

Discours d'ouverture de la 1ère édition du Forum de Paris sur la décarbonation par Bruno Le Maire

Mercredi 11 octobre 2023

Bruno LE MAIRE

Thank you so much. Hi everybody, ladies and gentlemen. I have one single message to send you. If you want to decarbonize your industry, there is one place to be, which is France. This could be the end of my speech but I would like to add some details. First of all, you know the goal that we have with President MACRON and all the Government, which is to reduce our greenhouse gas emissions by 55 % by 2030 and to achieve carbon neutrality by 2050. I'm really convinced that we can achieve those objectives. This requires, first, a reduction in consumption, or in other words, energy saving. We need to change our habits and we have been successful over the last two years to do it. But this energy saving does not mean degrowth. And I want to make one point very clear. We believe in growth. We believe in innovation. We believe in industry because we believe it is possible to produce and to consume low carbon goods. This is the only way to reconcile climate and prosperity if we want to continue to benefit from high quality health care and modern technology. I don't believe in degrowth which would pave the way for high political difficulties and high social difficulties. To meet that objective, we have implemented a new framework at the European level with key measures that you are aware of. Public support for industry with the EPSA, trade reciprocity with the CBAM. And thanks to this European framework, we have been able to open one electric battery gigafactory in northern France, which is the beginning of the construction of a whole cluster for electric car batteries with four gigafactories, which will be built in the next 5 years. In this regard, we just have to ask one question. Why is it that France is so attractive for that kind of investment? There is one single response, which is nuclear energy. This is the major french comparative advantage. Thanks to our nuclear power capacities, we are already one of the most developed nations with the lowest emissions reunit of JETP. Just to make the comparison, in 2022, France emitted one hundred tons of CO2, 10 million dollars of JETP, compared with 149 in Germany, 229 in the United States and 510 in China. This comes back to what I just said at the beginning of my speech, if you want to decarbonize your economy, come to France, take the benefit of the nuclear energy and nuclear plans, take the benefits of our economic framework. We want now to go further and to go quicker. First of all, since we have this advantage with the nuclear plans, we will increase the production of nuclear energy, we have just launched with President MACRON a new program to build 6 new nuclear reactors and we just launched studies on the construction of 8 additional nuclear reactors. And I'm not speaking about the innovative reactors and the new technologies that we are working on. We will also massively deploy renewable energy infrastructures such as photovoltaic panels, onshore and maritime wind power and hydroelectricity. We want to reach around 120 GW of renewable energy in 2030. In addition to electrification, the exit from fossil fuels will also require the large-scale deployment of alternative low-carbon energy production infrastructures, such as the development of biogas and carbon-free heat. Third, to reduce greenhouse gas emissions in the industrial sector, the use of innovative technologies will be

accelerated by the development of low-carbon hydrogen and carbon capture, use and storage. So you can see, we have decided a massive deployment of production, network and energy storage infrastructures. The investments to come are the most important over the last five decades. And this will make France the most significant nation as far as decarbonized electricity and decarbonized production is concerned in Europe. Of course, since we have those major investments, there are major needs for money. And money means also opportunities for investments. Let's be once again very clear: in the current period of fiscal tightening, characterized by rising interest rates, governments will not be able to pay the bill alone. And we don't want to have those investments being based only on public money. This would be a political mistake. This would be also an economic mistake. We need private money, we need private savings if we are to rise to the challenge. The French government, as you know, believes in private enterprise and in the contribution of private investors to the funding of the climate transition. The last six years have shown us that this is the key to success. And we have been successful with President MACRON to make France the most attractive country for foreign investments. And we want to keep that place, we want to keep that ranking, and we want these investments in renewable energies, in nuclear energy, and in the climate transition to be a new evidence of the capacity for France to attract private investments. Our strategy is based on two pillars: an attractive regulatory framework and a competitive public financial support. We want to use public money as a leverage and not only as money for investments. As far as the regulatory framework is concerned, I just presented an ambitious bill whose aim is to decarbonize our existing industries and the production of key technologies such as electric batteries, solar panels, wind turbines, and heat pumps. We will support the deployment on due time of industrial sites, thanks to a halving of permit delivery times, the simplification of procedures, and the decontamination of industrial wastelands. An attractive regulatory and support framework for CO2 transport infrastructure will be elaborated in the coming month after a dialogue with private investors. A recent law also facilitates the use of private financing to renovate public buildings. Several legislative and regulatory developments have also made financial vehicles more attractive and better suited for infrastructure financing. We will also offer very attractive public financial support with two goals: a competitive return on investment and the derisking investments. To leverage on private investments in the climate transition, the government has allocated the Fund's France2030 with 54 billion euros over five years. This plan has a strong focus on innovation in key sectors such as low-carbon mobility programmes, low-carbon hydrogen, electrification of industrial facilities, electronics, or nuclear energy. I really encourage you to look into the many opportunities offered by this plan through direct funding of companies or through managed funds. Regarding investments subsidies, France will be the first country in the EU to implement an attractive tax credit for green industries, which will be part of the finance bill for 2024. This tax credit, starting on the 1st January of 2024, will subsidize the production in France of solar panels, wind turbines, heat pumps, batteries, and the production of key subcomponents and materials necessary for their manufacture. Which means that we have drawn the lessons from the decisions by President BIDEN on the Inflation Reduction Act. We put in place an Inflation Reduction Act in France, and we want this decision to be extended to all European countries. The risking investments. I don't want to enter into too much details. I just want to give you some quick examples. We put in place contracts for different granting, a steady revenue stream for project promoters in the long term, and clauses, containing inflation-linked cost escalation clauses. We will follow suit as far as carbon capture is concerned. And this year, we have also developed a new and innovative guarantee framework, a new scheme offering a public guarantee for long term contracts between a green energy producer and a factory will be also in place. This scheme protects the energy producer against the counterparty risk in case the factory is no longer viable. I think that this is a key of protection for all of you. I'm proud to announce today that the first industrial project will benefit from this public guarantee scheme. The French food company, Bonduelle, and the energy provider, Arkolia, will cover a renewable energy contract through this guarantee scheme. I don't want to be any longer. I just want to emphasize that the vision of the French government and the vision of the French President is quite clear. Decarbonisation, fight against climate change, climate transition are key opportunities for all of us.

There is a need to move on. There is a need to invest. There is a need to put far more money in innovation, in new technologies, in disruptive technologies. And we want to be the first great nation to be fully decarbonised by 2040. This is our long-term goal. This is why we want to build not only on public money, which would be foolish and I think unreachable, but we want to build together on public money and on private money. Public sector and private sector. The government, but also the big companies, the SMEs and all the companies are willing to invest in the decarbonisation of the economy and in the decarbonisation of the industry. We want France to be a model of a successful climate transition, which means having all together on board, having the same goals as far as CO2 emissions reduction are concerned and the same strategy. Our strategy is reliable. Our strategy is based on key assets, nuclear plants, and let me be very clear, I don't see any possibility of being successful in the fight against climate change and in the climate transition and in the reduction of CO2 emissions while increasing the parts of the industry sector without nuclear plants and without nuclear energy. That's why we are so much at the lining with President MACRON. The need for recognizing that nuclear plants and nuclear energy are a key advantage for all European countries. The best way of mixing growth and sustainable development, growth and climate transitions mean new technologies, renewable energies, sobriety and nuclear energy. We can count on the reliability of the strategy of the French government. I really count on the support of all financial investors and all private companies. Thank you to all of you.