



Questions and answers: European Commission positively assesses France's €39.4 billion recovery and resilience plan

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How did the Commission assess France's recovery and resilience plan?

The Commission will assess the recovery and resilience plans based on eleven criteria set out in the Recovery and Resilience Facility (RRF) Regulation. The 11 criteria require an assessment of whether:

- the measures have a lasting impact;
- the measures address the challenges identified in the country specific recommendations or a significant subset of it;
- the milestones and targets which allow for monitoring the progress with the reforms and investments are clear and realistic;
- the plans meet the 37% climate expenditure target and the 20% digital expenditure target;
- the plans respect the do no significant harm principle;
- the plans provide an adequate control and audit mechanism and set out the plausibility of the costing information.

The Commission has summarised its assessment in the proposal for the Council Implementing Decision. The accompanying staff-working document provides detailed documentation on the assessment.

Does France's recovery and resilience plan effectively support the green transition?

The French plan's contribution to the green transition amounts to 46% of its total allocation of €39.4 billion. This exceeds the minimum of 37% required by the RRF Regulation.

The plan includes structural and long-lasting investments in the energy renovation of the public and private buildings stock, clean mobility infrastructures and vehicles, as well as the decarbonisation of industrial processes. The plan also features significant intangible investments in R&D and innovation, in particular in the field of green technologies should promote the deployment of renewable and low-carbon hydrogen as a way to support the decarbonisation of the economy, and to support the aeronautics industry to transition towards a low-carbon industry. The plan should directly contribute to the preservation of biodiversity through investments in protected areas, ecological restoration operations, improvement of the forest management and extension of wooded areas. Finally, the climate and resilience law, the implementation decrees on the circular economy and the 'green budgeting' of public spending should ensure a lasting impact of the French recovery and resilience plan on the green transition, including on biodiversity and environmental protection.

Does France's recovery and resilience plan effectively contribute to the digital transition?

The French plan's contribution to the digital transition amounts to 21% of its total allocation of €39.4 billion. This exceeds the minimum of 20% required by the RRF Regulation.

The plan includes measures to improve connectivity, supports the digitalisation of businesses, and improve digital education and skills. It provides for investments in digital connectivity such as ultrafast broadband plan, particularly in rural areas.

The plan also provides investment to support education and employment, including specific interventions for digital skills development. These investments will support the implementation of the comprehensive strategy for the digitalisation of education, in particular for primary and secondary schooling.

The plan includes investments on research, innovation, deployment of new technologies, the

digitalisation of the State and the territories, cybersecurity, electronic identity and eHealth. Cybersecurity investments should strengthen public services whose disruption would have a strong impact on citizens. Significant investments in eHealth should support the national digital health services infrastructure and project management.

Does the recovery and resilience plan represent a balanced response to France's economic and social situation?

The plan represents a balanced response to France's economic and social situation. It includes measures that contribute toward all the six pillars of the Recovery and Resilience Facility, with a significant number of components of the plan addressing multiple pillars.

The plan envisages a large focus on climate transition, with around half of the components contributing to the green transition. The plan also addresses digital-related challenges in multiple areas.

The plan extensively covers the third pillar of smart, sustainable and inclusive growth, with one third of the components directly contributing to it. Economic cohesion, productivity and competitiveness are directly covered by several components of the plan.

Two components address social and territorial cohesion. The plan supports transport infrastructure and health infrastructure around the country, including in rural areas, less developed regions and outermost territories. One third of the plan contributes towards health, economic, social and institutional resilience, thereby enhancing the economic, social and territorial cohesion and convergence within France and the Union. Reinforcement of the healthcare system is well addressed in the plan, with investment in infrastructure and digitisation. Policies for the next generation are covered by a number of measures, with a direct impact on the youth, such as supporting education performance, including for the most disadvantaged children, boosting apprenticeships, vocational education and youth employment, improving youth job and income prospects.

Do the reforms presented by France effectively address a significant part of the countryspecific recommendations issued to it in the context of the European Semester?

The Commission considers that the French plan includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing all or a significant subset of the economic and social challenges outlined in the country-specific recommendations addressed to France by the Council in the European Semester in 2019 and in 2020.

The plan contains public finance reforms that are expected to help improve the quality and efficiency of public expenditure. Weak productivity growth observed before the crisis should be addressed by the planned investment in human capital with several measures aiming at supporting skills, in particular digital ones, the digitalisation of businesses and investing in innovation.

The plan includes measures dedicated to tackling unemployment. The approach focusses on youth with measures on apprenticeships, training, skills, and active labour market policies. Associated reforms, such as the reform of unemployment benefits, which includes measures aimed at addressing the challenge of labour market segmentation, are also expected to bring a lasting positive impact.

The plan contains measures that will support businesses through improving access to finance and increasing their competitiveness. Reforms will simplify the regulatory environment and reduce administrative burdens. It will strengthen the resilience of the healthcare system with investments in infrastructure and digitalisation.

For More Information

Press release: European Commission endorses France's €39.4 billion recovery and resilience plan

Recovery and Resilience Facility: Questions and Answers

Factsheet on France's recovery and resilience plan

Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for France

Annex to the Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for France

Staff-working document accompanying the proposal for a Council Implementing Decision

Recovery and Resilience Facility Regulation

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