivities): 35.2 €/kWh.</li> <li>French mainland: 27.6 €/kWh (The price may vary by up to 20% according to the average sun exposure of a site).</li> </ul> </li> </ul>
	<b>Geothermal energy</b>	<p>French mainland: 20 €/kWh + premium of up to 8 €/kWh for energy efficiency.</p> <p>DOMs (overseas departments), some COMs (overseas collectivities): 13 €/kWh + premium of up to 3 €/kWh for energy efficiency (Arrêté du 23 juillet 2010).</p>
	<b>Biogas</b>	7.5 - 9 €/kWh according to system size + premium of 3 €/kWh for energy efficiency + premium of 2 €/kWh for methane production (Arrêté du 10 juillet 2006).
	<b>Biomass</b>	4.5 €/kWh + premium of at least 7.4 €/kWh for energy efficiency. The premium depends on the system's degree of efficiency (Arrêté du 28 décembre 2009).
	<b>Hydro-electricity</b>	<ul style="list-style-type: none"> <li>Wave energy, tidal energy: 15 €/kWh.</li> <li>Maritime current and run-of-river energy: standard tariff of 6.07 €/kWh (further, more sophisticated tariff models including two to five elements are available at choice; these models account for summer and winter production differences and maximum and main load times) + premium for small hydro-power stations of 0.5 – 2.5 €/kWh + quality premium of max. 1.68 €/kWh (Arrêté du 01 mars 2007).</li> </ul>
<b>Degression</b>	<b>General information</b>	<p>The orders on the feed-in tariffs for the single technologies (arrêtés) provide for the tariffs for existing systems to be inflation-indexed. In addition, 20% of each tariff are linked to the index of agreed earnings. This adjustment is made annually on the day the purchase agreement was concluded. The index takes into account the index of labour costs per hour and the index of industrial production costs.</p> <p>From 1 January 2012, the feed-in tariffs for PV systems will be subject to an annual degression rate of 10%. Future reductions will take effect on 1 January each year (no. 5, Annexe 1 de l'arrêté du 31 août 2010 soleil).</p>
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	
	<b>Hydro-electricity</b>	

<b>Cap</b>	<p>Solar energy:</p> <ul style="list-style-type: none"> <li>• Annual cap for systems on the French mainland: peak capacity installed multiplied by 1,500 hours of full load.</li> <li>• Annual cap for other systems: peak capacity installed multiplied by 1,800 hours of full load.</li> </ul> <p>If the cap is reached, any further systems installed will be subject to a lower tariff (5 €/kWh) (art. 4 Arrêté du 31 août 2010 soleil).</p> <p>No other renewable energy technologies are subject to a cap.</p>	
<b>Eligibility period</b>	<p>According to the orders on the feed-in tariffs for the single technologies, eligibility for the tariff is limited in time. The duration of payment varies according to the source of energy:</p> <ul style="list-style-type: none"> <li>• <b>Wind energy:</b> onshore: 15 years, offshore: 20 years (Arrêté du 17 novembre 2008)</li> <li>• <b>Solar power (photovoltaic energy):</b> 20 years (Arrêté du 31 août 2010 soleil)</li> <li>• <b>Geothermal energy:</b> 15 years (Arrêté du 23 juillet 2010 géothermie)</li> <li>• <b>Biogas:</b> 15 years (Arrêté du 10 juillet 2006 biogaz)</li> <li>• <b>Biomass:</b> 15 years (Arrêté du 28 décembre 2009 biomasse)</li> <li>• <b>Hydro-energy:</b> 20 years (Arrêté du 1er mars 2007)</li> </ul>	
<b>Beneficiaries</b>	<ul style="list-style-type: none"> <li>• The persons eligible for the feed-in tariff are the operators of renewable energy systems that have a maximum capacity of 12 MW installed or are located in a wind development area, and the operators of biomass CHP plants with a capacity of more than 2MW.</li> <li>• The party obligated to pay the feed-in tariff and satisfy the obligations arising from the tenders are the electricity suppliers. These include EDF (Electricité de France) and private suppliers listed in art. 23 Loi n°46-628 du 8 avril 1946 (art. 8, 10 Loi n°2000-108).</li> </ul>	
<b>Procedure</b>	<b>Procedure</b>	<p>In order to enforce their right to payment, system operators shall first apply to the competent prefect (regional directorate for industry, research and environment) for a certificate confirming entitlement to purchase and payment (certificat ouvrant droit à l'obligation d'achat). On request, entitlement to the tariff received for a certain system may be conferred to a third party (art. 10 Loi n°2000-108; art. 1 Décret n° 2001-410).</p> <p>The suppliers (EDF and private suppliers) and the grid operators are obligated by law to enter into purchase agreements with the operators of renewable energy systems (obligation to conclude a contract). Due to the agreement concluded, the system operator is contractually entitled to payment (art. 10 Loi n°2000-108).</p>
	<b>Competent authority</b>	Regional directorate for industry, research and environment

Flexibility Mechanism		
Funding	State	
	Consumers	In France, the end consumers bear the costs arising from the suppliers' (EDF's and private suppliers') obligation to pay for electricity from renewable sources exported to the grid.
	Grid operator	
	System operator	
	Distribution mechanism	<ul style="list-style-type: none"> <li>• <b>Contribution au Service Public de l'Electricité (CSPE) – electricity suppliers (EDF and private suppliers).</b> Every consumer is obliged to pay Contribution au Service Public de l'Électricité, which covers the additional costs arising from the supply of electricity from renewable sources. Among other things, the CSPE covers the additional costs arising for the suppliers (EDF and private suppliers) from the payment of the feed-in tariff. The CSPE is levied four times a year (art. 15 Loi n°2000-108).</li> <li>• <b>Grid operator/supply companies – consumers.</b> The CSPE is paid by the final consumers (art. 5 Loi n°2000-108). The exact distribution mechanism of the funds generated through the CSPE is specified in Décret n°2004-90: Every year, the energy regulatory commission calculates the additional costs before the Ministry of Environment sets the compensation payment per kWh (Art. 6 Décret n°2004-90). The transmission or distribution grid operators and the utility companies add this standard amount to the regular grid usage fee or electricity price to be paid by the final consumers. The surcharges are transferred to the designated account of the national financial institution Caisse des dépôts (art. 10 Décret n°2004-90). Producing companies consuming up to 240 m kWh per year are exempt from the surcharge if they produce or arrange the production of the electricity they need on site. Any further amount of electricity produced is subject to the surcharge. The maximum amount to be paid per system is 500,000 € (art. 5 Loi n°2000-108).</li> </ul>

#### 4.4. Feed-in Tariff (Tenders)

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>• Loi n°2000-108</li> <li>• Loi n°2005-781</li> <li>• Décret n°2000-1196</li> <li>• Décret n°2001-410</li> <li>• Décret n°2002-1434</li> <li>• Décret n°2004-90</li> <li>• Décret n° 2010-1510</li> <li>• Arrêté du 17 novembre 2008 vent</li> <li>• Arrêté du 31 août 2010 soleil</li> <li>• Arrêté du 23 juillet 2010 géothermie</li> <li>• Arrêté du 10 juillet 2006 biogaz</li> <li>• Arrêté du 28 décembre 2009 biomasse</li> <li>• Arrêté du 1er mars 2007 hydro</li> </ul>	
<b>Country-specific support system</b>	A special feed-in tariff may be awarded to the winners of tenders for the construction of renewable energy systems. The Ministry in charge invites tenders for the installation of systems for the generation of electricity from renewable sources at irregular intervals. Thus, the government hopes to reach the target production of electricity from renewable sources, which is laid down in the multi-annual investment plant (Programmation Pluriannuelle des Investissements PPI), (art. 8 Loi n°2000-108).	
<b>Promoted technologies</b>	<b>General information</b>	The technologies eligible for the feed-in tariff are specified in the invitation to tender (art. 1 Décret n° 2002-1434). In general, tenders cover all sources of renewable energy.
	<b>Wind energy</b>	The conditions for tender are to be found in the invitation to tender (art. 1 Décret n°2000-1434).
	<b>Solar energy</b>	The conditions for tender are to be found in the invitation to tender (art. 1 Décret n°2000-1434).
	<b>Geothermal energy</b>	The conditions for tender are to be found in the invitation to tender (art. 1 Décret n°2000-1434).
	<b>Biogas</b>	The conditions for tender are to be found in the invitation to tender (art. 1 Décret n°2000-1434).
	<b>Biomass</b>	The conditions for tender are to be found in the invitation to tender (art. 1 Décret n°2000-1434).
	<b>Hydro-electricity</b>	The conditions for tender are to be found in the invitation to tender (art. 1 Décret n°2000-1434).
<b>Amount</b>	<b>General information</b>	The actual payment to be awarded is calculated in accordance with the successful tenderer's payment scheme (art. 1 Décret n°2002-1434).
	<b>Wind energy</b>	
	<b>Solar energy</b>	

	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	
	<b>Hydro-electricity</b>	
<b>Degression</b>	<b>General information</b>	The payment terms are set out in the invitation to tender (art. 1 Décret n°2002-1434).
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	
	<b>Hydro-electricity</b>	
<b>Cap</b>		
<b>Eligibility period</b>	The period of payment is set out in the successful tenderer's payment scheme (art. 1 Décret n°2002-1434).	
<b>Beneficiaries</b>	<p><b>Entitled party.</b> According to statutory law, the tenders are open to every person that resides in an EU member state or in a country specified by a corresponding international treaty and plans to install a renewable energy system in France (art. 8 Loi n°2000-108).</p> <p><b>Obligated party.</b> The electricity suppliers are obliged to both pay the feed-in tariff and provide the funds for the successful tenderers. The obligated suppliers include EDF (Electricité de France) and private grid operators listed in art. 23 Loi n°46-628 du 8 avril 1946 (art. 8, 10 Loi n°2000-108).</p>	
<b>Procedure</b>	<b>Procedure</b>	The suppliers (EDF and private suppliers) are obliged to conclude purchase agreements with the successful tenderers. They are also obliged to pay the electricity price specified in the tenders (art. 8 Loi n°2000-108).
	<b>Competent authority</b>	
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	In France, the end consumers bear the costs arising from the suppliers' (EDF's and private suppliers') obligation to pay for electricity from renewable sources exported to the grid.
	<b>Grid operator</b>	



	<b>System operator</b>	
	<b>Distribution mechanism</b>	<ul style="list-style-type: none"> <li>• <b>Contribution au Service Public de l'Electricité (CSPE) – electricity suppliers (EDF and private suppliers).</b> Every consumer is obliged to pay Contribution au Service Public de l'Électricité, which covers the additional costs arising from the supply of electricity from renewable sources. Among other things, the CSPE covers the additional costs arising for the suppliers (EDF and private suppliers) from the payment of the feed-in tariff. The CSPE is levied four times a year (art. 15 Loi n°2000-108).</li> <li>• <b>Grid operator/supply companies – consumers.</b> The CSPE is paid by the final consumers (art. 5 Loi n°2000-108). The exact distribution mechanism of the funds generated through the CSPE is specified in Décret n°2004-90: Every year, the energy regulatory commission calculates the additional costs before the Ministry of Environment sets the compensation payment per kWh (Décret n°2004-90). The transmission or distribution grid operators and the utility companies add this standard amount to the regular grid usage fee or electricity price to be paid by the final consumers. The surcharges are transferred to the designated account of the national financial institution Caisse des dépôts (art. 10 Décret n°2004-90). Producing companies consuming up to 240 m kWh per year are exempt from the surcharge if they produce or arrange the production of the electricity they need on site. Any further amount of electricity produced is subject to the surcharge. The maximum amount to be paid for one system is 500,000 € (art. 5 Loi n°2000-108).</li> </ul>

4.5. Premium tariff (name of support scheme)

Abbreviated form of legal source(s)		
Country-specific support system		
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
	Hydro-electricity	
Amount	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
	Hydro-electricity	
Degression	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
	Hydro-electricity	
Cap		
Eligibility period		
Beneficiaries		
Procedure	Procedure	
	Competent authority	

Flexibility Mechanism		
Funding	State	
	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	

4.4. Quota system (name of support scheme)

<b>Abbreviated form of legal source(s)</b>		
<b>Country-specific support system</b>		
<b>Promoted technologies</b>	<b>General information</b>	
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	
	<b>Hydro-electricity</b>	
<b>Amount</b>	<b>Amount of quota and period of application</b>	
	<b>Adjustment of quotas</b>	
	<b>Number of certificates according to technology</b>	
	<b>Minimum price per certificate</b>	
	<b>Fees and penalty charges</b>	
<b>International applicability</b>	<b>International certificate trade</b>	
	<b>Flexibility Mechanism</b>	
<b>Beneficiaries</b>		
<b>Procedure</b>	<b>Procedure</b>	
	<b>Competent authority</b>	
<b>Funding</b>	<b>State</b>	

	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	

#### 4.5. Tax incentives (Crédits d'impôt)

Abbreviated form of legal source(s)	<ul style="list-style-type: none"><li>• Loi n°2004-1484</li><li>• Loi n°2008-1425</li><li>• Arrêté du 9 février 2005</li><li>• Arrêté du 13 novembre 2007</li><li>• Instruction fiscale 5 B-26-05 N° 147</li><li>• Instruction fiscale 5 B-17-07 N° 88</li><li>• Instruction fiscale 5 B-10-09 N° 38</li><li>• Code Général des Impôts, Art. 200 quater</li></ul>	
Country-specific support system	In 2001, the tax credit was extended to include renewable energy sources. The current version of the credit has been applied since the enactment of Loi n°2004-1484, which was amended by Loi n°2008-1425. Accordingly, natural persons may deduce from income tax a certain percentage of investments in renewable energy systems. Ministerial order Arrêté du 9 février 2005 lists all eligible systems and specifies technical and performance requirements (List of eligible systems as amended by art. 1 Arrêté du 13 novembre 2007 and art. 109 Loi n°2008-1425). Further provisions regarding the implementation of the tax credit are laid down in Instruction fiscale 5 B-26-05 N° 147, Instruction fiscale 5 B-26-05 N° 147, Instruction fiscale 5 B-17-07 N° 88 and Instruction fiscale 5 B-10-09 N° 38. The crédit d'impôt for renewable energy systems will apply until the end of 2012 (Introduction Instruction fiscale 5 B-10-09 N°38).	
Promoted technologies	General information	The tax credit applies to the building-integration or purchase of the following renewable electricity generation technologies: solar energy, wind energy, hydro-energy, hydraulic energy and biomass energy generation (art. 1 Arrêté du 9 février 2005; list of eligible systems as amended by art. 1 Arrêté du 13 novembre 2007 and art. 109 Loi n°2008-1425).
	Wind energy	Eligible (art.1 Arrêté du 9 février 2005).
	Solar energy	Eligible under the following conditions: <ul style="list-style-type: none"><li>• Systems shall comply with standards EN 61215 or NF EN 61646 (art. 1 Arrêté du 9 février 2005).</li></ul>
	Geothermal energy	
	Biogas	
	Biomass	Eligible (art.1 Arrêté du 9 février 2005).
	Hydro-electricity	Eligible (art.1 Arrêté du 9 février 2005).
Amount	<ul style="list-style-type: none"><li>• Persons that install renewable energy systems at their main residence may deduce 50% of the net costs of hardware from income tax (art. 200 quater par. 1 c, 5 d Code Général des Impôts).</li><li>• <b>Maximum amounts</b> for the period from 1 January 2005 to 31 December 2012 per main residence: 8,000 € per individual, 16,000 € for married couples or cohabiting couples (PACS) + 400 € per child (if both parents have the duty of care: 200 € per child) (art. 200 quater par. 4 Code Général des Impôts).</li><li>• In <b>multi-family houses</b>, every resident may claim the money he invested (chapter 1 section2 Instruction fiscale 5 B-26-05 N°147).</li><li>• The <b>capacity</b> of the eligible system shall not exceed 3 kWp. Systems that generate more than 3 kWp are eligible only if the</li></ul>	

	electricity consumption of the building is higher than half of the nominal installed capacity (section 1 par. 7 Instruction fiscale 5 B-17-07 N° 88).	
<b>Beneficiaries</b>	<p>Entitlement to the credit is guaranteed by law.</p> <p>The tax credit may be claimed for investments in the main residence (art. 90 Loi n° 2004-1484). All natural persons that are owners, tenants or free users of their main residence are eligible (chapter 1 section 2 Instruction fiscale 5 B-26-05 N° 147).</p>	
<b>Procedure</b>	<b>Procedure</b>	The tax credit is granted on income tax, after the eligible person has submitted the invoice for the investments and after other tax benefits and subsidies (except for subsidies for the installation of the system) have been deducted (section 4 C2 Instruction fiscale 5 B-17-07 N° 88). If the amount of the tax to be paid is lower than the tax credit, the difference will be paid out. If the applicant is not subject to tax, the total amount is paid out (art. 90 Loi n° 2004-1484; chapter 3 section 5 Instruction fiscale 5 B-26-05 N° 147).
	<b>Competent authority</b>	Tax office (Direction Générale des Impôts, in 2008 renamed "Direction Générale des Finances Publiques")
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	The tax credit results in lower state revenue. Payments of the difference between tax to be paid and the amount of tax credit are covered by the federal budget.
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	

4.6. **Tax incentives (value-added tax reduction)**

Abbreviated form of legal source(s)	<ul style="list-style-type: none"><li>• Loi n°99-1172</li><li>• Code Général des Impôts, Art. 200 quater</li><li>• Code Général des Impôts, Art. 279-0 bis</li><li>• Instruction fiscale 3 C-2-01 N° 119</li><li>• Instruction fiscale 3 C-7-06 N° 202</li><li>• Instruction fiscale 3 C-2-01 N° 31</li><li>• Arrêté du 9 février 2005</li></ul>	
Country-specific support system	<p>In France, the purchase of commodities is subject to a reduced VAT rate if the commodities are related to investments in the improvement, the transformation, the fittings, the conservation or certain equipment of buildings constructed more than two years prior (Code Général des Impôts, art. 279-0 bis, 1; Instruction fiscale 3C-2-10 N°31). Thus, the purchase of such commodities by private individuals is indirectly promoted.</p> <p>This incentive was introduced by Finance Act 2000 (Loi n° 99-1172, Art. 5) and amended by subsequent annual Finance Acts. Loi n° 2000-1352 (Art. 67) introduced the tax credit (Crédit d'Impôt) for renewable energy sources and made them eligible for the reduced VAT rate. This tax incentive is subject to a multitude of non-legislative standards.</p> <p>The reduced VAT applies to services, equipment and delivery (Instruction fiscale 3 C-7-06 N°202, title 1, chapter 2, sections 1, 75). In order for the equipment to be eligible, it shall be delivered and installed by the same company (either directly by this company or by a sub-contractor), and the equipment and the installation works shall be listed on the same invoice (Instruction fiscale 3 C-7-06 N° 202, title 1, chapter 2, sections 1, 82).</p>	
Promoted technologies	General information	The reduced VAT rate applies to sources of energy which are specified in Code Général des Impôts, Art. 200 quater and are thus eligible for the tax credit (Crédit d'Impôt) (Instruction fiscale 3 C-2-01 N° 119, 2). In pursuance of the Code, the following renewable energy technologies are eligible: solar energy, wind energy, hydro-energy, hydraulic energy and biomass.
	Wind energy	Eligible (Instruction fiscale 3 C-2-01 N° 119, 2; art.1 Arrêté du 9 février 2005).
	Solar energy	<p>Eligible with the following restrictions:</p> <ul style="list-style-type: none"><li>• Systems shall comply with EN 61215 or NF EN 61646 (Instruction fiscale 3 C-2-01 N° 119, 2; art.1 Arrêté du 9 février 2005)</li><li>• Systems shall be designed to cover the electricity needs of a building (systems that generate up to 3 kW or do not cover more than 30 m²). Larger systems are eligible for a tax reduction for the first 3 kW of electricity produced; electricity exceeding this amount is subject to the regular VAT rate.</li><li>• The invoice shall show the different VAT rates separately (RES N°2007/12 (TCA)).</li></ul>



	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Biomass</b>	Eligible (Instruction fiscale 3 C-2-01 N° 119, 2; art.1 Arrêté du 9 février 2005).
	<b>Hydro-electricity</b>	Eligible (Instruction fiscale 3 C-2-01 N° 119, 2; art.1 Arrêté du 9 février 2005).
<b>Amount</b>	<ul style="list-style-type: none"> <li>• <b>On the French mainland and in Corsica</b>, the reduced VAT rate is 5.5%.</li> <li>• <b>In the overseas departments and regions (DOM-ROM)</b> of Guadeloupe, Martinique and Réunion, the VAT rate is 2.10% (Instruction fiscale 3 C-7-06 N°202, titre 2, 211; Instruction fiscale 3 C-2-10 N° 31).</li> </ul>	
<b>Beneficiaries</b>	The reduced VAT rate applies to investments made by the owner of a building, a co-owner syndicate (syndicat de copropriétaires), a tenant, an inhabitant or his representative (Code Général des Impôts, art. 279-0 to 3). This means that every natural person or legal entity may be granted a VAT reduction as long as all obligatory prerequisites are met (Instruction fiscale 3 C-7-06 N°202, titre 1, chapter 3, section 1, 184). Legal entities involved in business activities are not eligible for the reduced VAT rate, as they have to pay input-VAT, which may be deducted from the VAT they charge. Thus, the VAT is a pass-through item.	
<b>Procedure</b>	<b>Procedure</b>	<ul style="list-style-type: none"> <li>• <b>Confirmation of entitlement.</b> The client ordering deliveries and services subject to the reduced VAT rate shall confirm in writing that the building in question was completed more than two years ago (Code Général des Impôts, Art. 279-0 to 3).</li> <li>• <b>System delivery and installation.</b> Having received this confirmation, the company assigned shall carry out the services related to the delivery and installation of the renewable energy system. In order for the reduced VAT rate to be applicable to both services and cost of materials, the materials shall be purchased and installed by the same company or its sub-contractor (Instruction fiscale 3 C-7-06 N°202, titre 1, chapitre 2, section 1, 82-84).</li> </ul>
	<b>Competent authority</b>	
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	The reduced VAT rate for renewable energy systems leads to lower state revenue, which is compensated for by other revenue.
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	