

ENSURING THAT POLLUTERS PAY

France



France's revenue from environmentally relevant taxes remains close to the EU average. Environmental taxes stood at 2.32 % of GDP in 2019 (EU-27 average: 2.37 %). The largest portion of the environmental taxes were the energy taxes at 1.94% of GDP, against an EU average of 1.84 %. Transport taxes represented 0.26% of GDP (EU average being 0.45%), taxes on pollution and resources represented 0.12%. In the same year, the environmental tax came to 4.89 % of total revenues from taxes and social security contributions (below the EU average of 5.76 %).¹

Further options

Nitrogen fertiliser tax to protect surface water

France could consider a nitrogen fertiliser tax. France has a national nutrient surplus (rank 13/27) with according to Eurostat 42 kgN/ha UAA, though much higher in regions with intensive agriculture (e.g. Brittany). The Commission's Implementation Review of France establishes that "The most significant pressures on surface water bodies in France is from diffuse agricultural sources". OECD's environmental performance review of France deplores "the eutrophication of aquatic

and coastal ecosystems, particularly in intensive farming areas in western France" and recommends to "increase the diffuse pollution charge and extend it to cover mineral nitrogen fertilizer". A tax of € 1.75 per kgN could raise revenues of €2972 million in 2025 (decreasing to € 1832 million in 2030). This would result in a small decrease in employment depending on the scenario, with a decrease in employment of 0.35% when revenues are recycled back to the sector.

HOUSEHOLD WASTE TAX OR FEE

Depending on the city in which they live, French residents must pay the **household waste collection tax and/or fee**. The **household waste collection tax or “taxe d’enlèvement des ordures ménagères” (TEOM)** aims to finance both household and non-household waste collection. It is paid annually by the owner of a property alongside the property tax, but can be transferred to tenants in rental charges.

The **household waste collection fee or “redevance d’enlèvement des ordures ménagères” (REOM)** is paid by the person who lives in the household and based on the usage of waste collection services. It is fixed by the local authorities, which also decide on invoice and payment dates. The fee can be partly fixed and partly proportional, or vary depending on the number of people living in the household.

Alongside the TEOM and the REOM, **incentive pricing or “tarification incitative” (TI)** charges the waste removal service according to the actual weight of waste produced by each household.

What it does

Pioneering local authorities set up TI since the end of the 1990s. However, the adoption of TI began to pick up pace since 2010 thanks to several laws, plans and programmes focused on reducing waste. More recently, it has also been promoted in the 2015 law on the energy transition and green growth.

The Ministry of Environment published an evaluation of the TI; while the Agency for Ecological Transition (Agence de la transition écologique, ADEME) provides extensive information/guidance documents about the three instruments. The take-up of TI ultimately lies in the hands of local authorities. A few examples of municipalities which have implemented TEOMI are available here. Furthermore, the Association nationale des collectivités locales (AMORCE), a national network of local communities, has also been active in at least one stakeholder consultation in 2004 regarding a REOM reform.



WATER POLLUTION FEE

France's water pollution fee (or redevance pollution eau) raised a total of 1,960M€ in 2016. The fee is paid in €/m³ on water consumption at the household level. Together, these two charges represent over 80% of total revenues from water charges. Water-related taxes are said to make up 23% of the total water bill. The level of taxes is calculated using a simple formula at the municipal level, combining inhabitants and seasonal visitors, as well as an agglomeration coefficient depending on the size of the city. A pre-determined cost of pollution per capita, differentiated from city to city, is then multiplied by the number of inhabitants. The product of taxes is collected by the utilities and transferred to the Basin Agencies.

What it does

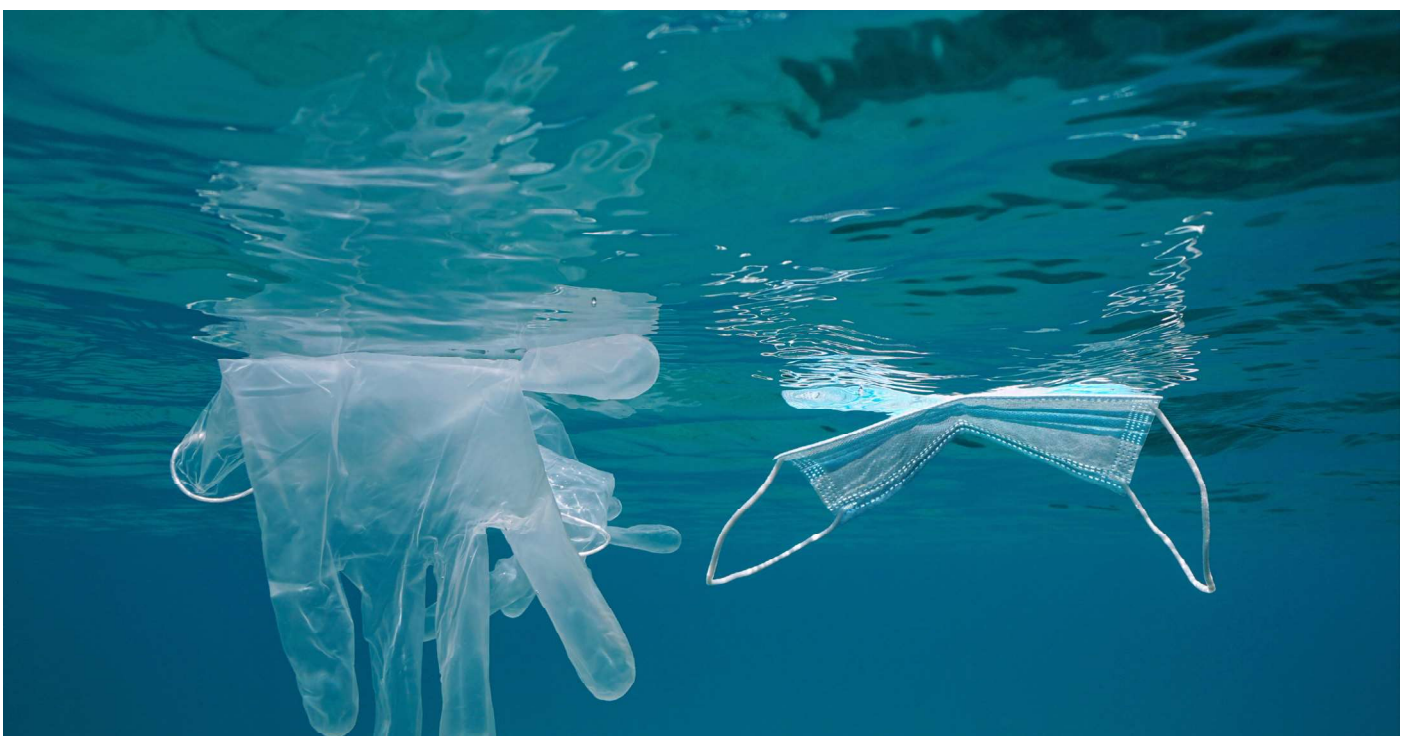
Water taxes in France are meant to put a price on pollution, while also raising consumer awareness and decreasing consumption. Research on consumer responsiveness to water taxes in France shows that a 10% increase in tax reduces water consumption by 0.26%. The water pollution and resource fees in France represent environmental taxes that are used by the Basin Agencies to improve the environmental wellbeing of the river basins (i.e. pollution control and protection

of ecosystems).

How it came about and stakeholder involvement

Six Water Basin Agencies in France are responsible for managing and preserving water resources and aquatic environments. They are placed under the authority of the Ministry for Ecological Transition and the Ministry of Economy, Finances and Recovery. An example of a water agency is Agence de l'Eau Seine-Normandie, responsible for the Seine-Normandy basin. The agency finances investments projects and activities that contribute to the preservation of water resources and fight against pollution through fees collected from all users. The revenues collected are redistributed in the form of subsidies and/or advance payments to local authorities, economic operators, farmers or associations undertaking actions to protect the natural environment. The agency also provides technical support and advice (more information on the scientific committee can be found [here](#))

Public information portal on water (e.g. relevant statistics and data, information on the status of water bodies, public policy on water): Eau France (eaufrance.fr)



Key stakeholders

Academics (universities, thinktanks research institutes, independent researchers)

[Le comité pour l'économie verte](#), a committee reuniting relevant stakeholders (representatives of the administration, industry organisations, trade unions, environmental NGOs, consumer associations, national and European Parliament, and local communities), serving the ministers responsible for the environment, economy and finance. The committee makes analyses and proposals related to environmental taxation and market-based instruments.

[Centre d'Information sur l'Eau](#), knowledge centre on water and water policy.

[Simon Porcher](#), Université Paris-Sorbonne, expert on water pricing and public water supply.

François Destandau (expert on French water agencies), École Nationale du Génie de l'Eau et de l'Environnement

de Strasbourg, francois.destandau@engees.unistra.fr

NGOs (environmental, consumer, green business networks, citizen science groups, etc.)

[Assises Nationales des Déchets](#), contact@assises-dechets.org (symposium taking place every two years, looking into solutions for waste management – it gathers local authorities, associations, industries, as well as public administrations)

[Association nationale des collectivités locales](#) (AMORCE), a network for information, experience sharing, and support for local authorities and actors in the field of energy transition, territorial waste management, and sustainable water management. Contact point: Muriel Floriat, expert on water, mfloriat@amorce.asso.fr

[France Nature Environnement](#) (information@fne.asso.fr)

¹ https://ec.europa.eu/eurostat/databrowser/view/env_ac_tax/default/table?lang=en

Linguistic version	Media/Volume	Catalogue number	ISBN	DOI
EN PDF	PDF/Volume_01	KH-09-21-235-EN-N	978-92-76-39059-6	10.2779/706614