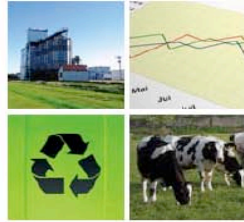




	Dépenses	Produits	Solde
1	10 000,00	10 000,00	0,00
2	20 000,00	20 000,00	0,00
3	30 000,00	30 000,00	0,00
4	40 000,00	40 000,00	0,00
5	50 000,00	50 000,00	0,00
6	60 000,00	60 000,00	0,00
7	70 000,00	70 000,00	0,00
8	80 000,00	80 000,00	0,00
9	90 000,00	90 000,00	0,00
10	1 000 000,00	1 000 000,00	0,00
TOTAL	1 784 170,70	1 784 170,70	0,00



Domestic offset projects in France

Benoît Leguet – Mission climat
Reggio Emilia – Mar 18, 2008



Caisse
des Dépôts

Who are we?

- State-owned financial institution
- Activities in CO₂
 - ┌ Manage the French registry
 - ┌ Registries (SERINGAS software)
 - ┌ Investor in European Carbon Fund
 - ┌ Shareholder of Bluenext
 - ┌ Carbon neutral
 - ┌ Research: Mission climat
 - Mitigation (EU ETS and projects)
 - Adaptation
- Domestic Offset Projects (DOPs)
 - ┌ Asked to help set up a DOP scheme in France
 - ┌ Assessment report in Nov. 2005



The price of CO₂ on the EU ETS





The EU ETS in France

Sector	Greenhouse gas emissions in 2003		Change (metric tonnes, millions) 1990 to 2003	Share of emissions under NAP
	tCO ₂ eq millions	%		
Energy production	72	13%	- 8	100%
Industry	111	20%	- 31	70%
Agriculture	108	19%	- 11	0%
Transport	149	27%	28	0%
Buildings	102	18%	13	0%
Waste	14	3%	- 2	0%
TOTAL France	557	100%	- 11	27%

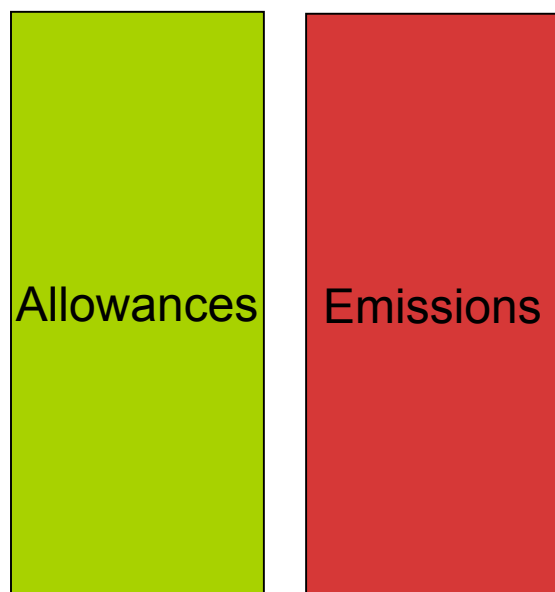
- } EU ETS covers 41% of EU GHG emissions
- } How to handle diffuse emissions ?

DOPs in France

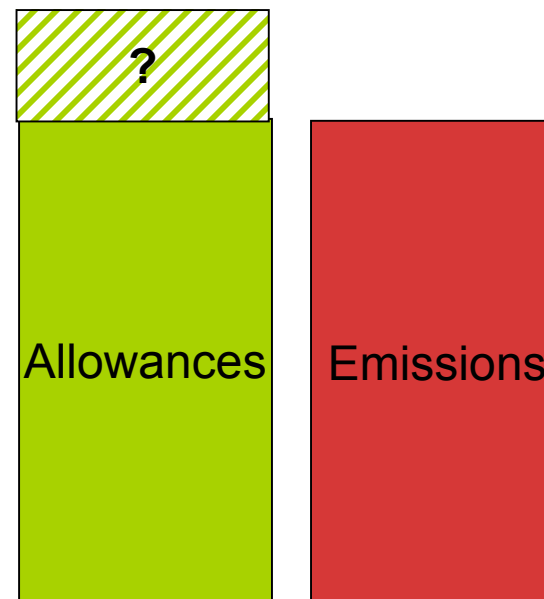
Principles

- Reminder on the Kyoto Protocol
 - ⌋ CO2 assets (allowances) and « liabilities » (GHG emissions)

Before policy/project



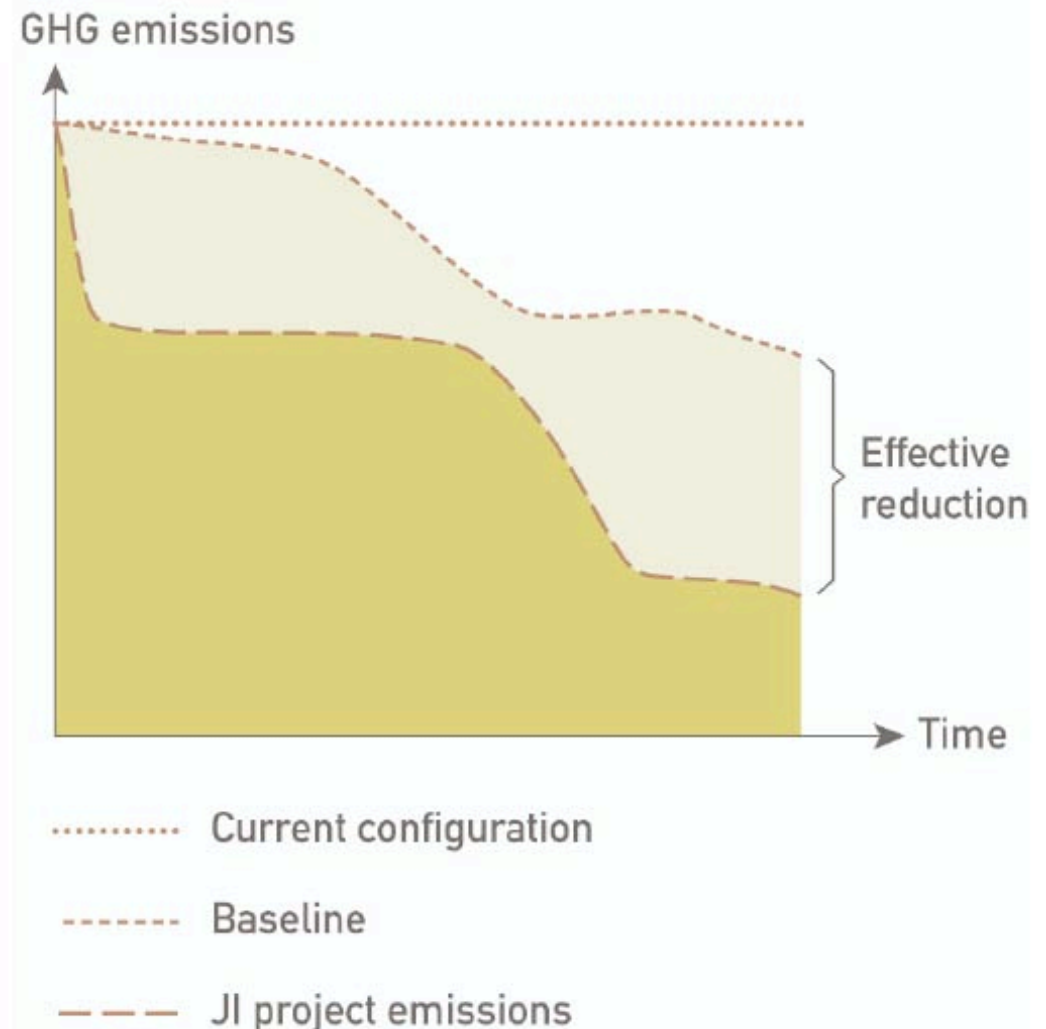
After policy/project





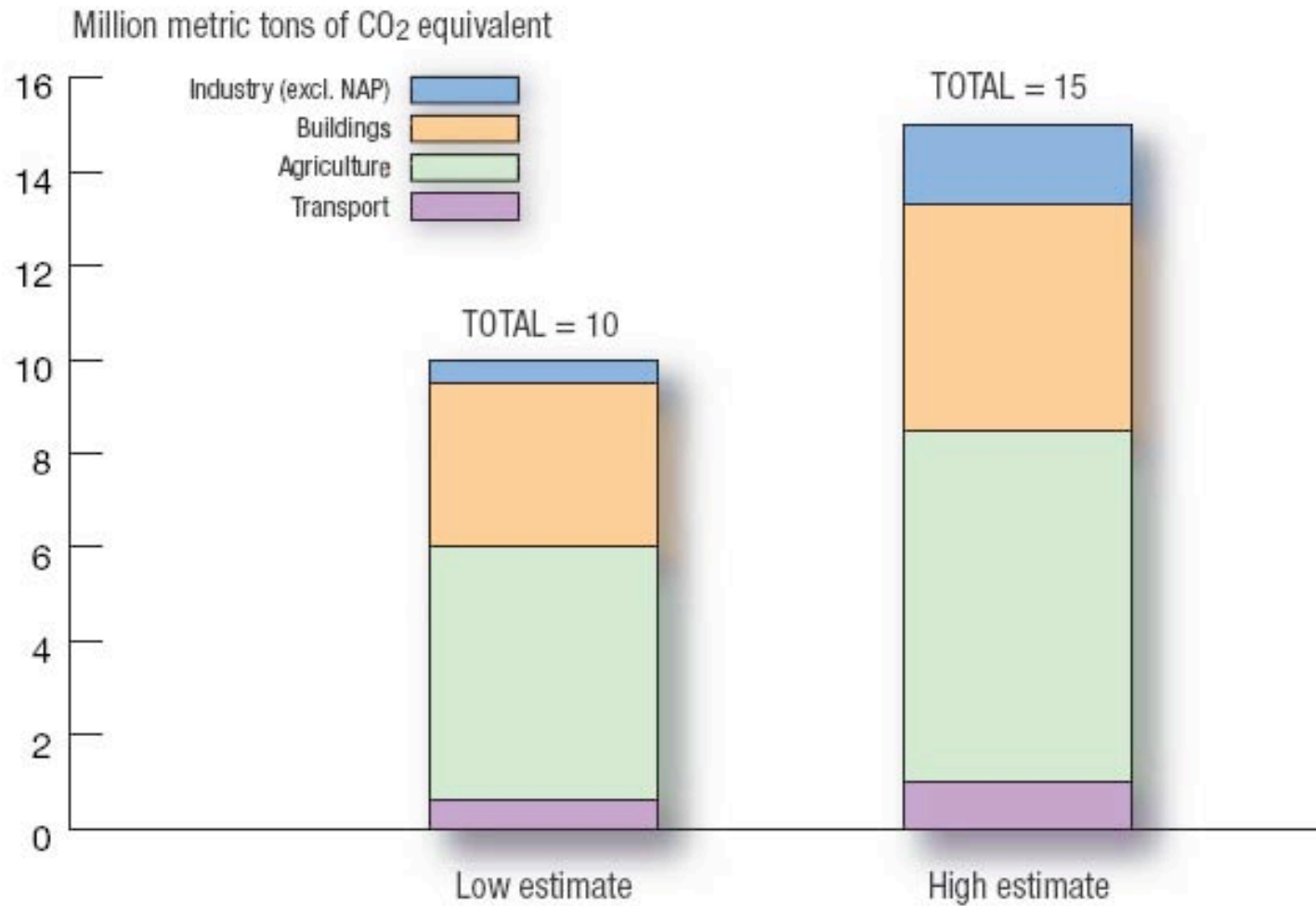
DOPs in France Principles

- Based on Joint Implementation
 - ┌ Kyoto carbon allowances from the State are converted into carbon credits that can be used on the EU ETS
- « Additionnal » effort
- Emission reductions are credited over 2008-2012





DOPs in France Potential



DOPs in France

Examples

- Fuel switch
 - ⌋ Switch from LFO to wood in offices, 5000 m²
 - ⌋ Emission reductions : 150 tCO₂/year, or 750 tCO₂

 - HFC end-use
 - ⌋ Change in the cold-generating fluid in a supermarket
 - ⌋ Emission reductions : 200 tCO₂/year, or 1000 tCO₂
- ⇒ Possibility to bundle small projects to lower transaction costs.
- ⇒ Use of standardized baselines + "pre-determined additionnality"



DOPs in France Methodologies

- Methodologies approved by the French Government
 - ∟ Renewable heat production
 - ∟ Methane digesters
 - ∟ HFC end-use in production of cold
 - ∟ Use of biogas in city bus fleets
 - ∟ Thermo-oxydation of industrial GHGs

- Other methodologies submitted
 - ∟ Modal shift in transportation
 - ∟ Energy efficiency in housing
 - ∟ Energy efficiency in fishing fleet
 - ∟ Other industrial processes ?



Caisse
des Dépôts

DOPs in France

The role of Caisse des Dépôts

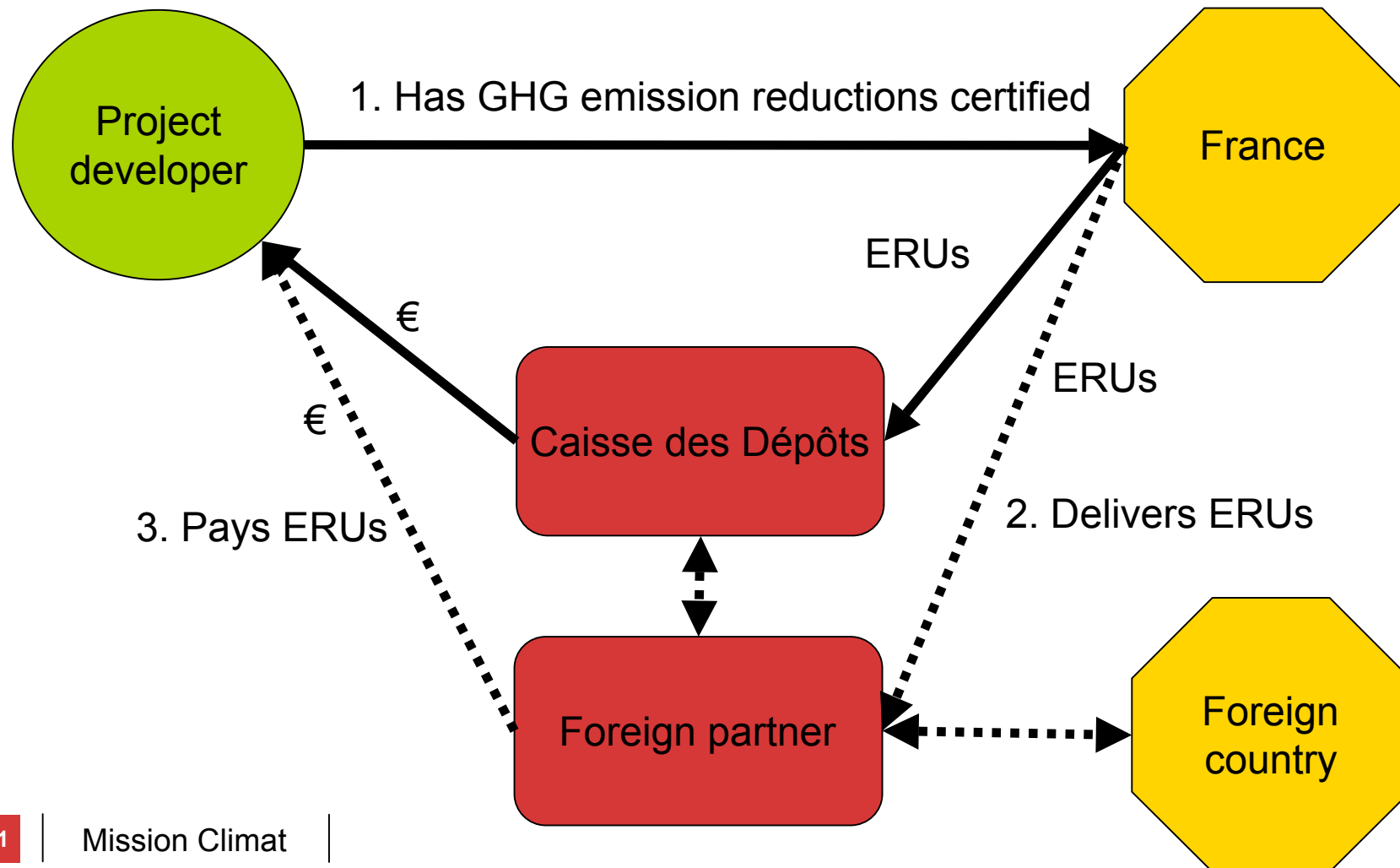
- To facilitate project development under JI guidelines
 - ∟ By providing « upstream » assistance in elaborating methodologies
 - ∟ By bringing in a foreign partner
 - ∟ By purchasing all carbon credits generated by the project over 2008-2012, at conditions determined in 2007
- Caisse des Dépôts's ceiling for investment: 5 MtCO₂-e during the 2008-2012 period.



Caisse
des Dépôts

DOPs in France

The role of Caisse des Dépôts

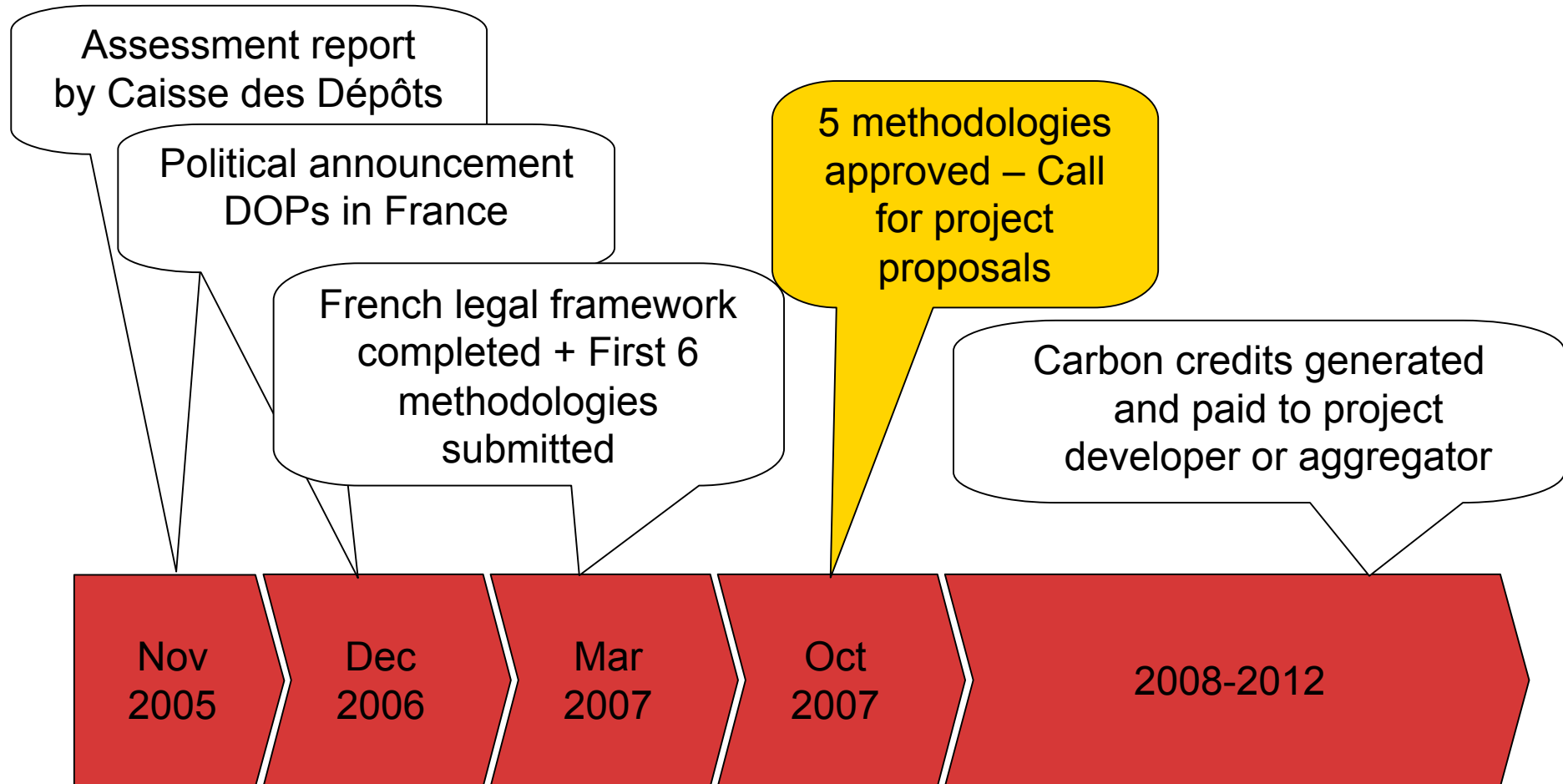




Caisse
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DOPs in France

The role of Caisse des Dépôts





Caisse
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DOPs in France and local governments

- First results of the call for projects (Feb. 2008)
 - ┌ 30+ projects, 3 Mt-eq CO₂
 - ┌ Projects sponsored by cities
 - Biomass
 - Biogas for bus fleets

- Large potential untouched (e.g. housing)
- Need for a « programmatic » approach to finance local governments' initiatives?



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Programmatic DOPs? An example: Rhône-Alpes

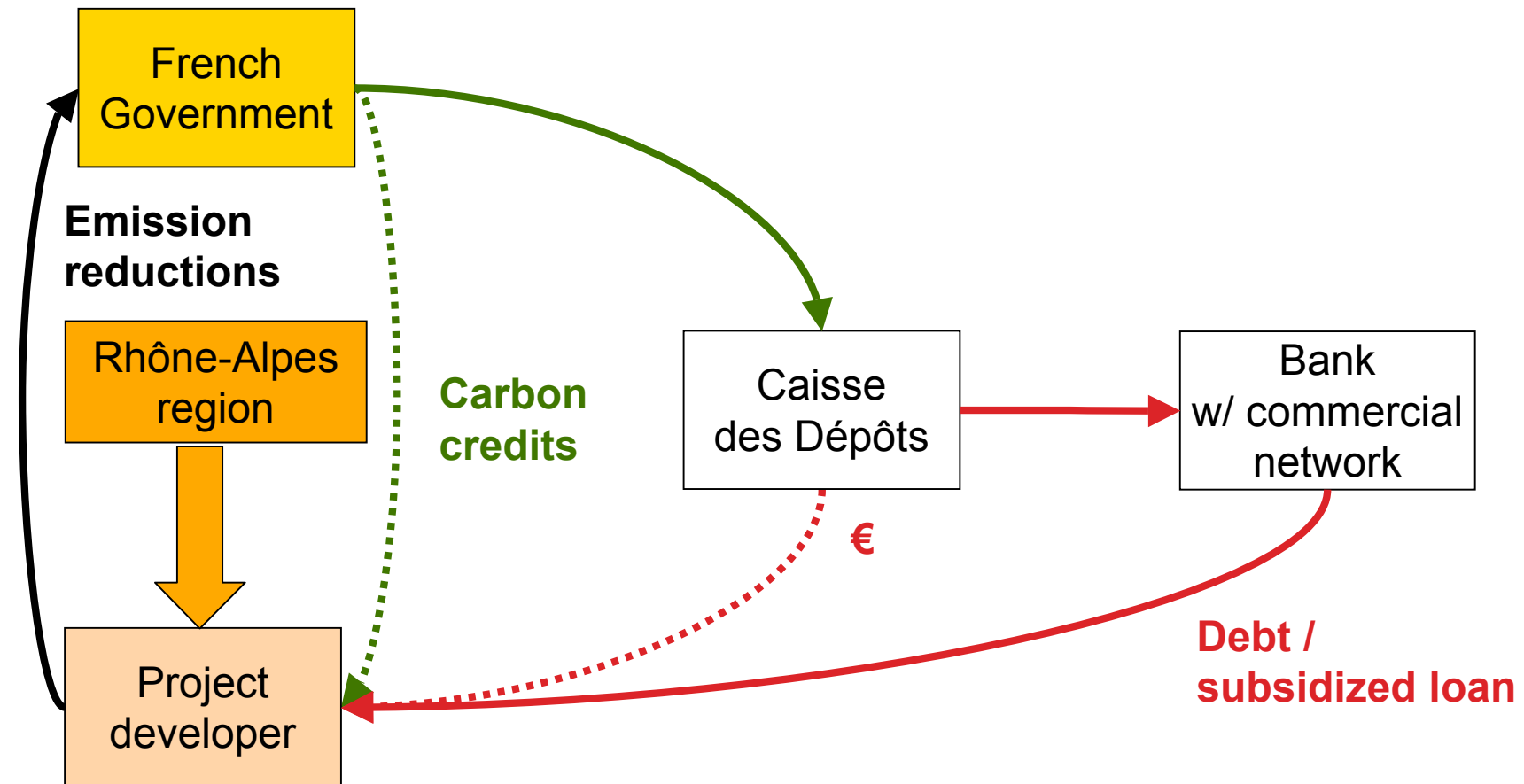
- Energy Efficiency in the Rhône-Alpes region
- Regional policies to foster investment in EE and small-scale RE (heat pumps, etc.)





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Programmatic DOPs? An example: Rhône-Alpes





Next steps for DOPs

- Programmatic DOPs:
 - } experimented in Germany in 2008-2012 (NRW Energie-Agentur)
 - } could be experimented in France if methodology is approved

- DOPs after 2012
 - } EC's climate and energy package: article 24a
 - } Calls for harmonized rules for projects in Europe
 - } Room for programmatic projects and local governments?

