

Legal 500

Country Comparative Guides 2025

France

Environment

Contributor

UGGC Avocats



Carine Le Roy-Gleizes

Partner | c.leroy@uggc.com

Corentin Chevallier

Partner | c.chevallier@uggc.com

Antoine Juquin

Associate | a.juquin@uggc.com

Alice Messin-Roizard

Associate | a.messin-roizard@uggc.com

This country-specific Q&A provides an overview of environment laws and regulations applicable in France.

For a full list of jurisdictional Q&As visit legal500.com/guides

France: Environment

1. What is the environmental framework and the key pieces of environmental legislation in your jurisdiction?

The framework for environmental law in France is set by:

- The French Environmental Charter, which has a constitutional value, and contains a number of principles such as the prevention and precautionary principles, or the polluter pays principle;
- The Environmental code, which main regulations concern classified facilities ("ICPE"), waste, contaminated lands and soils, water, biodiversity and air;
- Ministerial orders, which are not codified.

2. Who are the primary environmental regulatory authorities in your jurisdiction? To what extent do they enforce environmental requirements?

The main authorities are the prefect, the regional environment, development and housing directorate ("DREAL"), and other specific State services such as the regional health agency ("ARS"). The Ministry for the Ecological Transition, Biodiversity, Forest, Sea and Fishing as well as the Ministry for the Energy Transition are mainly dedicated to the drafting of environmental law and definition of main policies and priorities.

These authorities have both administrative and judicial police powers. While the administrative police has a preventive purpose, aiming at preventing damages to the environment, the judicial police has a repressive purpose, penalising criminal offenses.

3. What is the framework for the environmental permitting regime in your jurisdiction?

There are two main nomenclatures under French law, the classified facilities nomenclature ("ICPE") and the water activities nomenclature ("IOTA"). They both provide categories and limits that determine the applicable legal framework to the activity. Under classified facilities regulation ("ICPE"), the activity may be subject to an authorisation, registration or a declaration while under the facilities, structures, works and activities impacting water resources regulation ("IOTA"), an authorisation or a

declaration may be required.

The environmental authorisation, created for facilities presenting a high level of risks, encompasses the authorisation of the classified facilities or water facilities and a wide range of other regimes (endangered species, land clearing...). Following the publication in 2024 of the implementing decree of the Green Industry Act, obtaining an environmental permit follows a new procedure, with the review of the permit application and public consultation merged into a single phase, which is meant to result in accelerated projects approval times.

If authorised, the classified installation is regulated by its own prefectural order that sets the specific prescriptions applying to the installation. Some specific rules apply to some authorised facilities (Seveso, IED, waste facilities).

The registration procedure is a simplified authorisation. After the submission of an application to the regulatory authority and a public consultation, the prefect decides to register or not the facility. In addition, particular requirements can be enacted to fill out the registration.

The least polluting and dangerous facilities are subject to the declaration regime, which only requires from the operator to report its facility to the authority before the commissioning of the activity and to respect ministerial orders.

Under water regulation, the IOTA facilities presenting no particular danger are subject to the declaration regime but have, however, the obligation to respect the general rules of water preservation, and some legal prescriptions set by prefectural orders when necessary.

4. Can environmental permits be transferred between entities in your jurisdiction? If so, what is the process for transferring?

Generally, an environmental permit can be transferred between entities. This procedure requires from the new operator a declaration to the regulatory authority, and varies depending on the regime. For the facilities subject to declaration or registration, the new operator declares to the regulatory authority, within one month, the change of operator. For those subject to authorisation, the declaration must occur within 3 months after the transfer.

For certain facilities whose activity requires financial guarantees (Seveso, waste storage facilities, quarries among others), the change of operator must be authorised by the prefect. However, the 2023 Green Industry Law has reduced the number of facilities covered by such a requirement, which consequently also reduces the number of permit transfers requiring prefectural approval.

Environmental permits for IOTA facilities can also be transferred within 3 months after the transfer, but certain installations (dams or installations using hydraulic energy) must make a prior declaration.

5. What rights of appeal are there against regulators with regards to decisions to grant environmental permits?

There are two main procedures of appeals. Third parties can appeal an administrative decision delivering a registration or a declaration within 4 months after publication. Environmental permits (authorisations) can be appealed by third parties within 2 months after publication, the appeal needing to be notified both to the author and to the beneficiary of the decision.

The operator can appeal the refusal of the Prefect to deliver the permit within 2 months after notification.

The procedure of appeal takes place before the administrative court of the facility's place and provides to the tribunal the opportunity not only to annul a decision but also to modify it.

6. Are environmental impact assessments (EIAs) for certain projects required in your jurisdiction? If so, what are the main elements of EIAs (including any considerations in relation to biodiversity or GHG emissions) and to what extent can EIAs be challenged?

Under French law, some projects are systematically subject to environmental impact assessment, while for others it is a case-by-case decision made by the Prefects of the region, depending on the expected impacts of their activity on the environment.

The Environmental Authority ("*Autorité environnementale*") is responsible for (i) issuing an opinion on the need of performing an environmental impact assessment for projects, plans and programmes, and, (ii) where necessary, issuing an opinion on the quality of the environmental assessment.

The assessment includes a non-technical summary of the project, a description of the project, a depiction of the likely evolution of the environment without the project, a description of the significant environmental impacts of the project, the measures considered to avoid, reduce and, where possible, offset significant adverse environmental or human health impacts of the project, a presentation of the monitoring modalities for these measures and their effects, and a description of the alternatives examined and the main reasons for its choice in terms of environmental impact.

Under French law, the impact assessment cannot be challenged on its own; it must be challenged within the frame of an appeal against the environmental permit.

7. What is the framework for determining and allocating liability for contamination of soil and groundwater in your jurisdiction, and what are the applicable regulatory regimes?

The applicable regulatory regimes are divided among a chapter dedicated to the contamination caused by classified facilities, a chapter on waste and another chapter for the pollution on contaminated sites and soils.

The main principle is that when the lands are contaminated by a classified facility due to the last operator or the person that changed its use, this person is liable for the remediation of the polluted land. For waste, the producer or owner that contributed to the contamination is liable.

8. Under what circumstances is there a positive obligation to investigate land for potential soil and groundwater contamination? Is there a positive obligation to provide any investigative reports to regulatory authorities?

There is no general obligation to investigate land to detect contamination. Nevertheless, it may become necessary when a contamination is identified on a site where an activity is still operated.

Within the frame of the cessation of activity, investigations can be performed and provided to regulatory authorities to attest that the environmental condition fits with the future use of the land. Indeed, French law applies a risk versus use approach, meaning that the condition must be consistent with the use of the site through a Human Risk Assessment and in respect of the protected interests. Eight types of use have been

defined by decree, ranging from an industrial use of land to a use to accommodate sensitive population.

9. If land is found to be contaminated, or pollutants are discovered to be migrating to neighbouring land, is there a duty to report this contamination to relevant authorities?

Under French law, there is no specific obligation to inform the administration of a contamination. However, there is an obligation for operators of classified facilities to report to the regulatory authorities accidents or incidents generated by the facility's operation and that could harm the interests protected by the environmental regulation. Therefore, a contamination that may be considered as an accident or incident must be disclosed. Operators are also required to report to the regional health agency (ARS) any pollution revealed by investigations carried out at the time of cessation of activity if exposure of local population on or near the site cannot be ruled out.

10. Does the owner of land that is affected by historical contamination have a private right of action against a previous owner of the land when that previous owner caused the contamination?

Under French law, the seller has the obligation to inform the buyer by a written statement that a classified activity used to operate on the site. The seller must also inform the buyer about the danger or harm that result from the past operation of the facility. The actions will be most frequently exercised on the basis of the deed of sale if the information has not been disclosed.

If the owner is also the last operator, his liability will be challenged as such, depending on the operator's respect of its regulatory requirements and of the contractual terms.

11. What are the key laws and controls governing the regulatory regime for waste in your jurisdiction?

Key provisions regarding waste are codified in a specific chapter in the environmental code. The waste directive 2008/98 (modified in 2018 by directive 2018/851) also regulates this sector. A 2020 law against Waste for a Circular Economy ("AGEC Law") targets both waste prevention and waste management; the Law aims to reduce waste by improving their recovery and recycling, and by undermining planned obsolescence. More

specifically, the AGECE Law imposes new obligations on manufacturers of plastic items, new bans on single-use plastics and new enforcement tools.

Besides, with the aim of promoting and fostering the circular economy, the 2023 Green Industry Law introduced a new way to end the waste status. Until that law, waste status could be ended under certain conditions defined by ministerial order. Now, under certain conditions defined by law, a company may manufacture a product from waste without the product itself being considered as waste. In the same spirit, the Green Industry Law provides that some products may not be considered as waste within industrial platforms under certain conditions.

The regulatory authority regarding enforcement of waste law is the Mayor, unless the waste producer is a classified facility, in which case the prefect is competent.

12. Do producers of waste retain any liabilities in respect of the waste after having transferred it to another person for treatment or disposal off-site (e.g. if the other person goes bankrupt or does not properly handle or dispose of the waste)?

The producer of waste has a legal obligation to proceed to its disposal and elimination. The producer's liability extends from the production of the waste to the final disposal or recycling, as he has a legal obligation to make sure that the person to whom he transfers the waste has the required authorisation and complies with the law. Therefore, even with a contractual agreement whereby he subcontracts the disposal, the producer remains liable.

In June 2023, the Administrative Supreme Court ruled, interpreting legal obligations, that a waste collection and transport company cannot be qualified as a producer or holder of waste under environmental law, unless it has acted negligently. Consequently, the company cannot be held responsible for waste disposal, which remains the liability of the producer or consignor.

Finally, several French administrative courts ruled that the owner of a plot of land containing waste can be secondarily liable. The owner's liability can only be established if it appears that the producer of waste has disappeared or is unknown, and if the owner has shown negligence in securing the site.

13. To what extent do producers of certain products (e.g. packaging/electronic devices)

have obligations regarding the take-back of waste?

Under French law, an extended producer responsibility ("REP") imposes a financial contribution for their waste management on producers, some distributors and importers of waste. About twenty five extended producer responsibility sectors exist nowadays in France, a few having come into effect in 2025. Some have created a take-back obligation for the distributor, for instance concerning electric and electronic devices.

The 2020 AGECE Law concerning circular economy provides for an extension of the take-back obligation to all sectors of extended producer responsibility such as building materials and toys.

14. What are the duties of owners/occupiers of premises in relation to asbestos, or other deleterious materials, found on their land and in their buildings?

Owners of buildings whose construction permit has been issued before 1997, except individual housing, have to establish and update a technical study on asbestos listing the products containing asbestos, details on the previous evaluations and the safety recommendations regarding the identified materials.

Before a demolition, a preliminary diagnosis must be done by the owner of any type of building whose construction permit has been issued before 1997, in order to identify the different products and protect workers from inhaling asbestos.

The results of the diagnoses take into account the degradation of the material, its physical protection and exposure to air flow, shock and vibration. According to the results, three different measures can be imposed: a periodic evaluation of the state of preservation, a measure of the level of dust and, if it exceeds a certain level, removal works may be necessary.

Also to protect workers, a 2024 decree sets out the conditions for asbestos detection prior to certain operations in civil engineering and transport structures, and makes it compulsory, with effect from July 1, 2026, to apply a standardized methodology for identifying asbestos-containing materials and products, prior to any work on these types of structures.

15. To what extent are product regulations (e.g.

REACH, CLP, TSCA and equivalent regimes) applicable in your jurisdiction? Provide a short, high-level summary of the relevant provisions.

The regulation is enforceable in France through the transposition of European directives, or by direct application if it is a European regulation, such as REACH and CLP.

Industrial sectors have adapted to fulfil the requirements of the regulations. In order to comply with REACH, operators have to identify and manage the risks of the substances they use and sale in the EU. Under this framework, they have to produce information regarding physicochemical, toxicological and ecotoxicological properties of the substances they produce or import.

In addition, they have to adapt their labelling and packaging of the substances regarding the CLP classification so that the different dangers identified (physical, environmental or regarding health) be communicated to both actors of the supply chain and consumers. The 2024 CLP revision has updated this classification and extends this communication obligation to products sold online.

16. What provisions are there in your jurisdiction concerning energy efficiency (e.g. energy efficiency auditing requirements) in your jurisdiction?

The two major mechanisms are energy efficiency certificates and energy audits.

Energy efficiency certificates consist in the obligation for energy suppliers ("les obligés") to save energy so they get an incentive to promote energy efficiency to their clients and energy consumers in general. The obliged actors must detain energy efficiency certificates, something they can do by measuring energy savings and obtaining certificates, or by buying certificates.

Energy audits concern companies with more than 250 employees or a turnover exceeding 50 million euros and a statement of account exceeding 43 million euros.

The Climate and Resilience Law of August 2021 introduced numerous provisions on housing energy efficiency, including the obligation to renovate the most energy inefficient buildings by 2028. The law also sets higher information standards on energy efficiency for buyers and renters, as well as the gradual ban of energy inefficient buildings.

17. What are the key policies, principles, targets, and laws relating to the reduction of greenhouse gas emissions (e.g. emissions trading schemes) and the increase of the use of renewable energy (such as wind power) in your jurisdiction?

Key policies, principles and objectives derive from international, European and national law.

Most of the current principles and objectives relating to the reduction of greenhouse gas emissions arise from the Paris Agreement signed and ratified after France hosted the 21st Conference of the Parties ("COP21"). The Paris Agreement fixes the objective – reasserted by subsequent COPs – to keep the increase in global average temperature well below 2°C above pre-industrial levels and to continue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

The 2019 French Climate Energy law translates this objective into the national regulation by setting the goal of carbon neutrality by 2050. Introducing the concept of "ecological and climate emergency" into the French environmental code, this legislation also heightens the targets previously provided by the Grenelle I and II laws as well as by the law on the energy transition. Indeed, the Climate Energy law sets a reduction by 40% of the fossil fuel consumption by 2030 and plans that renewable energies must account for 40% of the French electricity generation by 2030. The Climate and Resilience Law of August of 2021 prohibits advertising for the marketing or promotion of fossil fuels.

The Fast-Tracking Renewable Energy Production Law, passed in 2023, is also in line with the objective of reducing greenhouse gas emission and promoting renewable energies. It means to (i) simplify environmental procedures and reduce project approval times, (ii) improve planning for the deployment of renewable energies in territories in cooperation with local authorities, (iii) mobilize existing artificialized land to develop renewable energy projects, and (iv) share the value of renewable energy projects with their host territories.

In particular, most commercial and industrial buildings with a floor area of at least 500 square meters will be required to incorporate either a renewable energy production process or an ecological system by 2028.

Besides, as a member of the European Union, France is part of the EU Emissions Trading System (EU-ETS) since its creation in 2003. It is the EU's main tool for reducing greenhouse gas emissions: the overall aim of this

scheme is to make polluters pay for their greenhouse gas emissions, to help reduce emissions and to generate revenue to finance the EU's ecological transition. The rules governing the fourth period (2021-2030) of the EU-ETS have been transposed into national law by decrees published in October 2019 and in April 2024. Furthermore, from 2023 onwards, European regulations related to the Carbon Border Adjustment Mechanism started applying to imports of certain goods in France whose production is carbon intensive and at most significant risk of carbon leakage.

18. Does your jurisdiction have an overarching "net zero" or low-carbon target and, if so, what legal measures have been implemented in order to achieve this target.

Since the 2015 Paris Agreement, France aims to achieve a "net zero" target by 2050. The 2017 France Climate Plan sets ambitious greenhouse gases reduction goals, including reaching "net zero" by 2050.

Since then, the November 2019 Energy and Climate Law set that goal into law.

To reach this goal, the French National Low Carbon Strategy sets out guidelines and emission ceilings for implementing the transition to a low-carbon, circular and sustainable economy in all sectors of activity (building, transport, agriculture, etc.). It defines a trajectory for reducing greenhouse gas emissions up to 2050, and sets short and medium-term targets, referred to as "carbon budgets", for five-year periods. France is currently on its third carbon budget (for 2024-2028). The third national Strategy, which should be decided in the course of 2025, will update the future carbon budgets. France net-zero goal is in line with the EU long-term strategy, also aiming to be climate-neutral by 2050. The EU published the European Green Deal in December 2019, which provides one third of the 1.8 trillion euro investment plans for an even more ambitious goal: reducing net greenhouse gas emissions by at least 55% by 2030.

The recent EU "Net Zero Industry Act" is directly applicable in France and aims to ensure a secure and sustainable supply of net-zero technologies, with a view to the decarbonisation of the Union's economy and society. The regulation defines a challenging target: the EU must reach a manufacturing capacity for net-zero technologies of at least 40 % of its annual deployment needs to achieve the Union's 2030 climate and energy targets.

19. Are companies under any obligations in your jurisdiction to have in place and/or publish a climate transition plan? If so, what are the requirements for such plans?

Since 2020, companies which have over 500 employees and companies established in French overseas department which have over 250 employees are under the obligation to draw up a transition plan to reduce their greenhouse gas emissions. Their transition plan must include a presentation of the objectives, means and actions considered and, where applicable, of the actions implemented during the previous assessment to reduce their greenhouse gas emissions.

By July 2026, this obligation will be adapted to EU law as French law will incorporate the new European directive on corporate sustainability due diligence ("CSDDD"). The CSDDD creates an obligation for undertakings to put into effect a transition plan for climate change mitigation which aims to ensure that their business model and strategy are in line with the 1,5°C target of the Paris Agreement and the European objective of achieving climate neutrality. A supervisory authority will be designated in France to monitor and control compliance with the obligations laid down in the transposition provisions.

In addition, France has recently transposed the Corporate Sustainability Reporting Directive ("CSRD") into national law. Companies which fall into the scope of the CSRD and which have drawn up a transition plan are required to report on their transition plan, its targets and actions planned in this scope.

20. To what extent does your jurisdiction regulate the ability for products or companies to be referred to as "green", "sustainable" or similar terms? Who are the regulators in relation to greenwashing allegations?

French Law does not have a precise regulation targeting these specific marketing terms. However, some provisions encompass such marketing practices.

First, the AGECE Law of February 2020 introduced a new provision in the Environmental Code according to which, as of January 2022, products or packaging mentioning to be "biodegradable", "eco-friendly" (or any equivalent term) are banned.

Second, the Climate and Resilience Law of August 2021 has regulated the use of certain environmental claims

describing products or services in advertising. The use of terms such as "carbon neutral", "zero carbon", "climate neutral" or any equivalent term remains possible but is subject to the publication of a report describing the carbon footprint of the product or service and the process by which these greenhouse gas emissions are avoided, reduced and finally offset.

Third, the Climate and Resilience Law of August 2021 also introduced an environmental aspect to the "misleading marketing practice" provided by the Consumer Code. Such a practice is deemed misleading if it relies on fake or misleading information about the properties and results expected from the good or service's use, including its environmental impact.

Finally, by March 2026, the French legislator will have to adjust national law to transpose the 2024 EU directive on green claims. The directive adds up a list of environmental claims deemed to be misleading, such as incorrectly claiming that a good has a certain durability, in terms of time of use or intensity, under normal conditions of use.

Regulators in charge of these allegations are in particular the Ministry in charge of the environment as well as the competition, consumer affairs and fraud control officers authorized for this purpose. Besides, a Jury for advertising ethics gives his opinion on complaints for greenwashing against advertisements, in the light of professional ethics rule for advertisements.

The issue of environmental allegations is also increasingly addressed by soft law and administrative guidelines. In 2023, two state agencies published "anti-greenwashing" guides for companies and consumers.

21. Are there any specific arrangements in relation to anti-trust matters and climate change issues?

French competition law, which is based on European competition law, was designed to prevent agreements between companies and to regulate market concentrations, so as to protect consumers from excessive prices and ensure his well-being. Environmental and climate change issues have arisen in this area only relatively recently. Indeed, meeting the costs associated with the ecological transition and the new environmental protection constraints could encourage companies to engage in concerted behaviour, in contradiction with the prohibition of anti-competitive agreements.

The French Competition Authority's mandate is to protect competition, and not, per se, the environment. Conversely, the Authority can act in favour of environmental protection when it sanctions anticompetitive agreements that led companies to neutralize a differentiating factor based on better environmental protection. An increased consideration of the environmental dimension in the assessment of consumer well-being, or increased fines where the anti-competitive agreements impact negatively the environment or the climate could impact anti-trust matters.

Besides, rating systems designed to inform consumers about the environmental characteristics (environmental impact, energy efficiency or nutritional quality) of products and services are on the rise. In January 2025, the French Competition Authority published an opinion on the competitive risks such rating systems entail. Rating systems reduce the asymmetry of information available to consumers, but the French Authority warns that objective and transparent rating criteria are essential if products are to be properly compared.

22. Have there been any notable court judgments in relation to climate change litigation over the past three years?

Environmental litigation has been considerably increasing over the three to four last years, especially lead by administrative courts.

Between 2017 and 2021, the French Administrative Supreme Court found the State liable in several cases regarding the insufficiency of the measures enshrined in the Protective Atmospheric Plan. In other words, measures implemented by the State were considered insufficient to ensure a decent air quality in several areas (including Paris). The State was ordered to pay a penalty of 10 million euros for every six months of inaction. The penalty payments were liquidated in October 2022 and November 2023 as several areas were still above the limit values. In another case, the French Administrative Supreme Court found the State liable for the insufficiency of the measures it had implemented to reduce greenhouse gases. Their reduction has been considered insufficient to meet the thresholds set by current and future carbon budgets. As a remedy, the Court ordered in July 2021 that the State implement appropriate measures by March 31st, 2022. In April 2022, the State provided a report detailing the measures taken as a result of the Court order. However, in May 2023, the Supreme Court recognized that the State action was still insufficient in light of national climate objectives and ordered the implementation of new measures by June 30st, 2024.

In October 2021, the Administrative Court of Paris found the State liable for the ecological prejudice suffered by several NGOs resulting from the disrespect of the first carbon budget. As a remedy, the Court ordered the State to implement appropriate measures to remedy the consequences of its inaction by December 31st, 2022. In December 2023, the Court considered that the ecological damage had not yet been fully compensated, but did not impose a penalty on the State. This decision was appealed and will be reviewed by the Administrative Court of Appeal of Paris.

Finally, for the first time in 2023, the administrative judge recognized a causal link between air pollution and respiratory pathologies of a child, and condemned the State to repair the damage. Despite the symbolic sum involved, this is the first case in which individuals have been awarded compensation for the damage they have suffered as a result of air pollution. The Administrative Court of Appeal of Paris confirmed the judgment in October 2024.

23. In light of the commitments of your jurisdiction that have been made (whether at international treaty meetings or more generally), do you expect there to be substantial legislative change or reform in the relation to climate change in the near future?

In 2021, France signed the Glasgow Climate Pact, which aims to limit global warming under 1.5°C by implementing the Paris Agreement, encouraging Parties to set more ambitious attenuation goals and creating a work group for adaptation policies. France has also committed to stop deforestation by 2030, lower its oil and gas production, halt export finance for fossil fuels by the end of 2022 and reduce its methane emissions.

Considering the current trends in legislative and court judgements that both aim towards more ambitious climate action, substantial legislative change or reform seems relatively likely.

In December 2024, as part of the public hearings before the International Court of Justice (ICJ) on the legal obligations of States with regard to climate change, France invited the judge to clarify the obligations arising from the Paris Agreement (2015) and to adopt an approach based on solidarity between States rather than on liability.

Even though only indirectly linked to climate change, the issue surrounding plastic production, consumption and

pollution is rising. At the international level, France has pushed for a binding Treaty to tackle plastic pollution. The Treaty would cover all stages of the life cycle of plastic products and promote sustainable production and consumption of plastics. . The fifth session of the Intergovernmental Negotiation Committee, that was supposed to be the last, took place in South Korea in December 2024 but was not conclusive. States plan to meet again at an unknown date yet.

24. To what extent can the following persons be held liable for breaches of environmental law and/or pollution caused by a company: (a) the company itself; (b) the shareholders of the company; (c) the directors of the company; (d) a parent company; (e) entities (e.g. banks) that have lent money to the company; and (f) any other entities? Transactions

(a) The company itself can be held liable under administrative, civil and criminal law for breaches of environmental law and/or pollution. Its liability can be challenged for environmental damage or breaches of environmental law in case acts of negligence or faults are shown. Under French criminal law, if an individual is held liable, the liability of the corporate entity is not excluded. A law of December 2020 provides the possibility for corporate entities whose actions have harmed the environment to pay a public fine proportionate to their turnover, in the framework of an environmental judicial agreement.

(b) Shareholders can never be held liable in the current status of French environmental law.

(c) Directors of the company can only be held liable under criminal law. To be personally liable, the offence must be the result of their personal conduct or of their personal knowledge of the offence but failure to take appropriate action.

(d) A parent company can be held liable under civil law under certain conditions (theory of the veil piercing during a bankruptcy procedure). Indeed, the parent company can be held liable for the remediation measures in case it wrongfully contributes to its subsidiary's bankruptcy.

25. To what extent can: (a) a buyer assume any pre-acquisition environmental liabilities in an asset sale/share sale; and (b) a seller retain any environmental liabilities after an asset sale/share

sale in your jurisdiction?

Under French law, a buyer and a seller can introduce an environmental liability guarantee clause in order to proceed to the allocation of their contractual liabilities in case a contamination is discovered at a later stage. Depending on this clause, the seller could also retain his environmental liabilities after the asset.

More broadly, if the new operator is conducting the same activities as the former one, he will be transferred the obligations and liabilities related to the continued activity on site. However, this responsibility will remain on the previous operator if contamination is not related to the continued activity.

The mechanism of "interested third party" provided by the French environmental code also allows the last operator to transfer its administrative liability to the purchaser of the asset, who will then be in charge of remediation, and, since the 2023 Green Industry Law, may also be in charge of security measures.

26. What duties to disclose environmental information does a seller have in a transaction? Is environmental due diligence commonplace in your jurisdiction?

Regarding land sale, the environment code sets the obligation to disclose the existence of certain classified activities and the impacts of such activities. On top of that, there is a general obligation of information for all the other sales.

Environmental due diligence is becoming frequent in transactions involving a classified facility as it is the only method to check the regulatory compliance and the liabilities issues. To avoid disputes during or after the due diligence, it is highly recommended to call in a law firm specialised in environmental matters.

27. What environmental risks can be covered by insurance in your jurisdiction, and what types of environmental insurance policy are commonly available? Is environmental insurance regularly obtained in practice?

Several environmental insurance can be contracted by the operator of a classified facility to cover the risks related to a site's activity, e.g. operating losses or clean-up costs. As well, a specific insurance covering currently unidentified contamination is available for historic

contamination, but still insufficiently developed in France.

28. To what extent are there public registers of environmental information kept by public authorities in your jurisdiction? If so, what is the process by which parties can access this information?

In France, most of the environmental information is now available on the internet via a large number of digital portals and databases centralising the information held by the State's services. Since 2010, the French Ministry in charge of the environment has launched a web platform named "Géorisques" directing the public to these portals.

The procedure to access the information is provided by the French environmental code and the code governing the relations between the public and the administration. The applicant can access the information directly online or on-site, but also by email or by post.

29. To what extent is there a requirement on public bodies in your jurisdiction to disclose environmental information to parties that request it?

Under French law, the environmental information held by the State, territorial bodies, public bodies and persons in charge of a public mission related to the environment has to be communicated to any person who requests it. However, in some situations, certain sensitive information related to public and national security or industrial and technical expertise are not available to persons who request them.

30. Are entities in your jurisdictions subject to mandatory greenhouse gas public reporting requirements?

In France, companies which have over 500 employees and companies established in French overseas department who employ over 250 people must draw up an assessment of their greenhouse gas emissions ("BEGES"). This obligation is the result of the "Grenelle II" law adopted in 2010.

In addition, as an EU Member State, France has transposed the Corporate Sustainability Reporting Directive ("CSRD") into French law. Thus, companies falling into the scope of the CSRD have an obligation to report their greenhouse gas emissions (scope 1, scope 2

and scope 3) if climate affects the activities of the companies and if the companies's activities have an impact on climate (double materiality principle).

31. Have there been any significant updates in environmental law in your jurisdiction in the past three years? Are there any material proposals for significant updates or reforms in the near future?

The Climate and Resilience Law of August 2021 introduced new sets of climate policies on food, work and production, transports, housing and criminal law matters.

An ordinance and two decrees of December 2022 have transposed into French Law the European directive on the quality of water intended for human consumption. In particular, the new texts make it compulsory for those responsible for the production and distribution of water to draw up an action plan to help maintain or improve the quality of the part of water used for the production of water intended for human consumption. The purpose of this preventive approach is to control the risks associated with pollution in the catchment areas.

In March 2023, the Fast-Tracking Renewable Energy Production Law introduced several key measures meaning to (i) simplify environmental procedures and reduce project approval times, (ii) improve planning for the deployment of renewable energies in territories, in cooperation with local authorities, (iii) mobilize already artificialized land to develop renewable energy projects, and (iv) share the value of renewable energy projects with their host territories.

In June 2023, a law was passed to accelerate procedures for the construction of new nuclear facilities near existing nuclear sites and for the operation of existing facilities.

Moreover, the Green Industry Law enacted in October 2023 mainly focuses on:

- Industrial development (planning and simplification of procedures);
- Circular economy (reuse of production residues and waste);
- Brownfield remediation (procedures and penalties);
- Biodiversity restoration;
- Green industry financing.

In addition, over the past three years, France has introduced further control of the presence of per- and polyfluoroalkyl substances ("PFAS") in products in the environment. Measurement and surveillance campaigns were implemented in aqueous discharges as well as in

atmospheric emissions from thermal waste treatment facilities. The French government also updated the national strategy against PFAS, focusing on tools to foster PFAS surveillance, promote data collection, and ensure compliance with existing EU regulations, notably the REACH and POP regulations. Furthermore, a proposed bill banning the use of PFAS in everyday products is currently being discussed by the French Parliament. Finally, France endorsed the scientific evaluation of the proposal to restrict all PFAS, conducted by the European Chemicals Agency ("ECHA") at the request of five other

Member States. While no final decision has been made, the ECHA is expected to deliver its final opinion to the European Commission "in the shortest possible timeframe".

Finally, the EU has adopted a regulation on packaging and packaging waste, which will apply directly as the norm in France once it is officially published. With regards to food and textile waste, a revised version of the European waste framework directive is currently under discussion, although no date for adoption or national transposition is yet known.

Contributors

Carine Le Roy-Gleizes
Partner

c.leroy@uggc.com



Corentin Chevallier
Partner

c.chevallier@uggc.com



Antoine Juquin
Associate

a.juquin@uggc.com



Alice Messin-Roizard
Associate

a.messin-roizard@uggc.com

