



EUROPEAN
COMMISSION

Brussels, 26.6.2023
COM(2023) 374 final

2023/0217 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

**amending Implementing Decision (EU) (ST 10162 2021 INIT; ST 10162 2021 ADD 1) of
6 July 2021 on the approval of the assessment of the recovery and resilience plan for
France**

{SWD(2023) 236 final}

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amending Implementing Decision (EU) (ST 10162 2021 INIT; ST 10162 2021 ADD 1) of 6 July 2021 on the approval of the assessment of the recovery and resilience plan for France

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Following the submission of the national recovery and resilience plan ('RRP') by France on 28 April 2021, the Commission has proposed its positive assessment to the Council. The Council approved the positive assessment by means of the Council Implementing Decision of 13 July 2021².
- (2) Pursuant to Article 11(2) of Regulation (EU) 2021/241, the maximum financial contribution for non-repayable financial support of each Member State should be updated by 30 June 2022 in accordance with the methodology provided therein. On 30 June 2022, the Commission presented the results of that update to the European Parliament and the Council.
- (3) On 20 April 2023, France submitted a modified national RRP, including a REPowerEU chapter in accordance with Article 21c of Regulation (EU) 2021/241, to the Commission.
- (4) The modified RRP also takes into account the updated maximum financial contribution in accordance with Article 18(2) of Regulation (EU) 2021/241 and includes a reasoned request to the Commission to propose to amend the Council Implementing Decision in accordance with Article 21(1) of Regulation (EU) 2021/241 considering the RRP to be partially no longer achievable due to objective circumstances. The modifications to the RRP submitted by France concern 30 measures.
- (5) On 12 July 2022, the Council addressed recommendations to France in the context of the European Semester. In particular, the Council recommended that France proceeds

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10162 2021 INIT; ST 10162 2021 ADD 1.

with the implementation of its RRP, expands its public investment for the green and digital transitions including by making use of the Recovery and Resilience Facility, and reduce its reliance on fossil fuels, notably by accelerating the deployment of renewable energy sources and boosting energy efficiency. The Council also recommended that France pursue a fiscal policy achieving prudent medium-term fiscal positions, for the period beyond 2023, reform its pension system, addresses the shortage of skills and specific challenges in the education system. Having assessed progress in the implementation of the relevant country-specific recommendations from 2019 and 2020 at the time of submission of the modified national RRP, the Commission finds that full implementation was achieved for the recommendations 2019.4.3 (foster firms' growth) and 2020.3.1 (firms access to finance). Substantial progress has been achieved with respect to the recommendations 2019.1.4 and 2022.1.4 (reform the pension system), 2019.3.1 and 2020.3.8 (investment in R&D), 2019.3.3 and 2020.3.7 (digital infrastructure), 2019.4.1 and 2020.4.3 (simplify the tax system and reduce taxes on production), 2020.1.2 (resilience of the health system), 2020.2.1 and 2020.2.2 (mitigate the employment and social impact of the crisis, including by promoting skills), 2020.3.2 and 2020.3.3 (front-load mature public investment projects and promote private investment to foster the economic recovery), 2020.3.4 (reduce emissions in the transport sector), and 2022.1.2 (expand public investment for the green and digital transitions).

- (6) The submission of the modified RRP followed a consultation process, conducted in accordance with the national legal framework, involving local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders. The summary of the consultations was submitted together with the modified national RRP. Pursuant to Article 19 of Regulation (EU) 2021/241, the Commission assessed the relevance, effectiveness, efficiency and coherence of the modified RRP, in accordance with the assessment guidelines set out in Annex V to that Regulation.

Updates based on Article 18(2) of Regulation 2021/241

- (7) The modified RRP submitted by France updates 13 measures to take into account the updated maximum financial contribution. France has explained that, because the maximum financial contribution decreased from EUR 39 368 318 474³ down to EUR 37 448 495 278⁴, it is no longer possible to finance all the measures of the original French RRP. One investment has been removed for a total amount of EUR 250 million, and 12 investments have been downsized for a total amount of EUR 1 662 million. France has explained that certain measures should be removed or downsized due to the decrease in the allocation and some should be downsized taking into account the decrease in the allocation as well as objective circumstances affecting the implementation of those measures.
- (8) The modified RRP no longer contains investment C5.I1 (Regional investment funds) contributing to a “fund of funds” aimed at strengthening the competitiveness and investment capacity of SMEs, under component 5: Support to businesses. The

³ This amount corresponds to the financial allocation after deduction of France's proportional share of the expenses of Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology of Article 11 of that Regulation.

⁴ This amount corresponds to the financial allocation after deduction of France's proportional share of the expenses of Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology of Article 11 of that Regulation.

description of this measure and its associated milestone and target should therefore be removed from the Council Implementing Decision of 13 July 2021.

- (9) Furthermore, the modified RRP submitted by France changes measures under components 2: Ecology and biodiversity, 3: Infrastructure and green mobility, 4: Green energies and technologies, 6: Technological sovereignty and resilience, 7: Digitalisation of State, territories, enterprises, Culture, and 8: Job protection, youth, disability, vocational training to reflect the updated maximum financial contribution. Notably, part of investment C2.I6 (secure water networks) concerning the treatment of sewage sludge under component 2: Ecology and biodiversity, with no direct impact on the related target; part of investment C3.I2 (Support for the purchase of clean vehicles) that concerned the ecological bonus for the purchase of clean heavy duty vehicles, including the removal of target 3-17 under component 3: Infrastructure and green mobility; the first sub-measure of investment C4.I2 (Develop decarbonised hydrogen) that aimed at establishing a mechanism to support renewable and low-carbon hydrogen production, including the removal of targets 4-6 and 4-7; investment C4.I3 (Support plan to the aeronautics sector), including the reduction of targets 4-10 and 4-12, under component 4: Green energies and technologies; investment C6.I1 (Preserving R&D employment), including the reduction of target 6-4 under component 6: Technological sovereignty and resilience; part of investment C7.I1 (Preserving R&D employment), including the reduction of target 7-16; 3 sub-measures of investment C7.I11 (Support for cultural sectors and heritage renovations), i.e. the Press Sector Plan, the Book Sector Plan and the Cinema Sector Plan), including the removal of targets 7-32, 7-33 and 7-34, under component 7: Digitalisation of State, territories, enterprises, Culture; investment C8.I2 (Reskilling through dual training programmes (Pro A), including the reduction of target 8-9; investment C8.I6 (Creation of jobs for youth in the sports sector), including the reduction of target 8-13; investment C8.I9 (State-backed guarantees for student loans), including the reduction of target 8-16; investment C8.I10 (Personalised courses for youth aged 16-18 who do not observe the training requirements), and investment C8.I18 (Digital educational content: platforms for digital content), including the reduction of targets 8-25 and 8-26 under component 8: Job protection, youth, disability, vocational training are changed to decrease the level of required implementation compared to the original plan to reflect the decreased allocation.
- (10) The Commission considers that the reasons put forward by France justify the update pursuant to Article 18(2) of Regulation (EU) 2021/241.

Amendments based on Article 21 of Regulation 2021/241

- (11) The amendments to the RRP submitted by France because of objective circumstances concern 18 measures.
- (12) France has explained that two measures are no longer totally achievable, because supply chain disruptions and high inflation have led to problems in implementation, with an impact on their related targets. This concerns, respectively, reducing target 7.28 of investment C7.I11 (Support for cultural sectors and heritage renovations) under component 7: Digitalisation of State, territories, enterprises, Culture and reducing target 9.12 of investment C9.I3 (Renovation of medical and social establishment) under component 9: Research, Health and Dependence, Territorial cohesion. On this basis, France has requested to decrease the aforementioned targets and to make the aforementioned changes, and the Council Implementing Decision should be amended accordingly.

- (13) France has explained that investment C8.I22 (increase of the resources of Pôle Emploi) under component 8: Job protection, youth, disability, vocational training, is no longer totally achievable in its original format, because the COVID-19 crisis has led to the need to modify certain aspects of the measures, with no direct impact on its related target. On this basis, France has requested to amend the description of investment C8.I22 (increase of the resources of Pôle Emploi) under component 8: Job protection, youth, disability, vocational training, and the Council Implementing Decision should be amended accordingly.
- (14) France has explained that investment C8.I7 (boarding schools for excellence) under component 8: Job protection, youth, disability, vocational training, is no longer achievable within the timeline of the original RRP, because the COVID-19 crisis and supply chain disruptions have led to significant delays in the implementation. This concerns postponing target 8-14 and amending the description of investment C8.I7 (boarding schools for excellence) under component 8: job protection, youth, disability, vocational training. On this basis, France has requested to extend the implementation timeline and to make the aforementioned changes, and the Council Implementing Decision should be amended accordingly.
- (15) France has also explained that three measures are no longer totally achievable within the original timeline, because of high inflation. This concerns, respectively, amending the description of investment C3.I5 (Greening of the State car fleet) and postponing target 3-30 of investment C3.I6 (Greening of harbours) under component 3. Infrastructure and green mobility and modifying targets 9-8 and 9-9 of investment C9.I2 (Modernisation and restructuring of hospitals and care supply) under component 9: Research, Health and Dependence, Territorial cohesion. On this basis, France has requested to extend the implementation timeline of the aforementioned targets and to make the aforementioned changes, and the Council Implementing Decision should be amended accordingly.
- (16) France has explained that three measures are no longer totally achievable in their original format because unexpected legal or technical difficulties have led to the need to modify or abandon certain aspects of the measures in order to implement more adequate or efficient solutions. This concerns, respectively, amending milestone 1-2 and the description of reform C1.R1 (housing reform) under component 1: Buildings renovation, amending milestone 6-8 and the description of investment C6.I3 (support to innovative businesses) under component 6: Technological sovereignty and resilience, and amending target 7-21 of investment C7.I4 (Digital upgrade of the State Digital ID) under component 7: Digitalisation of State, territories, enterprises, Culture. On this basis, France has requested to amend the aforementioned milestones and targets and to make the aforementioned changes, and the Council Implementing Decision should be amended accordingly.
- (17) France has explained that four measures are no longer totally achievable because unexpected legal or technical difficulties have led to significant delays in the implementation of the measure, with no impact on the original ambition of the measure. This concerns, respectively, changing the description of investment C1.I2 (Energy renovation and major rehabilitation of social housing) under component 1: Buildings renovation, adjusting milestone 2-3 of reform C2.R2 (Law on circular economy), for which an additional milestone 2-3 bis is introduced, changing the description of investment C2.I5 (Prevention of seismic risks in the DOM (Antilles)) under component 2: Ecology and biodiversity, and postponing target 7-30 of investment C7.I11 (Support for cultural sectors and heritage renovations) under

component 7: Digitalisation of State, territories, enterprises, Culture. On this basis, France has requested to extend the implementation timeline of the aforementioned milestones and targets and to make the aforementioned changes, and the Council Implementing Decision should be amended accordingly.

- (18) France has explained that four measures have been modified to implement better alternatives in order to achieve the original ambition of the measure. This concerns, respectively, amending the description of the measure and milestone 1-3 of reform C1.R2 (thermal regulation) under component 1: Buildings renovation for which an additional milestone 1-3 bis is introduced, i), amending the description of reform C2.R1 (Climate & Resilience Law) under component 2: Ecology and biodiversity, removing the related milestone 2-2 that proved irrelevant and is replaced by a target related to the number of low-emissions zones in cities, reflecting the degree of implementation of this reform, amending the description of investment C7.I8 (Administrative continuity: digital upgrading of the administration of the education system) under component 7: Digitalisation of State, territories, enterprises, Culture to reflect a change in the scope of the measure, and amending the description of investment C8.I6 (Creation of jobs for youth in the sports sector) under component 8: Job protection, youth, disability, vocational training to reflect a change in the scope of the measure. On this basis, France has requested to amend/add the aforementioned milestones and to make the aforementioned changes, and the Council Implementing Decision should be amended accordingly.
- (19) France has requested to increase the ambition of one measure to improve the monitoring of its implementation. This concerns milestone with a sequential number 7-14a of measure C7.R5 (Assessment of the quality of public spending) under component 7: Digitalisation of State, territories, enterprises, Culture. On this basis, France has requested to add the milestone of this measure to the plan and the Council Implementing Decision should be amended accordingly.
- (20) The Commission considers that the reasons put forward by France justify the amendment pursuant to Article 21(2) of Regulation (EU) 2021/241.

Corrections of clerical errors

- (21) 60 clerical errors have been identified in the text of the Council Implementing Decision, affecting 27 milestones and targets and 39 measures. The Council Implementing Decision should be amended to correct those clerical errors that do not reflect the content of the RRP submitted to the Commission on 21 April 2021, as agreed between the Commission and France. Those clerical errors relate to investment C1.I2, and milestone 1-13 of measure C1.I4 under component 1: Buildings renovation; measures C2.I4, C2.I7, C2.I8, target 2-16 of measure C2.I9 under component 2: Ecology and biodiversity; measure C3.I1, measure C3.I4 and milestone 3-26, measure C3.I6 and target 3-30 and milestone 3-31 and measure C3.I7 and milestone 3-32 under component 3 Infrastructure and green mobility; measure C4.I3 and target 4-11 under component 4: Green energies and technologies; milestone 5-2 and measure C5.R2 under component 5: Support to businesses; measure C6.R1 of component 6 Technological sovereignty and resilience; milestones 7-1 and 7-2 of measure C7.R1, target 7-16 and measure C7.I1, target 7-18 of measure C7.I2, target 7-23 and measure C7.I6, measures C7.I7, C7.I8 and C7.I9, milestone 7-31 and measure C7.I11 under component 7 Digitalisation of State, territories, enterprises, Culture; measure C8.R1, target 8-7 of measure C8.R4, target 8-8 and measure C8.I1, measure C8.I6, measure C8.I7, target 8-17 and measure C8.I10, target 8-18 of measure C8.I11, target 8-20 and

measure C8.I13, target 8-21 and measure C8.I14, measure C8.I17, target 8-27 and measure C8.I19, target 8-28 of measure C8.I20, target 8-30 of measure C8.I21, measure C8.I22 under component 8 Job protection, youth, disability, vocational training; measure C9.I1, targets 9-7, 9-8, 9-9 and 9-10 and measure C9.I2, measures C9.I4, C9.I5 and C9.I7 under component 9 Research, Health and Dependence, Territorial cohesion. Those corrections do not affect the implementation of the measures concerned.

The REPowerEU chapter based on Article 21c of Regulation 2021/241

- (22) The REPowerEU chapter includes three new reforms and three new investments. The reforms concern the recently adopted law on the acceleration of renewable energy production, the ‘energy sobriety plan’ adopted in October 2022 which aims at reducing energy consumption by 10% by 2024 (in comparison to the winter 2018-2019), and the setting up of a General Secretariat for Ecological Planning. These reforms effectively contribute to the REPowerEU objectives, as set out in Article 21c(3) of Regulation (EU) 2021/241: in particular, the law on renewables facilitates the granting of permits and defines ‘acceleration zones’ conducive to the rapid deployment of renewables. It therefore contributes to the greening of the energy mix and increase the electricity production. The ‘energy sobriety plan’ contributes to the overall reduction of energy consumption in France and helps achieve immediate security of supply. With its planning and coordination role, the General Secretariat steers national strategies in the field of ecological transition, including the fight against energy poverty with the revision of support schemes for the energy renovation of modest households.
- (23) Three new investments under the REPowerEU chapter include (i) the decarbonisation of industry, (ii) the production and uptake of renewable and fossil-free hydrogen, and (iii) the renovation of public buildings belonging to the State. The first investment is supporting the production of industrial heat based on biomass in order to replace fossil fuels, energy efficiency and changing production processes in the industrial sector; therefore, contributing to the objective of article 21c(3), point (b) of Regulation (EU) 2021/241. The second investment supports four projects selected under an IPCEI, that contribute to the development and production of light utility vehicles using hydrogen, to the manufacturing of hydrogen fuel cell components and technologies for the production of renewable and fossil-free hydrogen, in line with art. 21c(3), points (b) and (e) of that Regulation. The third investment is supporting the energy renovation of public buildings belonging to the State with the aim of reducing, in the very short term, energy consumption and dependence on fossil fuels of the State’s building stock, in line with art. 21c (3), point (b) of that Regulation.
- (24) The REPowerEU chapter also includes one scaled-up measure under component 1 (buildings renovation): the energy renovation of private housing, including thermal sieves. This scaled-up measure included in the REPowerEU chapter introduces a substantive improvement in the level of ambition of the investment already included in the national RRP: the support scheme called “MaPrimeRenov”, which finances energy renovation of private housing is currently being revised in order to improve energy efficiency of the works and accelerate the gradual elimination of thermal sieves.
- (25) The Commission has assessed the modified RRP including the REPowerEU chapter against the assessment criteria laid down in Article 19(3) of Regulation 2021/241.

Balanced response contributing to the six pillars

- (26) In accordance with Article 19(3), point (a), of and Annex V, criterion 2.1, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter represents to a large extent (Rating A) a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all of the six pillars referred to in Article 3 of that Regulation, taking into account the specific challenges faced by and the financial allocation for the Member State concerned.
- (27) The range of actions of the modified RRP including the REPowerEU chapter corresponds to the objectives of the Facility with an appropriate overall balance between pillars. Allocations to the green and digital transitions (of respectively 49.5% and 21.6%) exceed the requirements of Regulation (EU) 2021/241 (respectively 37% and 20%), and the modified plan therefore contributes to these pillars significantly.

Addressing all or a significant subset of challenges identified in country-specific recommendations

- (28) In accordance with Article 19(3), point (b), of and Annex V, criterion 2.2, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to contribute to effectively addressing all or a significant subset of challenges (Rating A) identified in the relevant country-specific recommendations addressed to France, including fiscal aspects thereof, or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester in 2019, 2020 and 2022. In particular, the modified RRP takes into account the energy-related country-specific recommendations of 2022.
- (29) The modified RRP 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 context of the European Semester in 2019 and 2020, notably to foster the labour market integration and address the shortage of skills (CSRs 2019.2, 2020.2); improve connectivity across the territory (CSRs 2019.3.3, 2020.3.7); increase the resilience of the health system (CSR 2020.1.2); decrease emissions in the transport sector in (CSR 2020.3.4); invest and simplify R&D (CSRs 2019.3.1, 2020.3.8).
- (30) The REPowerEU chapter is expected to contribute to reinforcing the ambition of the plan as regard to the relevant CSRs addressed in the field of energy and green transition. Notably, efforts in energy efficiency and fossil fuel reliance reduction (CSRs 2019.3.2, 2020.3.5, 2022.4.1, 2022.4.3) are to be considerably increased with the scale-up and new measures on energy renovation of buildings (private housing and State buildings), as well as the decarbonisation of industry (measure ‘Fossil-free industry’). The IPCEI on hydrogen is also expected to contribute to developing and increasing the demand for renewable energy sources (CSRs 2019.3.2, 2020.3.5, 2022.4.2) and to the decarbonisation of transports (CSR 2020.3.4). The law on the acceleration of renewable energy production is expected to contribute to foster the deployment of renewable energies and improve the legal framework, as mentioned in CSR 2022.4.2.
- (31) The removal of the sub-measure ‘support to the production of decarbonised hydrogen’ (sub-measure of C4.I2) is counterbalanced by additional projects in the hydrogen sector under the REPowerEU chapter. These projects are expected to contribute indirectly to fostering the deployment of renewable energies by increasing the demand, hence contributing to CSRs 2019.3.2 and 2020.3.5. In the initial plan’s

assessment, the removed measure ‘contribution to regional investment funds’ (C5.I1) was considered relevant to achieve CSR 2020.3.1. This challenge is currently assessed as ‘fully implemented’ and thus not considered as relevant for the revised RRP assessment.

- (32) The modified RRP includes an additional milestone on the annual assessment of the measures taken to improve the quality of public spending (milestone 7-14a), due by 2025. This is expected to provide further assurance as to the effective implementation of France’s new spending review mechanism, to ensure that, as of 2023, regular public expenditure evaluations are duly conducted and their results factored into financial laws, so that they translate into expenditure savings and efficiency gains.
- (33) By addressing the aforementioned challenges, the modified RRP is expected to also contribute to correcting the imbalances, as identified in recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 in 2019 and 2020 that France is experiencing, in particular with regard to high public debt and weak competitiveness dynamics in a context of low productivity growth.

Contribution to growth potential, job creation and economic, social and institutional resilience

- (34) In accordance with Article 19(3), point (c), of and Annex V, criterion 2.3, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to have a high impact (Rating A) on strengthening the growth potential, job creation, and economic, social and institutional resilience of France, contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and youth, and on mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union.
- (35) The initial assessment of the RRP, in accordance with Article 19(3), point (c), of and Annex V, criterion 2.3, to Regulation (EU) 2021/241 found that the RRP is expected to have a high impact on strengthening the growth potential, job creation, and economic, social and institutional resilience of France, on contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and youth, and on mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union. (Rating A).
- (36) Simulations by the Commission services show that the RRP, together with the rest of measures of the European Union Recovery Instrument, has the potential to increase the GDP of France by 0.3 to 0.7 by 2026, not including the possible positive impact of structural reforms, which can be substantial.
- (37) The RRP, as adopted, included significant investments and reforms to address social challenges and improve social cohesion and integration of some vulnerable groups (disadvantaged youth, persons with disabilities and elderly people). To foster educational attainment and labour market integration measures included notably support to apprenticeships, targeted hiring subsidies, programmes to prevent early leaving from education and training, the development of boarding schools, support to the public employment service and investments in access to up and re-skilling opportunities, in line with labour market needs. To support access to health services, the adopted plan also included investments in the modernisation and the digitalisation

of the health system. Some investments such as in social housing renovation aimed at reducing energy poverty.

- (38) As part of the amendment of the RRP, the envelope dedicated to some of the above-mentioned social and employment investments has been reduced impacting proportionally their expected outcome. The amended targets reflect these changes. However, the initial positive assessment of the social impact of the plan on social cohesion remains unchanged. In particular, the plan still addresses the relevant social and employment challenges such as increasing employment, reinforcing labour market integration, and increasing skills of the workforce.

Do no significant harm

- (39) In accordance with Article 19(3), point (d), of and Annex V, criterion 2.4, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to ensure that no measure (Rating A) for the implementation of reforms and investments projects included in this RRP does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council⁵ (the principle of 'do no significant harm').
- (40) Changes introduced in measures through the revision of the plan do not affect the assessment carried out for the original version of the RRP, which remains the same.
- (41) For what concerns the new reforms and investments introduced in the REPowerEU chapter, France provided a systematic assessment of each measure against the principle of 'do no significant harm' in line with the Do No Significant Harm Technical Guidance (2021/C58/01) and, for instance, by providing justifications on the modalities of application of the existing Union and French legislative framework to avoid any significant harm. The information provided allows to conclude that the modified plan is expected to ensure that no measure does significant harm.

Contribution to the REPowerEU objectives

- (42) In accordance with Article 19(3), point (da), of and Annex V, criterion 2.12, to Regulation (EU) 2021/241, the REPowerEU chapter is expected to effectively contribute to a large extent (Rating A) to energy security, the diversification of the Union's energy supply, an increase in the uptake of renewables and in energy efficiency, an increase of energy storage capacities or the necessary reduction of dependence on fossil fuels before 2030.
- (43) The implementation of the measures included in the REPowerEU chapter are expected to contribute notably to supporting the objectives in Article 21c (3), points (b) and (e) of Regulation (EU) 2021/241. By scaling-up the measure C1.I1 Energy renovation of private housing (C10.I4) and by adding a new measure on the renovation of public buildings belonging to the State with the very short-term objective of reducing energy demand by winter 2023-2025 (C10.I3), and introducing a new reform aiming at reducing the energy consumption of all sectors in France (Plan de sobriété énergétique), the REPowerEU chapter reinforced the ambition to effectively improve energy efficiency in buildings in line with the objectives set out in article 21c(3), point (b) of that Regulation. In particular, the scale-up of the measures regarding the energy renovation of private housing (C1.I1), with MaPrimeRenov providing a better

⁵ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

coverage for vulnerable households, will help, together with the new ‘Energy Sobriety plan’, to address energy poverty, in line with the objective set out in article 21(3), point (c) of that Regulation. The measure ‘Fossil-free industry’ aims at accelerating the decarbonisation of the industry and addresses objective from article 21c(3), point (b) and (d) of that Regulation. The four projects included in the investment IPCEI on hydrogen aim at contributing to the increase of production and uptake of renewable and fossil-free hydrogen and contribute to the objectives of Article 21c(3), points (b) and (e) of that Regulation. By introducing a reform aiming at simplifying permitting procedures for the deployment of renewables, the plan aims at accelerating the deployment of renewable energy and contributes to objective from article 21c(3), point (b) of that Regulation, that is, diversification of the Union’s energy supply by increasing the share and accelerating the deployment of renewable energy. The creation of a General Secretariat for Ecological Planning (SGPE) is also expected to increase policy consistency and improve the coordination and implementation of the national strategies for climate and energy, ensuring compliance with France’s European commitments.

- (44) The REPowerEU chapter is coherent with France’s commitment to reducing greenhouse gas emissions. The measures reinforce those included in the original RRP on energy efficiency, by increasing the pace for energy renovation for both households and industry.
- (45) The REPowerEU chapter also addresses the need to diversify away from fossil fuels by accelerating the deployment of renewable energy and support innovation for the uptake of fossil-free and renewable hydrogen, thus increasing France’s energy security of supply.

Measures having a cross-border or multi-country dimension or effect

- (46) In accordance with Article 19(3), point (db), of and Annex V, criterion 2.13, to Regulation (EU) 2021/241, the measures included in the REPowerEU chapter are expected to a large extent (Rating A) to have a cross-border or multi-country dimension or effect.
- (47) The investment “IPCEI hydrogen” is a project with a multi-country and cross-border dimension, with the exception of the project related to the development of zero-emission vehicles. In addition, with the investment related to the energy renovation of public buildings, and the scaled-up measure C10.I4 Energy renovation of private housing, the revised plan contributes to increasing the pace of renovation of buildings with the goal to reducing dependency on fossil fuels and to reducing energy demand. These measures are complemented by the “Zero fossil industry” which also aims at reducing the dependency on fossil fuels and to reducing energy demand of the industry sector.
- (48) The total costs of these measures account for a total of EUR 2.6 billion representing more than 30% of the estimated costs of the REPowerEU chapter.

Contribution to the green transition including biodiversity

- (49) In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter, contains measures that contribute to a large extent (Rating A) to the green transition, including biodiversity, or to addressing the challenges resulting therefrom. The measures supporting climate objectives account for an amount which represents 49.5% of the RRP’s total allocation and 91.6% of the total estimated costs of measures in the

REPowerEU chapter calculated in accordance with the methodology set out in Annex VI to that Regulation. In accordance with Article 17 of Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is consistent with the information included in the National Energy and Climate Plan 2021-2030.

- (50) The measures withdrawn or reduced do not impact the overall ambition of the plan regarding the green transition while the REPowerEU chapter brings a significant effort to supporting further the green transition of France, since all the reforms and investments contribute integrally to reducing the reliance on fossil fuels, increasing energy efficiency and improving the regulatory framework enabling the fight against climate change.
- (51) The modified RRP including the REPowerEU chapter continues to significantly contribute to the green transition, including biodiversity, as well as to the achievement of the Union 2030 climate targets while complying with the objective of EU climate neutrality by 2050.

Contribution to the digital transition

- (52) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (EU) 2021/241, the modified RRP contains measures that contribute to a large extent to the digital transition or to addressing the challenges resulting from it. The measures supporting digital objectives account for an amount which represents 21.6% of the modified RRP's total allocation calculated in accordance with the methodology set out in Annex VII of that Regulation.
- (53) The revision of the plan did not impact its ambition towards the digital transition as well as the initial assessment. The modified RRP continues to significantly contribute to the digital transition of the businesses, the administration and to increasing the digital skills of the workforce, the pupils, and the population, with an expected lasting impact.

Lasting impact

- (54) In accordance with Article 19(3), point (g), of and Annex V, criterion 2.7, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to have a lasting impact on France to a large extent (Rating A).
- (55) The initial assessment of the RRP, in accordance with Article 19(3), point (g), of and Annex V, criterion 2.7, to Regulation (EU) 2021/241 found that the RRP was expected to have a lasting impact on France to a large extent (Rating A).
- (56) The modified RRP plan does not reduce the ambition of the initial plan as a whole. It takes into account the reduced allocation, the prolonged impact of the COVID-19 crisis, inflation and supply chain disruptions, as well as some unexpected legal or technical difficulties or the availability of better alternatives for the implementation of some measures - and includes a new REPowerEU chapter which, in addition to the existing measures, is also expected to have lasting positive effects on the French economy and further boost its green transition. In particular, the REPowerEU measures are expected to contribute to the green transition by supporting France's decarbonisation effort, energy transition and the reduction of its energy dependence. The REPowerEU measures for the decarbonisation of industry and energy renovation of private housing, and public buildings are expected to have a lasting impact on the reduction of greenhouse gas emissions and energy poverty. The REPowerEU chapter shall also contribute to the financing of the IPCEI (Important Project of Common European Interest) on hydrogen, contributing to the development of the renewable and

fossil-free hydrogen production and consumption pathway with an expected long-lasting impact on reducing long-term emissions. The scaled-up measure in the REPowerEU chapter of the revised plan also help extend France's green transition ambitions by further the energy renovation of private housing (C1.I1). The lasting impact of the plan can also be enhanced through synergies between the RRP and other programmes, including those financed by cohesion policy funds, in particular by addressing in a substantive manner territorial challenges and promoting a balanced development.

- (57) Reforms included in the REPowerEU chapter are expected to have a long-lasting impact on France by helping to reduce energy consumption of all sectors in France under the 'energy sobriety plan' (*Plan de sobriété énergétique*), simplifying permitting procedure for renewables under the law on the acceleration of renewable energy production (*Loi d'accélération de la production des énergies renouvelables*), and establishing the General Secretariat for Ecological Planning (SGPE), increasing policy consistency and supporting France's commitment to European objectives.

Monitoring and implementation

- (58) In accordance with Article 19(3), point (h), of and Annex V, criterion 2.8, to Regulation (EU) 2021/241, the arrangements proposed in the modified RRP including the REPowerEU chapter are adequate (Rating A) to ensure effective monitoring and implementation of the RRP, including the envisaged timetable, milestones and targets, and the related indicators.
- (59) The nature and extent of the proposed modifications to France's RRP do not have an impact on the previous assessment of the effective monitoring and implementation of the RRP. The milestones and targets that accompany the modified measures, including those in the REPowerEU chapter, are clear and realistic and the proposed indicators for those milestones and targets are relevant, acceptable and robust.

Costing

- (60) In accordance with Article 19(3), point (i), of and Annex V, criterion 2.9, to Regulation (EU) 2021/241, the justification provided in the modified RRP including the REPowerEU chapter on the amount of the estimated total costs of the RRP is to a medium extent (Rating B) reasonable and plausible, is in line with the principle of cost efficiency and is commensurate to the expected national economic and social impact.
- (61) For the costing assessment of the original plan in 2021, France generally provided breakdowns of costs for the measures, with references to earlier similar projects or studies carried out to justify cost figures and adequate explanations of the methodology used to establish total costs. The justification provided in the original plan on the amount of the estimated total costs of the RRP was to a medium extent reasonable and plausible, in line with the principle of cost-efficiency and was commensurate to the expected national economic and social impact and obtained a 'B' rating at the time.
- (62) For the measures that were downscaled in the revised plan to cater for the decrease in allocation (Article 18 of the RRF Regulation), the modified costs were assessed where the decrease of estimated costs was not proportional to the decrease in the relevant milestones or targets. France generally provided good quality methodologies and supporting documentation which evidenced that the cost modifications were reasonable and plausible. This concerned measures C2.I6 Securing water networks, C7.I1 Digital upgrade of companies, C8.I6 Creation of jobs for young people in sports,

C8.I9 State guarantees for student loans, C8.I10 Personalised pathways for NEET youth aged 16-18, C8.I2 Reskilling through dual training programmes (Pro A), and C8.I18 Digital educational content: platforms for digital content. Two measures were downscaled in a direct proportional manner between the estimated costs and the new or revised target (C4.I3 Support plan to aeronautics and C6.I1 Preservation of R&D employment). Entire measures or sub-measures were withdrawn with well identified costs in the initial assessment (heavy vehicles sub-measure of C3.I2 Support for clean vehicles, production mechanism of C4.I2 Develop decarbonised Hydrogen, C5.I1 Regional investment funds, press, book, and cinema sector plans from C7.I11 Culture). For measures where the description or the target was revised, invoking a change in cost compared to the initial plan (e.g. inflation), France provided detailed calculation and supporting evidence of the changes. It concerned measures C3.I5 Greening the State's car fleet, C7.I11 Culture (sub-measure Cathedrals and national historical monuments), and C9.I3 Renovation of medico-social establishments. For the measures in the REPowerEU chapter, the assessment of the cost estimates and supporting documents show that most of the costs are reasonable and plausible. The costs of the scaled-up measure were demonstrated as proportional. Full costs demonstration was provided for the new measures. However, the fact that sometimes the methodology used is not sufficiently well explained and the link between the justification, the supporting evidence and the cost itself is not fully clear precludes an A rating for this assessment criterion. Finally, the estimated total cost of the RRP is in line with the principle of cost-efficiency and is commensurate to the expected national economic and social impact.

Protection of the financial interests of the Union

- (63) In accordance with Article 19(3), point (j), of and Annex V, criterion 2.10, to Regulation (EU) 2021/241, the arrangements proposed in the initial RRP were considered adequate (Rating A) to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under that Regulation, and the arrangements were expected to effectively avoid double funding under that Regulation and other Union programmes. The nature and extent of the proposed modifications to France's recovery and resilience plan do not impact the positive assessments as the new investments and reforms included in the REPowerEU chapter are to be subject to the same audit and control procedures as the ones currently in place for the other measures of the plan. This is without prejudice to the application of other instruments and tools to promote and enforce compliance with Union law, including for preventing, detecting and correcting corruption, fraud and conflicts of interest, and for protecting the Union budget in line with Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council⁶.

Coherence of the RRP

- (64) In accordance with Article 19(3), point (k), of and Annex V, criterion 2.11, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter includes to a high extent (Rating A) measures for the implementation of reforms and public investment projects that represent coherent actions.
- (65) The original French RRP is structured around nine coherent components, which support the common objectives to stimulate the recovery of the French economy, to contribute to the green and digital transition and to improve France's resilience.

6

Therefore, the RRP contributes to France's sustainable and inclusive growth. Each component is built around consistent packages of both reforms and investments, with measures that are mutually reinforcing or complementary. Synergies also exist across the various components and no measure contradicts or undermines the effectiveness of another.

- (66) The modification amends the nine existing components, and brings an additional (10th) component, the REPowerEU chapter. The modifications made to the existing chapters do not alter the overall coherence of the plan, taking into account the way the components are mutually reinforcing and complementary. The additional component related to REPowerEU's objectives brings an additional coherence layer as it includes new and scaled-up measures following three complementary axes focused on energy. These three axes are: the development of innovative hydrogen technologies, investment in building energy efficiency and promoting renewable energy and fossil free industry. The components of the modified plan are built around consistent packages of both reforms and investments.

Consultation process

- (67) In accordance with its national legal framework, France conducted a series of consultations with relevant stakeholders to discuss the amendments to Regulation (EU) 2021/241 as well as the content of its modified RRP. Local and regional authorities were formally consulted on the reforms and investments envisaged under the new REPowerEU chapter on 30 March 2023. Social partners, including representatives of professional organisations, were also consulted on the same day through the Economic, Social and Environmental Council (CESE) and the Social Dialogue Committee for European and International Affairs (CDSEI).
- (68) To ensure ownership by the relevant actors, it is crucial to involve all local authorities and stakeholders concerned, including social partners, throughout the implementation of the investments and reforms included in the modified RRP, including the REPowerEU chapter.

Positive assessment

- (69) Following the positive assessment of the Commission concerning the modified RRP including the REPowerEU chapter, with the finding that the plan satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, the reforms and investment projects necessary for the implementation of the modified RRP including the REPowerEU chapter, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the modified RRP including the REPowerEU chapter in the form of non-repayable financial support should be set out.

Financial contribution

- (70) The estimated total costs of the modified RRP including the REPowerEU chapter of France is EUR 41 864 300 141. As the amount of the estimated total costs of the modified RRP is higher than the updated maximum financial contribution available for France, the financial contribution calculated in accordance with Article 11 allocated for France's modified RRP including the REPowerEU chapter should be equal to the total amount of the financial contribution available for France's modified RRP including the REPowerEU chapter. This amount is equal to EUR 37 448 495 278.

- (71) Pursuant to Article 21a(5) of Regulation (EU) 2021/241, on 20 April 2023 France submitted a request for the allocation of the revenue referred to in Article 21a (1) of that Regulation, shared between Member States on the basis of the indicators set out in the methodology in Annex IVa to Regulation (EU) 2021/241. The estimated total costs of the measures referred to in Article 21c(3), points (b) to (f) included in the REPowerEU chapter is EUR 2 826 330 141. As this amount is higher than the allocation share available for France, the additional non-repayable financial support available for France should be equal to the allocation share. This amount is equal to EUR 2 317 477 900.
- (72) Additionally, in accordance with Article 4a of Regulation (EU) 2021/1755 of the European Parliament and of the Council⁷, on 1 March 2023 France submitted a reasoned request to transfer part of its remaining provisional allocation from the resources of the Brexit Adjustment Reserve to the Facility, amounting to EUR 504 000 000. That amount should be made available to support the reforms and investments in the REPowerEU chapter as additional non-repayable financial support. The amount already paid as pre-financing should be made available once it is recovered.
- (73) The total financial contribution available to France should be EUR 40 269 973 178.

REPowerEU Pre-financing

- (74) France has requested the following funding for the implementation of its REPowerEU chapter: EUR 2 821 477 900 in the form of financial contribution calculated in accordance with Article 11, transfer of EUR 504 000 000 from the provisional allocation from the resources of the Brexit Adjustment Reserve, and EUR 2 317 477 900 from the revenue from the Emissions Trading System under Directive 2003/87/EC of the European Parliament and of the Council.
- (75) For those amounts, pursuant to Article 21d of Regulation (EU) 2021/241, on 20 April 2023 France has requested pre-financing of 20% of the funding requested. Subject to available resources, that pre-financing should be made available to France subject to the entry into force of, and in accordance with, an agreement to be concluded between the Commission and France pursuant to Article 23(1) of Regulation (EU) 2021/241 (the 'financing agreement').
- (76) Council Implementing Decision ST 10162 2021 INIT; ST 10162 2021 ADD 1) of 6 July 2021 on the approval of the assessment of the RRP for France should therefore be amended accordingly. For the sake of clarity, the Annex to that Implementing Decision should be replaced entirely,

HAS ADOPTED THIS DECISION:

Article 1

Implementing Decision (EU) ST 10162 2021 INIT; ST 10162 2021 ADD 1) of 6 July 2021 is amended as follows:

(1) Article 1 is replaced by the following:

“Article 1

⁷ Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve (OJ L 357 8.10.2021, p. 1).

The assessment of the modified RRP of France on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved. The reforms and investment projects under the RRP, the arrangements and timetable for the monitoring and implementation of the RRP, including the relevant milestones and targets, the relevant indicators relating to the fulfilment of the envisaged milestones and targets, and the arrangements for providing full access by the Commission to the underlying relevant data are set out in the Annex to this Decision.”;

(2) In Article 2, paragraphs 1 and 2 are replaced by the following:

“1. The Union shall make available to France a financial contribution in the form of non-repayable support amounting to EUR 40 269 973 178⁸. That contribution includes:

1. an amount of EUR 24 323 387 303 that shall be available to be legally committed by 31 December 2022;
2. an amount of EUR 13 125 107 975 that shall be available to be legally committed from 1 January 2023 until 31 December 2023;
3. an amount of EUR 2 317 477 900⁹, in accordance with Article 21a(6) of Regulation (EU) 2021/241, exclusively for measures referred to in Article 21c of that Regulation, with the exception of measures referred to in Article 21c (3), point (a);
4. an amount of EUR 504 000 000, transferred from the Brexit Adjustment Reserve to the Facility. The amount already paid as pre-financing under Regulation (EU) 2021/1755 shall be made available once it is recovered.
5. The Union financial contribution shall be made available by the Commission to France in instalments in accordance with the Annex to this Decision. An amount of EUR 4 868 304 386 shall be made available as pre-financing in accordance with Article 13 of Regulation (EU) 2021/241.
6. An amount of EUR 564 295 580 shall be made available as pre-financing in accordance with Article 21d of Regulation (EU) 2021/241. That pre-financing may be disbursed by the Commission in up to two payments.
7. The pre-financing and instalments may be disbursed by the Commission in one or several tranches. The size of the tranches shall be subject to the availability of funding.”

(3) The Annex is replaced by the text in the Annex to this Decision:

⁸ This amount corresponds to the financial allocation after deduction of France’s proportional share of the expenses of Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology of Article 11 of that Regulation.

⁹ This amount corresponds to the financial allocation after deduction of France’s proportional share of the expenses of Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology of Article 11 of that Regulation.

Article 2

This Decision is addressed to the Republic of France.

Done at Brussels,

*For the Council
The President*



EUROPEAN
COMMISSION

Brussels, 26.6.2023
COM(2023) 374 final

ANNEX

ANNEX

to the

Proposal for a COUNCIL IMPLEMENTING DECISION

**amending Implementing Decision (EU) (ST 10162 2021 INIT; ST 10162 2021 ADD 1) of
6 July 2021 on the approval of the assessment of the recovery and resilience plan for
France**

{SWD(2023) 236 final}

ANNEX

SECTION 1: REFORMS AND INVESTMENTS UNDER THE RECOVERY AND RESILIENCE PLAN

1. Description of Reforms and Investments

A. COMPONENT 1: Buildings renovation

According to its National Energy and Climate Plan and in order to reach the 20% reduction of energy consumption by 2030 (in comparison with 2012, which is the national objective set for 2030), France needs to invest annually an additional EUR 15 to 25 billion until 2030 into the renovation of buildings, by increasing both the rate and depth of renovation.

This component of the French recovery and resilience plan concerns investments and reforms aiming at improving energy efficiency of all types of buildings: public buildings and private ones, including private and social housing as well as buildings belonging to companies. The reforms supporting investments consist (i) in complementing the reform of the housing policy initiated by the “ELAN”¹ Law adopted in 2018 in order to increase the efficiency of public expenditure through the revision of two existing schemes (APL and Pinel²) and (ii) adopting a revised thermal regulation of new buildings (RE2020).

Investments under this component are key to achieving the energy efficiency objective, as buildings stock represents circa 25% of greenhouse gas (GHG) emissions in France and 45% of final energy consumption.

These investments and reforms shall contribute to the country-specific recommendations addressed to France in the past two years, on the need to “focus investment-related policy on [...] energy efficiency” (CSR 3, 2019) and to “focus investment on the green [...] transition, in particular on [...] clean and efficient production and use of energy” (CSR 3, 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

A.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C1.R1): Housing policy

The measure includes two distinct objectives that shall be implemented in two steps.

The revision of the calculation modalities for the APL (“aides personnelles au logement”): the amount of aid shall be calculated, from 1 January 2021 onwards, on the basis of the current income of the beneficiary household, instead of the income of the penultimate year. Such revision shall allow the system to adapt more quickly to the income variations of beneficiaries, with a view to improve social fairness. In addition, the amount of aid shall be recalculated every quarter, allowing for a gradual taking into account of recent changes in income.

The Pinel scheme is an income tax credit scheme for owners investing in new or rehabilitated dwellings, in areas where the housing market is under strain, in view of renting them: the amount of

¹ ELAN Law stands for « loi pour l'évolution du logement, de l'aménagement et du numérique ».

² APL: aides personnelles au logement, i.e. housing benefit for low-income households; Pinel scheme: income tax reduction for rental investments.

tax credit depends on the level of incomes of the tenants as well as the level of the rent. The Budget Law for 2021 provides a gradual reduction in the rate of the tax credit in 2023 and 2024, except for dwellings located in “priority urban areas”³ or which respect certain quality standards in particular of energy and environmental performance that go beyond the current regulations. This Budget Law foresees to end the scheme by the end of 2024. Furthermore, the Budget Law for 2022 includes provisions to foster mid-range accommodations financed by institutional investors in order to improve the offer of affordable housing in urban areas where the market is under strain, where the needs are the greatest

Reform 2 (C1.R2): Revised thermal regulation RE2020

As from the 1st of January 2022, the revised thermal regulation of new buildings shall progressively replace the existing thermal regulation of buildings that entered into force in 2012. It shall initially concern residential buildings, as of January 1, 2022, and then office buildings, primary and secondary school buildings as of July 1, 2022. The main objectives of the revision of thermal rules for new buildings are:

- The improvement of energy sobriety and the decarbonisation of the energy consumed: introduction of stricter thresholds for (i) the bioclimatic need of housing (lowering the maximum threshold between 20% and 30% in comparison to current regulation RT 2012), (ii) non- renewable primary energy consumption, and (iii) GHG from energy consumption (4kgCO₂/m²/year for a single-family house, and 14 kgCO₂/m²/year for collective housing until 2024 and 6,5 kg after 2024).
- The reduction of the carbon impact of new building: the carbon impact shall take into account the entire life cycle of the building, from its construction phase to its demolition, which represent more than 60% of the buildings’ carbon impact over 50 years. Such considerations shall lead to enhancing the use of more carbon neutral construction materials, such as wood and bio-based building materials (i.e. those that store carbon and emit very little during their production).
- The adaptation of new buildings to climate change: the new regulation RE2020 shall (i) take into account the cooling of constructions in the calculation of the energy needs of a building, (ii) provide a summer comfort indicator calculated during the design of the building, and (iii) set a maximum high threshold of 1250 DH (degree-hour) and a minimum low threshold of 350 DH from which penalties shall apply in the calculation of energy performance.

Investment 1 (C1.I1): Energy renovation of private housing, including energy sieves

The French recovery and resilience plan shall finance a grant scheme, called ‘MaPrimeRenov’ (MPR), allocated to owners in order to contribute to financing insulation, heating, ventilation or energy audit works for single-family house or apartments in collective housing. All the MPR financed by the plan shall be notified to owners for eligible renovation projects before the end of 2022. In order to guarantee quality standards of the works supported, the renovation works are carried out by companies with the RGE label (“recognized as guarantors of the environment”).

The amount of the premium varies depending on the eligible materials, equipment and works performed, up to a ceiling of EUR 20 000 for a period of maximum 5 years.

Since October 2020, MPR is open to all owners, regardless of their income. However, the aid intensity varies according to household income (for modest households, the aid may go up to 90% of the amount of estimated works). In addition, MPR may benefit owners who rent their apartment/house to a tenant.

³ “priority urban areas” refer to “quartiers prioritaires de la politique de la ville”, bringing together the poorest areas.

The grant may also support works carried out in the common areas of a condominium with “MPR copropriétés”: this is a one-off aid paid to the syndicate of co-owners to finance the overall renovation works with a minimum energy gain of 35%. All condominiums consisting of at least 75% of houses (i.e. not undertakings) are eligible to this MPR, with a ceiling of EUR 3 750 per dwelling. A bonus may be allocated for condominiums with F or G labels (up to EUR 500 per dwelling), as well as for condominiums qualified as “fragile” or located in urban areas under renewal (up to EUR 3 000 per dwelling).

The level of aid varies according to the energy savings obtained by the renovation works. In order to support the most energy-intensive homes to meet the ambitions set by the Energy and Climate Law adopted in 2019, an additional bonus to MPR shall benefit owners who undertake renovation works to bring their home out of the status of energy sieves (labels F and G). Another bonus may be distributed to owners who carry out renovations that allow the home to reach the most efficient labels (A or B). These bonuses shall reach EUR 1 500 for the poorest households, EUR 1 000 for middle-income households, and EUR 500 for the wealthiest ones. In addition, in order to incentivise more efficient energy renovation (i.e. beyond renovation “gestures”), the measure provides the creation of a global renovation aid subject to the achievement of at least 55% of energy savings: the envelope shall vary between EUR 3 500 and EUR 7 000 for middle to high income households.

Overall, the energy renovation works carried out in private housing has an objective to achieve at least 30% of energy savings on average.

Investment 2 (C1.I2): Energy renovation and major rehabilitation of social housing

This measure consists in supporting social housing organisations (“offices HLM - Habitation à Loyer Modéré” are offices in charge of low-income housing) and local authorities operating social housing in order to support deep renovation of buildings. The ambition is to reach highest standards such as BBC⁴ renovation label concerning the projects from the call for projects “MassiReno”, and gradually eliminate energy sieves. The grant shall be allocated provided that existing schemes (such as écoPLS and CEE⁵), which may be combined with this new aid, are not sufficient to finance the operations of renovation.

The measure shall also deploy industrial solutions for energy renovation in social housing buildings in order to achieve zero or positive net energy balance.

First operations are expected to be financed in Q2 2021, and the financial envelope shall be allocated by State services at regional and local levels, on the basis of a survey identifying the needs. The selection of projects shall be done either through a call for projects launched in 2020 or through subsidies managed by decentralized State services or local authorities. Operations are intended to be committed in 2021 and 2022, and to be completed by the end of 2026.

Investment 3 (C1.I3): Thermal renovation of public buildings

The renovation works of public buildings have to comply with the decree adopted in application of article 175 of the ELAN Law⁶, which imposes a reduction in energy consumption by 40% by 2030 (compared to 2010) to tertiary buildings. For public buildings belonging to the State, two types of calls for projects were organised:

- One concerning higher education and research buildings and universities, which has been

⁴ BBC stands for “Bâtiment Basse Consommation”, i.e. with a maximum primary energy consumption of 50 kWh per m².

⁵ Éco-PLS : éco-prêt logement social (implemented in 2009, this scheme has been revised in 2019 and provides advantageous loans to social landlords to renovate their building stock). CEE (certificats d'économies d'énergie): the scheme was created in 2005, and imposes energy savings obligations to energy providers through certificates.

⁶ Decree No. 2019-771 of July 23, 2019 related to obligations to reduce final energy consumption in buildings for tertiary use

launched and is supervised by the Ministry of Higher Education, Research and innovation;

- Another for all other buildings belonging to the State or its operators, which has been launched and is supervised mainly by the DIE (*Direction de l'Immobilier de l'Etat*).

The first two calls for projects were launched in autumn 2020, and more than 4 000 projects have been selected in December 2020.

For buildings belonging to local and regional authorities, specific mechanisms are in place:

- For buildings owned or operated by regional authorities (mainly high schools), “credit delegations” shall be allocated by the State, and the regions shall be in charge of project selection;
- For buildings belonging to infra-regional authorities⁷ (mainly schools and primary colleges), investment grants shall be allocated by the State.

The projects are selected based on two main criteria: the maturity (and rapid implementation) and on the energy performance and impact on energy consumption, with the objective to achieve at least 30% of energy savings on average. For all public buildings, the objective is to have all contracts notified by the end of 2021, and completed by the end of 2024

Investment 4 (C1.I4): Energy renovation of very small enterprises (VSEs) and small and medium sized enterprises (SMEs)

This investment is part of a plan launched by the government in June 2020 to accompany very small and medium-sized enterprises in the ecological transition. To support thermal renovation of their buildings, two support mechanisms are in place under this investment:

The main support scheme is a tax credit amounting to 30% of the expenses of eligible actions (such as insulation of roofs, attics, walls; collective solar water heater and heat pumps⁸), and capped at EUR 25 000 per undertaking. This scheme is open for expenses incurred from 1 October 2020 until 31 December 2021. The tax credit is charged against income tax or corporate tax due by the taxpayer for the calendar year in which the eligible expenditure was incurred (i.e. 2020 or 2021).

The second support scheme shall finance accompanying measures to support artisans, small traders and self-employed people in their renovation works. The envelope shall be spent through Chambers of trades and crafts (CMA) and Chambers of Commerce and Industry (CCI), in four steps:

- Awareness: this step aims to make business leaders aware of the challenges of the energy renovation of buildings in the context of ecological transition; this action shall include a national communication campaign and local actions, in conjunction with local authorities and professional organizations.
- Diagnosis: an energy audit shall be carried out by an advisor from the CMA or the CCI, in order elaborate an action plan to start renovation works, on the basis of the ecological maturity of each company.
- Implementation: an expert shall help implementing the action plan through technical and financial assistance (such as setting up the grand applications).
- Promotion: actions undertaken by companies in the field of renovation of buildings shall be promoted to different audiences, such as consumers, companies and local authorities.

⁷ E.g. municipalities, grouping of municipalities and other local authorities such as « départements ».

⁸ The list of eligible measures shall be specified in a decree.

A.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1-1	C1.R1 Housing policy	Milestone	Reform of the APL (« aides personnelles au logement »)	Entry into force				Q1	2021	Entry into force of the legislative changes to review the calculation modalities of APL to reflect current income of the households.
1-2	C1.R1 Housing policy	Milestone	Reform of the Pinel and mid-range rental housing	Entry into force				Q1	2023	Entry into force of the provisions of the Budget Law for 2021 concerning the legislative changes to the Pinel tax credit to improve its efficiency in view of increasing housing offer in areas where the market is under strain and of the provisions of the 2022 Budget Law concerning mid-range rental housing.
1- 3a	C1.R2 Revised thermal regulation RE2020	Milestone	Revision of the thermal regulation RE2020	Entry into force				Q1	2022	Entry into force of legislative changes included in the new RE2020 in order to reduce GHG emissions of new constructions, improve the energy performance of new buildings and adapt new buildings to climate change.
1-3b	C1.R2 Revised thermal regulation RE2020	Milestone	Revision of the thermal regulation RE2020 for specific tertiary buildings	Entry into force				Q1	2025	Entry into force of legislative changes included in the new RE2020 for specific tertiary buildings, in order to reduce GHG emissions of new constructions, improve the energy performance of new buildings and adapt new buildings to climate change.
1- 4	C1.I1 Energy renovation of private buildings	Target	Number of MPR validated		Number	0	400000	Q4	2021	Number of households which have been granted a MPR.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1- 5	C1.I1 Energy renovation of private buildings	Target	Number of MPR validated		Number	400000	700000	Q4	2022	Number of households which have been granted a MPR.
1- 6	C1.I2 Energy renovation of social housing	Target	Number of dwellings within the category of social housing receiving a grant for renovation		Number	0	20000	Q4	2021	Number of dwellings within the category of social housing receiving a grant for renovation, with an objective of achieving at least 30% of energy savings on average.
1- 7	C1.I2 Energy renovation of social housing	Target	Number of dwellings within the category of social housing receiving a grant for renovation		Number	20000	40000	Q4	2022	Number of dwellings within the category of social housing receiving a grant for renovation, with an objective of achieving at least 30% of energy savings on average.
1- 8	C1.I3 Energy renovation of public buildings	Target	Number of renovation projects of public sites belonging to the State, for which the renovation works contract has been notified		Number of projects	0	2900	Q4	2021	Number of renovation projects of public sites belonging to the State, for which at least one renovation works contract has been notified, with an objective of achieving at least 30% of energy savings on average.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1- 9	C1.I3 Energy renovation of public buildings	Target	Number of public buildings belonging to local and regional authorities (LRAs) which have been the subject of a subsidy notification from the State or the Regional Council for energy renovation works		Number of buildings subsidised	0	1954	Q2	2022	Number of public buildings belonging to local and regional authorities (LRAs, including municipalities and grouping of municipalities) that have been the subject of a subsidy notification from the State or the Regional Council for energy renovation works, with an objective of achieving at least 30% of energy savings on average.
1- 10	C1.I3 Energy renovation of public buildings	Target	Number of m² of floors of public sites belonging to the State where the energy renovation works have been completed		Number of square metres (in million)	0	20	Q4	2023	Number of m² of floors of public sites belonging to the State where energy renovation has been completed, with an objective of achieving at least 30% of energy savings on average.
1- 11	C1.I3 Energy renovation of public buildings	Target	Number of m² of floors of public sites belonging to the State where the energy renovation works have been completed		Number of square metres (in million)	20	28,75	Q4	2024	Number of m² of floors of public sites belonging to the State where energy renovation has been completed, with an objective of achieving at least 30% of energy savings on average.
1- 12	C1.I3 Thermal renovation of public buildings	Target	Number of schools, colleges or high schools where the energy renovation works have been completed		Number	0	681	Q4	2024	Number of schools, colleges or high schools where the energy renovation works have been completed, with an objective of achieving at least 30% of energy savings on average.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
1- 13	C1.I4 Energy renovation of VSEs and SMEs	Target	Number of companies benefitting from the tax credit and / or accompanying measures		Number	0	5000	Q4	2023	Number of companies benefiting from the tax credit for the energy renovation of VSEs and SMEs buildings of tertiary use and/or support from chambers of trade and crafts (CMA) and chambers of commerce and industry (CCI).

B. COMPONENT 2: Ecology and biodiversity

France faces substantial investment needs to meet the Sustainable Development Goals in the years to come, in particular on biodiversity, water quality and circular economy. The legal framework is generally in place to transition to a greener and more resilient economy, but France needs to implement it, in particular by supporting investments enhancing biodiversity, reducing pollution and artificialisation of soils, improving recycling and reuse of materials and resources.

In this context, the planned investments under this component 2 of the French recovery and resilience plan are aimed at reducing the ecological impact of current production and consumption modes, by preserving biodiversity, decarbonizing industrial production processes, developing the circular economy and accelerating the agricultural transition. Such investments are supported by the reform “Climate and Resilience” Law based on the Climate Convention whose objective is to contribute to the GHG emissions reduction target for 2030. In addition, the decrees implementing the circular economy Law enacted in 2020 shall enter into force in 2022.

This component is mainly related to the recommendation (CSR 3, 2020) on focusing investments on the green transition, and to a lesser extent to the recommendation (CSR 3, 2019) on energy efficiency. This component contributes to environmental preservation and climate adaptation, therefore strengthening ecological, social and economic resilience.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

B.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C2.R1): Climate & Resilience Law

The “Climate and Resilience” Law shall be promulgated by the beginning of 2022. Some measures that have direct applicability shall enter into force immediately after promulgation, while other measures are expected to come into force in a deferred manner, within a period determined by the legislator. Based on proposals made by the Citizens’ Climate Convention, the Law shall provide for climate and environmental measures that shall contribute to the GHG emissions reduction target for 2030. The Law is expected to contribute to securing the achievement of between half and two-third of the way to be covered between emissions in 2019 and the target for 2030, thanks to a reduction estimated between 56 and 74 million tonnes of CO₂ equivalent in total. The Law shall cover the following six elements, covering the entire scope of the economy:

- “Consuming”: the Law shall include measures to change consumption patterns through information and the deployment of less carbon-intensive products and services, and to provide incentives to reduce overconsumption through advertising.
- “Producing and working”: the Law shall include measures to support the transition of industrial and energy production models towards low-carbon solutions, strengthen the protection of ecosystems via better supervision of industrial activities, and anticipate changes in the ways of working.
- “Moving”: the Law shall include measures to reduce emissions from all means of transport, through incentives and financial support to the sectors concerned, as well as by defining a stable regulatory framework.
- “Living”: the Law shall include measures to change the way of conceiving urban planning and change urban life styles. It shall contain measures to speed up the renovation of thermal sieves, as well as measures to halve the rate of artificialisation of soils.

- “Feeding”: the Law shall include measures to support the greening of agriculture and the development of new eating habits and agricultural practices, in order to reduce its impact on GHG emissions.
- “Strengthening the judicial protection of the environment”: the Law shall include measures to prevent and punish more firmly and more effectively damage caused to the environment.

In 2024, it is expected that 18 agglomerations with more than 150 000 inhabitants, have completed the regulatory study aiming at creating low GHG emissions zones, thus improving air quality in cities and contributing to the GHG emissions reduction.

Reform 2 (C2.R2): Law on circular economy

The Law adopted on February 10, 2020 to tackle waste and promote the circular economy aims to operate a change of model defining a new economic framework that facilitates valuation rather than waste disposal, and to create the conditions for a collection of close to 100% of recyclable waste.

The reform concerns the adoption of implementing acts (“decrees”) deriving from the 2020 Law, which shall enter into force in 2022 and 2025:

- Decree establishing Extended Producer Responsibility scheme for construction and public works materials waste (2022);
- Decree establishing the minimum rates of incorporation of recycled raw materials into specific products before authorization to be placed on the market, in order to increase recycling and achieve the objectives set by the Law (art. 61) (2025);
- Decree on the proportion of reused packaging to be placed on the market every year in order to increase the share of reused packaging on the market compared to single-used packaging, and therefore limit waste (art. 67 of the Law) (2025).

Investment 1 (C2.I1): Decarbonisation of industry

The objective of this investment is to contribute to the decarbonisation of the industrial sector, responsible for around 21% of GHG emissions in France. The Recovery and Resilience Facility shall be used to reduce energy consumption of industrial companies (including energy-intensive industries) and/or to invest aiming at reducing GHG emissions.

The funds shall be allocated in two ways:

- Grants shall be provided after calls for projects conducted by ADEME (Agency for ecological transition), for larger projects representing an investment above EUR 3 000 000. These projects shall cover either energy efficiency investments or investments to improve industrial processes in order to reduce GHG emissions. There is no pre-determined envelope between these two types of projects, as the selection shall be made according to various criteria including performance in terms of GHG emissions compared to the requested support.
- These calls for projects are supplemented by one-stop support distributed by the public agency ASP (“Agence de Services et de Paiement”) for smaller and more standardized energy efficiency improvement projects (with an investment amount of less than EUR 3 000 000), based on a list of eligible equipment defined by decree.

The terms of reference for upcoming calls for projects shall require that investments made within EU Emission Trading System (ETS) installations shall enable to decrease CO₂ emissions below the

benchmark included in the ETS Directive⁹, in a way that ensures that the measure complies with the ‘do no significant harm’ principle of Regulation (EU) 2021/241.

Investment 2 (C2.I2): Urban densification: sustainable construction

This measure aims to help municipalities increase housing density, in areas affected by the housing shortage. The support to dense housing operations shall help limiting urban sprawl and preserving biodiversity and agricultural land. Furthermore, the new thermal regulation RE2020 (cf. reform 2 of this component), whose objective is to reduce the carbon impact of new buildings and to increase their energy performance, shall apply to these operations.

A flat-rate aid shall be allocated to municipal authorities, provided that several conditions are met: (i) compliance with the obligations imposed by the “Solidarity and Urban Renewal Act” of 2000, by which social housing must represent 20% of the residential stock; (ii) the construction programme must include at least two dwellings exceeding certain density thresholds and subject to previous urban authorization.

The density thresholds, expressed in square meters of floor areas constructed per square meters of land area, result from cross-analysis combining population criteria (size and density in the municipality or grouping of municipalities) and the typology of the housing stock (such as built density, vacancy, proportion of social housing and second homes and average household size).

Investment 3 (C2.I3): Urban densification: brownfields

This measure aims to rehabilitate and recycle brownfield and wasteland sites which represent a significant source of lands, in order to contribute to the trajectory of the “zero net artificialisation” by 2050 set by the French government, with the objectives of controlling urban sprawl and supporting urban revitalization and consequently, limiting the consumption of natural areas.

Beneficiaries of the “brownfield fund” must be the owners of the site: they may be municipalities, local public institutions designated by the local authorities, public operators of the State, public local companies such as SEM (“sociétés d’économie mixte”), social landlords, or private companies with the agreement of the competent authority on urban planning.

The projects are selected by the State through regional calls for tenders, with the help of technical services (both at national and regional levels). Once selected a grant agreement shall be signed between the State and the beneficiary.

Two categories of projects may be supported by the brownfield fund:

- Recycling of brownfields: industrial (without depollution operations), commercial, administrative brownfields, old degraded islets, in the framework of urban renewal or re-location of productive activities;
- Recycling of urbanized land: requalification of old blocks for housing and commerce, revitalization or transformation of economic zones at the entrance to towns, rehabilitation or diversification of residential areas, renovation of shops.

In addition, an envelope shall be devoted to the development of land knowledge tools in order to support local authorities in the inventory of wastelands and in the operational implementation of recycling operations.

Investment 4 (C2.I4): Biodiversity

⁹ Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities and installations falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

This measure aims to support local authorities, associations and other natural areas managing authorities to invest in biodiversity protection and restoration projects, where the ecosystems are in danger. Two types of measures shall be funded under the French Recovery and Resilience Plan:

- Ecological restoration shall be supported by four types of investments:
 - The six Water Agencies shall implement projects aiming at preserving water resources, restoring biodiversity and ecological continuity of aquatic environments, maintaining ecosystems; the funds shall be allocated either through calls for projects or in a one-stop-shop logic, within a framework validated by the Agency's Board of Directors and in application of the agreement signed with the Ministry of Ecological Transition.
 - Ecological continuity for fishes (fish ladders) at the Rhinau and Marckolsheim dams on the Rhine River. This investment is an engineering and infrastructure project that shall be implemented in partnership with EDF ("Electricité de France", the French electricity incumbent), local authorities, national experts, the Rhine-Meuse water agency and the French Office for Biodiversity. It is a cooperation project with countries bordering the Rhine.
 - The French Office for Biodiversity (OFB) shall manage several types of projects: biodiversity atlas at municipal levels, actions in favour of the preservation and restoration of biodiversity implemented by "project leaders" selected after calls for projects.
 - The State shall pilot actions for ecological restoration in metropolitan France and in the DOM ("Départements d'Outre Mer"). Projects shall be selected either through calls for projects or in a one-stop-shop logic within the framework established by the Ministry of Ecological Transition.
- Support to protected areas:
 - The State shall pilot actions for protected areas in metropolitan France and in the DOM. Projects shall be selected either through calls for projects or in a one-stop-shop logic within the framework established by the Ministry of Ecological Transition.
 - The French Office for Biodiversity (OFB) shall support protected areas within natural marine parks and other protected areas managed by the OFB.
 - The 11 national parks in France shall invest in the preservation of natural, cultural and landscape heritage, the development of knowledge on biodiversity and the education on the environment and sustainable development.

In 2021 and 2022, projects in the fields of ecological restoration and protected areas shall be identified either through calls for projects organised by the operators (such as water agencies, OFB, etc.), or progressively over the course of the measure as appropriate projects are identified. First commitments shall start before 31 December 2021. At least 700 projects under this component shall be supported by 31 December 2023.

Investment 5 (C2.I5): Prevention of seismic risks in the DOM (Antilles)

This measure aims to carry out earthquake-resistant reinforcement works of priority public buildings in the "Antilles" (e.g. Martinique and Guadeloupe), taking into account resilience to cyclones as well. Several types of public buildings are targeted, such as:

- Crisis management buildings, prefectures and sub-prefectures;
- Priority hospitals;
- Schools, high schools and colleges.

The selection of buildings is made by the State after submission of application files by 31 December

2020. The legal commitment shall be finalised by 31 December 2022, and works shall be started by 31 December 2023, for at least 15 buildings.

Investment 6 (C2.I6): Secure water networks

The objective of this measure is to achieve the renovation and rehabilitation of 450 kilometres of networks in France, including the DOM, by 31 December 2022.

This measure shall finance the following three sub-measures (the first two ones shall take place in metropolitan France, and the last one shall concern only the DOM):

- Water agencies shall support investment in the modernization of clean water and sanitation distribution networks. They shall also invest in the upgrading of wastewater treatment plants and the disconnection of rainwater discharges from the networks.
- Investments in the sanitization of more than 6 500 tonnes of dry sludge, in order to enable spreading.
- Priority investments to upgrade water and sanitation networks, within the framework of the DOM Action Water Plan.

For the first two sub-measures, projects shall be selected by the six Water Agencies, either through dedicated calls for projects or in a one-stop-shop logic, within the framework validated by the Agency's Board. The agencies shall also be responsible for the operational implementation of the projects. Local authorities facing the impossibility of spreading the sludge from sewage treatment plants must apply to the Agency on which they depend to benefit from the assistance and financial support.

In the DOM, the allocation shall be distributed between the State Directorates of the Environment, Planning and Housing (in particularly for preliminary studies and technical assistance in Guadeloupe and Martinique) and the French Biodiversity Office (OFB), which is in charge of funding the DOM Water Action Plan. Projects shall be selected according to this Plan.

Investment 7 (C2.I7): Modernisation of sorting centres

Sorting and recycling waste is a key objective of the Law on energy transition and green growth (LTECV) adopted in 2015, which aims at reducing the amount of landfill waste by 50% by 2025.

This measure tackles the challenges of sorting and recycling all types of waste, in particular household waste as well as hospital waste. Aid for investments shall be allocated for:

- The support of waste recycling, through an investment aid to local authorities or any institution open to the public, in order to modernize sorting centers (public and private ones) and deploy selective sorting installations in public areas;
- The acquisition of equipment to speed-up the sorting at source, collection and valorization of bio-waste and household waste (e.g. into renewable biogas or quality fertilizer) while making sure that this shall not foster mechanical biological treatment plants;
- The improvement of the treatment of infectious risk waste in hospitals thanks to "trivialisers".

This measure shall be implemented through calls for projects or a financing window set up by ADEME (Agency for ecological transition). The objective is to achieve the modernization of 32 sorting centres by 2026. The other investments for bio-waste/household waste, and hospital waste treatment, are not yet quantified.

Investments shall be committed in 2021 and 2022, and shall be completed by the end of 2025.

Investment 8 (C2.I8): Recycling and reuse

This measure has the following three objectives: (i) support the reduction in the use of plastic (especially single-use), (ii) promote the incorporation of recycled plastic and (iii) accelerate the development of repair and reuse (of plastics), in line with the anti-waste Law for a circular economy adopted in 2020.

Two types of interventions shall be supported:

- Support to reuse or repair plastic or non-plastic products and activities to reduce plastic packaging:
 - Development and modernisation of recycling facilities (“recycleries”);
 - Supporting businesses in order to replace plastic packaging (including packaging sector itself);
 - Industrialization of reusable and recyclable packaging solutions;
 - Acquisition of alternative solutions to the use of plastic (particularly single-use) or adaption to their use (washing equipment, adaptation of production tools), for instance in the collective catering;
 - Experimentation of pilot projects in alternative solutions to the single use plastics.
- Support for plastic recycling:
 - Studies and feasibility tests for the preparation, recycling or incorporation of recycled plastic, in particular for undertakings that do not already integrate them;
 - Investments in the adaptation of businesses equipment to prepare, recycle or integrate more recycled plastics in their process;
 - Aid for the supply of recycled plastic material through direct financing to plastic processor companies in order to support demand.

Aid shall be managed by the Agency for ecological transition (ADEME) through the “circular economy fund” and the “decarbonisation of industry fund” for measures related to the support to recycled plastic incorporation in businesses processes, and projects supported shall be selected by calls for projects or by the corresponding financing window of ADEME. The measure shall enable to avoid the production of 275 000 tons of plastic cumulatively.

These investments shall be committed by the 31 December 2022 and shall be completed by 31 December 2025.

Investment 9 (C2.I9): Plant protein plan

This measure is part of an overall plan on plant proteins, which aims to reduce the dependency of agriculture on inputs such as animal feed and nitrogen fertilisers. It provides investment support to agricultural holdings and downstream structures, notably for reinforcing and fostering new agricultural supply chains dedicated to plant proteins.

The measure shall provide investment support for:

- Equipment in protein-rich crop farms;
- The restructuring of the plant protein supply chain, including investments in plant protein collection and processing companies (such as silos, storage units, seed pressing units, lucerne dryers and optical triers).

In January 2021, FranceAgriMer, a public body with responsibilities for the agriculture and fisheries

sectors, has launched the first calls for projects. By 31 December 2022, the last financial commitments shall be made for at least 1 200 projects.

Investment 10 (C2.I10): Forests

The French forest-wood sector makes it possible to offset around 20% of French CO₂ emissions by carbon storage in forests, in wood products and by replacing fossil fuels and more energy-intensive materials. Climate change, however, affects the forest stands in France that have become degraded or vulnerable for pests, droughts and fires. In order to preserve the multiple environmental services provided by forests, ensure their diversity and sustainability and guarantee supplies to the French forest-based industry, this measure aims to mobilise funding for public and private forest owners to take on a dynamic sustainable forest management.

Three types of intervention are covered:

- Improvement of forests stands of low economic and environmental quality;
- Restoration of the forests seriously affected or destroyed by bark beetles in Eastern France (mainly in the Grand-Est and Bourgogne-Franche-Comté regions);
- Adaptation of forest stands that are vulnerable to the impacts of climate change.

The measure aims to cover at least 30 000 ha by end Q1 2023. Since 19 February 2021, aid applications may be lodged. Payments shall be made until 31 December 2024.

B.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
2-1	C2.R1 Law Climate & Resilience	Milestone	Law Climate & Resilience	Promulgation of the Law and entry into force of provisions with direct applicability				Q2	2022	Promulgation of the Law and entry into force of those provisions in the law that have direct applicability in order to transpose into law a number of the recommendations of the Citizens' Climate Convention on the following six topics: consuming, producing & working, moving, living, feeding and strengthening the judicial protection of the environment.
2-2	C2.R1 Law Climate & Resilience	Target	Law Climate & Resilience – low GHG emission zones		Number	0	18	Q3	2024	Completion by 18 agglomerations of the regulatory study aiming at creating low GHG emission zones
2-3	C2.R2 Law on circular economy	Milestone	Decree implementing the anti-waste and circular economy Law	Entry into force				Q1	2022	Entry into force of the decree on the establishment of the building waste and building materials industry

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
2-3 a	C2.R2 Law on circular economy	Milestone	Decrees implementing the anti-waste and circular economy Law	Entry into force				Q1	2025	Entry into force of the following decrees: Decree for the minimum rates of incorporation of recycled raw materials (Article 61 of the AGECL Law) Decree on the proportion of reused packaging to be placed on the market (Article 67 of the AGECL Law)
2-4	C2.I1 Decarbonisation of industry	Target	Greenhouse gas emissions avoided		MtCO ₂ eq (million tonnes of CO ₂ equivalent)	0	3,5	Q2	2021	Avoided GHG emissions throughout the life of the project, as calculated in comparison of the “before investment” situation, and defined by the operator in the reply to the call for tenders, with the objective that investments made within ETS installations shall enable to decrease CO ₂ emissions below the benchmark included in the ETS Directive
2-5	C2.I1 Decarbonisation of industry	Target	Greenhouse gas emissions avoided		MtCO ₂ eq (million tonnes of CO ₂ equivalent)	3,5	5	Q4	2022	Avoided GHG emissions throughout the life of the project, as calculated in comparison of the “before investment” situation, and defined by the operator in the reply to the call for tenders, with the objective that investments made within ETS installations shall enable to decrease CO ₂ emissions below the benchmark included in the ETS Directive.
2-6	C2.I2 Urban densification: sustainable construction	Target	Number of municipalities benefiting from the aid		Number	0	1200	Q4	2021	Number of municipalities benefiting from the aid on sustainable construction in urban strained areas.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
2-7	C2.I3 Urban densification: brownfields	Target	Number of projects for which a grant has been signed for recycling operation of wasteland or of urbanized area		Number	0	90	Q1	2022	Number of projects for which the grant agreement has been signed, either for a recycling operation of a wasteland, or for a recycling operation of urbanized land.
2-8	C2.I3 Urban densification brownfield	Target	Number of projects for which a grant has been signed for recycling operation of wasteland or of urbanized area		Number	90	200	Q1	2023	Number of projects for which the grant agreement has been signed, either for a recycling operation of a wasteland, or for a recycling operation of urbanized land.
2-9	C2.I4 Biodiversity	Target	Number of projects supported in the fields of ecological restoration and protected areas		Number	0	700	Q4	2022	Number of projects related to ecological restoration, and preservation of biodiversity in protected areas.
2-10	C2.I5 Prevention of seismic risks in the DOM	Target	Number of buildings concerned –seismic risks in the DOM		Number	0	15	Q4	2023	Number of public buildings (such as crisis management buildings, or prefectures and sub- prefectures, or priority hospitals, or schools, high schools and colleges) in the DOM in which anti-seismic works have been started.
2-11	C2.I6 Secure water networks	Target	Number of linear km of drinking water networks and sanitation networks supported		Km	0	450	Q4	2022	Number of kilometres of drinking water networks or sanitation networks for which renovation works have been started.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
2-12	C2.I7 Modernization of sorting centers	Target	Number of contracts signed for the modernization of sorting centers		Number	0	32	Q4	2022	<ul style="list-style-type: none"> Number of contracts signed for the modernization of sorting centres.
2-13	C2.I7 Modernization of Sorting centers	Milestone	Investment in waste sorting and collection, and in medical waste treatment	Communication of the list of beneficiaries				Q4	2022	<p>Finalisation of the call for proposals and support schemes and selection of recipients for the following schemes:</p> <ul style="list-style-type: none"> to support investments in away-from-home (AFH) waste sorting and collecting waste; to support bio-waste sorting, collecting and recovering; to support investments for equipments for disinfecting infectious medical waste.
2-14	C2.I7 Modernization of sorting centres	Target	Number of sorting centres modernized		Number	0	32	Q4	2025	Number of existing public and private sorting centres that have completed their modernization works.
2-15	C2.I8 Recycling and reuse	Target	Quantity of plastic materials avoided		Tonnes	0	275000	Q4	2025	Cumulative effective quantity of plastic materials avoided, through recycling or integration into industrial processes.
2-16	C2.I9 Plant protein plan	Target	Number of projects that shall receive fund from the “protein plan” in order to invest in protein plant production		Number	0	1200	Q1	2022	Number of projects that shall receive funds from the “protein plan” in order to invest in protein plant production, after the selection by the calls for projects.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
2-17	C2.I10 Forests	Target	Surface area of forests for which a grant has been committed in order to improve, adapt, regenerate or reconstitute the forest		Hectare	0	30000	Q1	2023	Surface area of forests for which a grant has been committed in order to improve, adapt, regenerate or reconstitute the forest.

C. COMPONENT 3: Infrastructure and green mobility

The transport sector is one of the main CO₂ emitters in France, accounting for 38% of total emissions in 2017. Road transport is responsible for 96% of these emissions, more than half of which come from private vehicles. Transport infrastructures play a key role in the effective implementation of the green transition. It is through their maintenance and development that ecological alternatives to carbon-emitting practices may be made available to users. Measures under this component of the French recovery and resilience plan focus on the development of public transports (metro, tram, bus) and a renovation and improvement of the national railway network for passengers and freight. The component also includes measures to renew the administration's fleet of cars with electric or hybrid vehicles, to improve sustainability of harbours and facilitate the green transition in rural areas.

The component also covers two reforms related to mobility and green budgeting to increase the transparency on the environmental impact of the national budget.

These investments and reforms contribute to addressing the country-specific recommendations addressed to France in the past two years, on the need to “focus investment-related policy on [...] renewable energy, energy efficiency and interconnections with the rest of the Union” (CSR 3, 2019) and to “Ensure the effective implementation of measures supporting the liquidity of firms, in particular for small and medium-sized enterprises. [...] Focus investment on the green [...] transition, in particular on, sustainable transports, clean and efficient production and use of energy, energy infrastructures as well as research and innovation.” (CSR 3, 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

C.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C3.R1): Mobility law ('Loi d'Orientation des Mobilités')

The mobility law aims at a deep transformation of transport and mobility with the objectives of improved daily service, meeting the needs of the entire population and of an accelerated decarbonisation of the sector. The law contains a comprehensive package of policy instruments on governance, regulations, and investment plans.

A number of secondary legislations linked to the Mobility law shall be implemented during the RRF timeframe. First, a decree entered into force in 2020 setting out the conditions under which journeys may entail financial allocations to drivers who offered car sharing in the absence of passengers. Second, the regulations shall be modified in 2021 to allow the transfer of the management of the local rail network to the Regions. Third, the government shall revise and update the financial and operational programming of the State investments in transport infrastructure by 31 December 2023, as foreseen in the law.

Reform 2 (C3.R2): Green Budgeting

The publication of a Green Budget aims to set up a standardized and comprehensive information framework targeted to Parliament and civil society on the environmental impact of the State Budget.

France published, along with its 2021 budget law, a green budget methodology where each expenditure of the State budget is classified according to its impact on each of the six objectives

defined in the Regulation (EU) 2020/852¹⁰ (the “Taxonomy Regulation”): climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

The revenues are classified as environmental tax according to the Eurostat definition "a tax whose base is a physical unit (or an approximation of a physical unit) of something which has a specific and proven negative impact on the environment."¹¹

For the 2022 budget, a new green budget shall be published. It shall draw on the already established practices, and improve them by implementing a new methodology for taking into account operating expenditures.

Investment 1 (C3.I1): Support to the railway sector

To reach the objective of carbon neutrality by 2050, France aims to increase the use of railway as an alternative to road transport. The measure aims at improving and modernising the railway network.

A first part of the investment shall be undertaken by the Agency responsible for investing in transport infrastructure (AFITF). This public agency is mandated by the government to invest on preselected transport infrastructure projects. The measure shall finance the renovation of local railway lines undertaken in cooperation with the State and the regions. It shall also contribute to the renovation of freight lines and embedded logistic platforms. The investment -is expected to mostly take place in 2021 and 2022.

A second part of the investment shall be used to recapitalise the French national railway company SNCF. The resources shall be directly transferred to SNCF Réseau, the network operator, which is part of the SNCF group. The implementation of the measure needs to outline how compliance with transparency requirements and State aid rules is ensured, with particular reference to accounting separation to avoid cross-subsidisation between economic and non-economic activities of SNCF Réseau. The investment deployed between 2021 and 2023 shall be divided into three measures.

The first measure aims at renovating the national railway network by means of heavy investment to replace tracks, crossing bars and ballast. Additionally, investment shall be made to replace switches, catenaries and signalisation signs.

The second measure aims at improving the security and reliability of the network. It shall finance research and development and products and equipment to replace glyphosate weed killer by alternative products less harmful to the environment. Additionally, the measure shall finance the renovation of tunnels.

The third measure shall finance the complete renovation of local railway lines (such as tracks, rails, ballast and rail devices).

Investment 2 (C3.I2): Support to demand for clean vehicles (automobile plan)

This investment aims to support the demand for clean vehicles, mainly from households. The measure includes an “ecological bonus” for light vehicles to support the purchase of an electric, hydrogen or plug-in hybrid vehicle with CO₂ emissions less than or equal to 50 g/km. The amount of the bonus shall depend on the type of vehicle (electric, plug-in hybrid, hydrogen), the type of

¹⁰ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 OJ L 198, 22.6.2020, p. 13– 43

¹¹ Regulation (EU) 691/2011 of the European Parliament and of the Council of 6 July 2011 on European environmental economic accounts, Article 2

beneficiary (household or business) and the price of the vehicle (higher bonus for cheaper cars).

The level of the bonus shall gradually decrease from July 2021 as the competitiveness of these vehicles increases compared to their thermal alternatives.

Investment 3 (C3.I3): Daily mobility: development of public transport

The measure aims at financing the development of rail infrastructure for daily mobility in urban areas, to increase their attractiveness. The measure shall focus on the Ile de France region around Paris, to solve recurrent congestion issues. It shall also participate to the creation of new urban metro lines in large cities in the regions. Eligible projects are mostly based on electric traction, which shall participate to decarbonisation of transport. The measure shall support different steps of the procedure, from necessary ex-ante studies to actual works.

The measure shall notably co-finance the improvement of urban train lines (RER E, B and D), the deployment of tram lines (T3, T1) and high level services buses (TZ 2 and 3). In the regions, the measure shall support the creation of a new metro line in Toulouse. The investment is expected to take place between 2021 and 2026.

Investment 4 (C3.I4): Acceleration of work on transport infrastructure

The purpose of the measure is to modernise existing transport infrastructure to adapt it to new means of transport, local needs and green transition. It shall facilitate the integration of carpooling and electric vehicles as alternative to private cars. It shall also increase digitisation and integration of new technologies for the functioning and surveillance of the river infrastructure to make it a credible alternative to road freight transport.

The measure shall be implemented mainly through the French Transport Infrastructure Financing Agency (AFITF), a public agency mandated by the government to invest on preselected transport infrastructure projects. Investment shall concern several projects. It shall finance the installation of new electric charging points on national roads and high speed roads. Priority shall be given to public transport and carpooling with building of reserved lanes and installation of devices to control them, as well as creation of low emission zones. The renovation of river networks, in particular locks and dams is also foreseen, together with the modernisation of the digital management system for maritime affairs and the CROSS network (Regional Operational Centres for Monitoring and Rescue).

Investment 5 (C3.I5): Greening of the State's fleet

The measure aims at renewing the car's fleet of three administrations: the police and gendarmerie (Ministry of the Interior), the general directorate of customs (Finance Ministry), and the penitentiary administration (Justice Ministry). The combined fleets of these three bodies represent the majority of State's vehicles but at the same time show an old age, high mileage, and low renewal rate. The fleet's greening plan for 2021 and 2022 prioritizes the purchase of clean vehicles (electric or plug-in hybrids). In total, the investment shall help purchasing 3465 clean vehicles for the Home affairs Ministry, 570 for the customs, and 530 for the Justice administration. The measure shall also support the purchase of recharging stations.

Investment 6 (C3.I6): Greening of harbours

Harbours are key assets of the French economy. The measure shall allow further investment in line with the requirement of the climate transition by supporting alternative fuel and cleaner vessels. The measure is divided into two sub-measures. It shall finance the installation of nine new electric connections to offer alternative fuel on harbour docks to cruise ships, passenger ships and container ships by the end of 2023, in locations such as the Havre-Rouen-Paris dock network, the docks in Marseille or the Pointe des Grives dock in Martinique. Additionally, it shall finance new vessels emitting lower emission for the vessels fleet of the department in charge of maritime affairs at the

Ministry for Ecology.

Investment 7 (C3.I7): Strengthening the resilience of electricity networks and energy transition in rural areas

This measure aims at increasing the resilience of the electricity networks, with a focus on rural areas. The measure shall increase the quality of the electricity distribution system, in regions where renewables are mostly being developed and electric mobility is a key challenge.

The beneficiaries of the measure shall be the authorities organising the public distribution of electricity¹².

The investment shall increase the budget line of the finance act (loi de finances) dedicated to rural electrification. The measure shall finance different sub-programs by 2023.

The first sub-program for “energy transition” and “development of innovative solutions” shall finance the energy transition in the rural areas by fostering renewables integration to the network, building storage facilities and electric charging infrastructure. It shall also accelerate the deployment of smart meters.

The second sub-program “climate incident” shall finance the repair works for parts of the electric network damaged by extreme weather.

The remaining investment shall be allocated to renewal of old electric cables and installations and increase network safety, currently lacking in rural areas.

¹² ‘Autorités organisatrices de la distribution publique d’électricité’ (AODE) pursuant to Article L.322-6 of the energy code.

C.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
3-1	C3.R1 Mobility law	Milestone	Article 35.2 of Law No 2019-1428 of 24 December 2019 on mobility	Entry into force				Q3	2020	Entry into force of implementing decree of the Mobility Law covering the conditions under which journeys may entail financial allocation to drivers who offered car sharing in the absence of passengers (art 35.2 of the mobility law).
3-2	C3.R1 Mobility law	Milestone	Article 172 of Law No 2019-1428 of 24 December 2019 on mobility	Entry into force				Q2	2021	Entry into force of the measures to adapt the rules to ensure management transfers to the regions of the rail network of local interest, pursuant to Article 172 of Law No 2019-1428 of 24 December 2019 on mobility.
3-3	C3.R1 Mobility law	Milestone	Article 3 of Law No 2019-1428 of 24 December 2019	Establishment of the update				Q4	2023	Establishment of the update of the revised legislation updating the financial and operational programming of State investments in transport, as laid down in Law No 2019- 1428 of 24 December 2019 on mobility pursuant to Article 3 of that law, before 30 June 2023.
3-4	C3.R2 Green budget	Milestone	Green budget with the Financing law	Publication by the Government				Q4	2021	Publication of a Green Budget along with the Draft Budgetary Law 2022, including an improved methodology for taking into account operating expenditures.
3-5	C3.I1 Support to railway	Milestone	Conclusion of the funding agreements	Adoption by the AFITF board				Q3	2021	Adoption by the AFITF board of the funding agreements.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
3-6	C3.I1 Support to railway	Target	Switches		Number	0	272	Q1	2022	Number of new switches installed (<i>in total</i>).
3- 7	C3.I1 Support to railway	Target	Catenaries		Km	0	182	Q1	2022	Kilometres of new catenaries installed (<i>in total</i>).
3- 8	C3.I1 Support to railway	Target	Regenerated railway lines		Km	0	863	Q4	2022	Kilometres of railway lines regenerated (<i>in total</i>).
3- 9	C3.I1 Support to railway	Target	Tunnels		Meters	0	3305	Q4	2022	Meters of reinforced tunnels (<i>in total</i>).
3-10	C3.I1 Support to railway	Milestone	Environmental treatment of railways	Information to be provided by SNCF Réseau				Q4	2022	Replacement of the use of glyphosate by a more environmentally friendly alternative.
3- 11	C3.I1 Support to railway	Target	Local railways lines		Km	0	500	Q4	2023	Kilometres of renovated small local lines (<i>in total</i>).
3- 12	C3.I1 Support to railway	Target	Renovated freight lines		Km	0	150	Q4	2023	Kilometres of renovated freight lines (<i>in total</i>).
3- 13	C3.I1 Support to railway	Target	Local railways lines		Km	500	827	Q4	2025	Kilometres of renovated small local lines (<i>in total</i>).
3- 14	C3.I1 Support to railway	Target	Renovated freight lines		Km	150	330	Q4	2025	Kilometres of renovated freight lines (<i>in total</i>).

Sequential number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
3-15	C3.I2 Support for the purchase of clean vehicles	Target	Ecological bonuses		Number	0	85000	Q1	2021	Number of ecological bonuses granted for light vehicles since June 2020.
3-16	C3.I2 Support for the purchase of clean vehicles	Target	Ecological bonuses		Number	0	127000	Q1	2022	Number of ecological bonuses granted for light vehicles in 2021.
3-18	C3.I3 Daily mobility	Milestone	AFITF funding agreements	Adoption by the AFITF board				Q1	2021	Adoption by the AFITF board of the funding agreements.
3-19	C3.I3 Daily mobility	Target	Public transport reserved lanes		Km	0	20	Q4	2024	Number of kilometres of renovated of newly created public transport reserved lanes.
3-20	C3.I3 Daily mobility	Target	Public transport reserved lanes		Km	20	100	Q2	2026	Number of kilometres of renovated of newly created public transport reserved lanes.
3- 21	C3.I4 Acceleration of transport infrastructure works	Milestone	AFITF funding agreements	Adoption by the AFITF board				Q1	2021	Adoption by the AFITF board of the funding agreement.
3- 22	C3.I4 Acceleration of transport infrastructure works	Milestone	Signature by the ASP (l'Agence de Services et de Paiement) of the funding agreement for new charging stations	Adoption of the funding agreements by the ASP				Q4	2021	Signature by the ASP (l'Agence de Services et de Paiement) of the funding agreement for new charging stations.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
3- 23	C3.I4 Acceleration of transport infrastructure works	Target	Charging stations		Number	0	1500	Q2	2023	Number of charging stations open to the public.
3- 24	C3.I4 Acceleration of transport infrastructure works	Target	Kilometres of reserved lanes completed		Km	0	20	Q2	2023	Kilometres of reserved lanes for public transport or carpooling finalised.
3- 25	C3.I4 Acceleration of transport infrastructure works	Target	Projects realised on waterways		Number	0	100	Q4	2024	Finalisation of the renovation and modernisation of projects for waterways, including locks and dams.
3- 26	C3.I4 Acceleration of transport infrastructure works	Milestone	Modernisation of the CROSS network and numerical system for the maritime affairs	Report evidencing the completion of the works				Q4	2024	Completion of the modernization of the CROSS network and numerical system for the maritime affairs.
3- 27	C3.I5 Greening of the State car fleet	Target	Number of electric and plug-in hybrid vehicles purchased by the French administration		Number	0	1291	Q2	2021	Electric and plug-in hybrid vehicles in total for Ministry of the Interior, Directorate General for Customs and Excise and Ministry of Justice (cumulative).
3- 28	C3.I5 Greening of the State car fleet	Target	Number of electric and plug-in hybrid vehicles purchased by the French administration		Number	1291	4200	Q3	2023	Electric and plug-in hybrid vehicles in total for Ministry of the Interior, Directorate General for Customs and Excise and Ministry of Justice (cumulative).
3- 29	C3.I6 Greening of harbours	Milestone	AFITF funding agreements	Adoption by the AFITF board				Q1	2021	Adoption by the AFITF board of the funding agreements.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
3- 30	C3.I6 Greening of harbours	Target	New electrical connections on docks		Number	0	9	Q4	2023	Finalisation of installation of new electricity connections on harbour docks, such as on Havre-Rouen-Paris dock network, Marseille harbour or Pointe des Grives dock in Martinique harbour.
3- 31	C3.I6 Greening of harbours	Milestone	Purchase of vessels	Report evidencing the acquisition				Q1	2025	Completion of the acquisition of vessels for the maritime affairs services.
3-32	C3.I7 Strengthening the resilience of electricity grids	Milestone	Beginning of projects	Report evidencing the beginning of projects				Q4	2023	Beginning of the projects on the electricity grids in rural areas.

D. COMPONENT 4: Green energies and technologies

France has adopted a greenhouse emissions reduction target of 40% by 2030 compared to 1990 levels, and an objective to achieve climate neutrality by 2050. Reaching these objectives requires accelerating research and innovation to develop green technologies. Investing in key sustainable technologies shall contribute to put the French industry in a favourable position vis-à-vis emerging green markets.

In this context, this component of the French recovery and resilience plan features investments to support innovation in green technologies, under the fourth '*Programme d'investissements d'avenir*' (PIA4), by defining strategies in key selected sectors related to the green transition, and supporting the industry to take steps to implement those strategies. This is complemented by a reform of the governance of the PIA to increase its efficiency, which is expected to bring benefits not only for the PIA4's actions on green innovation, but also on other fields (e.g. digital innovation, innovative businesses, and support to teaching, research, valorisation and innovation ecosystems – see measures under components 6 and 9).

This component also contains two more targeted investment measures, (i) to promote the development of renewable and low-carbon hydrogen, as a way to support the decarbonisation of the economy, and (ii) to support the aeronautics industry to overcome present economic difficulties and to transition towards a low-carbon industry.

These measures contribute to the green transition objective and to reaching the climate target. They also contribute to addressing the country-specific recommendations addressed to France on the need to focus investment-related policy on the green and digital transition, in particular on sustainable transport, clean and efficient production and use of energy, and on research and innovation (CSR3, 2019 and CSR 3, 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

D.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C4.R1): Governance of the *Programme d'investissements d'avenir* (PIA)

This reform aims to improve the governance of the '*Programme d'Investissements d'Avenir*' (PIA) scheme, by building on the return of experience of past schemes.

France initiated PIA schemes in 2010, with the aim to foster and finance innovation in strategic areas, from the emergence of ideas to the diffusion of new services and products on markets. France is now running its fourth '*Programme d'Investissements d'Avenir*' (PIA4), covering a 5-year period between 2021 and 2025, with the aim to contribute to shaping France's future in the time horizon of 2030. The PIA4 is divided in two parts: a 'directed innovation' strand ('*volet dirigé*') to finance exceptional investments in priority sectors and key technologies for the future; and a 'structural' strand ('*volet structurel*') to finance structural investments and innovation in higher education and research ecosystems.

As part of the present reform, building on recommendations made by the *Comité de surveillance des investissements d'avenir*, the PIA4 shall benefit from a clearer strategic steer, through the establishment of a high-level *Conseil interministériel de l'innovation*, bringing together relevant ministers around the Prime Minister to decide the orientations and priorities of innovation policy. The missions of the *Comité de surveillance des investissements d'avenir* shall themselves be broadened to an advisory role for the *Conseil interministériel de l'innovation* in the development of innovation policies and the identification of new investment priorities.

Innovation is fostered through ‘acceleration strategies’ developed by dedicated taskforces with scientific experts for key priority technologies and markets with high growth potential. Once ‘acceleration strategies’ are validated, calls for expression of interest and/or calls for proposals are launched, which are tailored to the specific needs of each strategy. Projects are then selected through competitive procedures. Funds are committed as calls for projects are launched and projects selected. As part of the present reform, processes to develop and implement ‘acceleration strategies’ are streamlined to ensure a more articulated and integrated approach (regulatory, fiscal, support- oriented, etc.) to problems identified, and to contribute to the quality of investments, through rigorous selection, monitoring and systematic evaluation processes.

France has included several PIA4-related measures in its recovery and resilience plan, and this reform aims to bring benefits across these measures – not only as regards Investment 1 on green innovation as part of the present component, but also on other fields (digital innovation, innovative businesses, and support to teaching, research, valorisation and innovation ecosystems – see measures under components 6 and 9).

Investment 1 (C4.I1): Innovate for the green transition

This investment aims to accelerate and step up investment in advanced technologies for the green transition, in the context of the fourth *Programme d’investissements d’avenir* (PIA4).

This investment shall finance innovation projects, building on seven ‘acceleration strategies’ on the green transition, developed under the ‘*volet dirigé*’ of the PIA4.

The first of these ‘acceleration strategies’ focuses on **decarbonised hydrogen**. It was already validated in September 2020 and leads to operational actions, (i) a call for projects on ‘*Briques technologiques et démonstrateurs*’, which aims to develop or improve components and systems related to the production, transport and use of hydrogen, and to support demonstration projects, and (ii) the construction of IPCEIs on hydrogen (cf. Investment 2), to which the PIA4 framework contributes.

The following six other ‘acceleration strategies’ shall be put in place:

- **Decarbonisation of industry**, aiming to ramp up and deploy existing technologies solutions as well as disruptive technologies where the challenge is to industrialise a demonstrator, patent and market an innovative solution. In particular, the strategy shall focus on improving the energy efficiency of processes, decarbonising industry’s energy mix (especially heat), and deploying carbon-free processes and carbon capture and storage or use.
- **Sustainable agricultural systems**, also supporting agricultural equipment contributing to the green transition by enabling a shift from mechanisation to smart and connected agricultural equipment, replacing or limiting the use of fossil or synthetic inputs and developing the selection of multi-performing and resilient animal and plant populations.
- **Recycling and reincorporation of recycled materials**, aiming for the emergence of a model based on recycled raw materials substituting virgin materials through a coherent and integrated recycling value chain. Five materials are identified as priorities at this stage: strategic metals, plastics, composites, paper/cardboard and textiles.
- **Sustainable cities and innovative buildings**. Aiming to reduce urban sprawl to the detriment of agricultural land and natural spaces, and to make cities more resource-efficient, resilient, inclusive and productive, this strategy shall support innovative and replicable territorial demonstrators, with a focus in particular on the definition of tools and methods to promote the large-scale deployment of energy renovation of buildings; structuring the wood and geo-sourced materials sector with a view to carbon neutrality; and the digital transition of cities and artificial intelligence.
- **Digitalisation and decarbonisation of mobility**, to control greenhouse gas emissions by accelerating the sector’s green transition, while developing and improving the supply of daily

transport solutions in all regions. Priority areas are the optimisation of operations and infrastructure, digital transformation and automation. The strategy aims to address all transport modes – passenger transport but also logistics. It shall focus in particular on demonstrators and pilots of systems and services, to remove barriers to scaling up, to test business models and to prepare the adaptation of the regulatory framework if necessary.

- **Biobased Products and Industrial Biotechnologies – Sustainable Fuels**, aiming to promote the development of industrial biotechnologies in France and biobased products, in particular to replace petroleum products. The strategy thus aims to develop a French industrial sector of biobased products and sustainable fuels, in particular for the aeronautics sector. It shall also tackle the demand for biobased products.

Once validated by the end of 2021, these strategies shall lead to calls for projects or calls for interest (to be launched by the end of 2022), to select and support the implementation of concrete actions. The investment in the French recovery and resilience plan is to support a part of the associated costs.

The terms of reference for upcoming calls for projects shall include as an eligibility criterion to ensure the environmental neutrality of the applications of the funded solution, in a way that ensures that the measure complies with the ‘do no significant harm’ principle of Regulation (EU) 2021/241. This shall complement the fact that, whenever applicable, environmental criteria are part of the selection criteria for projects, and that operators are required to produce a critical analysis of their proposals based on internal and external expertise; that the green transition is listed by law as one of the objectives of the PIA, and that the PIA’s governing bodies must ensure the application of these objectives, which is monitored through a dedicated indicator. This shall lead to the exclusion of (i) activities related to fossil fuels, including downstream use¹³; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks¹⁴; (iii) activities related to waste landfills, incinerators¹⁵ and mechanical biological treatment plants¹⁶; and (iv) activities where the long-term disposal of waste may cause harm to the environment.

Investment 2 (C4.I2): Develop decarbonised hydrogen

This measure aims to develop French value chains for the production of renewable and low-carbon hydrogen, and for the use of this hydrogen in downstream, end-use sectors, such as transport and industry.

This measure is part of the broader context of the ‘National Strategy for the Development of Decarbonized Hydrogen’ adopted by France on 8 September 2020, which itself constitutes one of the ‘acceleration strategies’ put in place in the framework of the PIA (cf. Investment 1). This Strategy defines a vision for 2030, including the objective of establishing 6,5 GW of installed electrolysis capacity for the production of renewable and low-carbon hydrogen. In this context, this investment is

¹³ Except projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the ‘Do no significant harm’ Technical Guidance (2021/C58/01).

¹⁴ Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

¹⁵ This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

¹⁶ This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

part of a wider set of actions to be deployed until 2030.

The investment shall consist of launching and implementing planned Important Projects of Common European Interest (IPCEIs) on renewable and low-carbon hydrogen, in association with other Member States. The planned IPCEIs are currently under co-construction with other Member States. The projects shall aim at the development and first industrial deployment of solutions to foster the renewable and low-carbon hydrogen value chain at the European level. France is expected to contribute to the planned projects through support ultimately aiming to (i) make an electrolyser gigafactory operational in France by 31 December 2023, (ii) make a gigafactory for fuel cells and more generally tanks and materials to allow the development of hydrogen-based heavy vehicles operational by 31 December 2023, and (iii) achieve the conversion of industrial sites to renewable or low-carbon hydrogen by 31 December 2025. French actions under the project shall also be supported as part of the ‘Innovate for the green transition’ measure based on the ‘acceleration strategy’ on hydrogen adopted in the context of the PIA¹⁷.

Investment 3 (C4.I3): Support plan to the aeronautics sector

This investment aims to help the aeronautics industry to overcome present economic challenges by maintaining and diversifying its capacities, and increasing its environmental and digital performance; and to invest in transformative R&D to decarbonise air transport.

This investment is structured around two sub-measures:

- The first sub-measure shall consist of an investment support fund to promote companies’ diversification, modernisation, and digital and environmental transformation. The fund shall support companies of the aeronautics sector. A first call for projects was organised in the second half of 2020, and other calls for projects shall be organised in the coming years. In order to ensure that this sub-measure complies with the ‘do no significant harm’ principle, aircraft operators (in particular airports and airlines) shall be explicitly excluded from the calls for projects under this sub-measure.
- The second sub-measure shall consist of support to R&D in ‘green aircraft’ technologies. It shall be focused on fostering disruptive and transformative innovation in the aeronautics sector, to achieve its green transition, building on an integrated approach aiming to address all technological challenges identified. To that end, it shall support individual or collaborative R&D projects focused on the technological preparation of a new generation of ‘ultra-sober’ or ‘zero-emission’ aircraft. At least 70% of the effort shall directly contribute to the energy efficiency and reduction of climate impacts of future aircraft, and the remainder shall contribute indirectly via a reduction in cycles and costs over the entire aircraft life cycle, allowing a more rapid integration of green technologies into the fleets in service. Projects submitted by industry or research organisations shall be selected and shall typically be completed within three years.

The terms of reference for upcoming calls for projects under the first sub-measure and the selection process for the projects under the second sub-measure shall include as an eligibility criterion that selected measures shall contribute to the green transition.

¹⁷ IPCEIs are subject to the notification requirement and stand-still obligation in Article 108(3) of the Treaty on the Functioning of the European Union. The selection and specificities of the proposed projects may require adjustments to ensure compliance with the applicable State aid rules.

D.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4-1	C4.R1: Reform of the Governance of the <i>Programme d'investissements d'avenir</i> (PIA)	Milestone	Revised governance of the <i>Programme d'investissements d'avenir</i>	Entry into force	-	-	-	Q1	2021	Entry into force of the legislative change and the framework agreement putting in place the new governance with, in particular: - The establishment of an Interministerial Innovation Council which brings together the competent ministers around the Prime Minister, and deciding orientations and priorities for the innovation policy; - The expansion of the missions of the Future Investments Supervisory Committee to advising the Interministerial Innovation Council in the development of innovation policies and providing a consultative opinion on the identification of new investment priorities
4-2	C4.I1: Innovate for the green transition	Target	Number of 'acceleration strategies' validated	-	Number	0	7	Q4	2021	Number of 'acceleration strategies' validated (decarbonised hydrogen, decarbonisation of industry, sustainable agricultural systems, recycling and reincorporation of recycled materials, sustainable cities and innovative buildings, digitalisation and decarbonisation of mobility, biosourced products and industrial biotechnologies – sustainable fuels).

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4-3	C4.I1: Innovate for the green transition	Milestone	Launch of calls for proposals or calls for interest	Publication on the 'Secrétariat Général pour l'Investissement' (SGPI)'s website	-	-	-	Q4	2022	All calls for proposals or interest under this measure for the strategies adopted under target 4-2 launched, with terms of reference including as an eligibility criterion to ensure the environmental neutrality of the applications of the funded solution.
4-4	C4.I1: Innovate for the green transition	Milestone	Award of the contracts implementing decision of the Prime Minister	Report from the 'Secrétariat Général pour l'Investissement' (SGPI)	-	-	-	Q4	2023	Implementing decision of the Prime Minister following the close of the calls for proposals/calls for interest launched under milestone 4-3; allowing contractualisation with the beneficiaries through agreements or other contracts for granting funds to be signed.
4-8	C4.I2: Develop decarbonised hydrogen	Milestone	Signature of decision to attribute financial support to private promoters under the IPCEI on hydrogen	Publication on webpage	-	-	-	Q3	2022	Signature of decision to attribute financial support to private promoters under the IPCEI on hydrogen.
4-9	C4.I2: Develop decarbonised hydrogen	Target	Electrolyser production capacity		MW/yr		140	Q4	2025	Electrolyser production capacity amounting to 140MW per year of installed production capacity financed through the IPCEI on hydrogen

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
4-10	C4.I3: Support plan to the aeronautics sector	Target	Number of projects selected for support under the investment support fund	-	Number	0	174	Q1	2022	Number of projects selected, based on terms of reference including as an eligibility criterion that selected measures shall contribute to the green transition, to be supported by the investment support fund to promote companies' diversification, modernisation, and digital and environmental transformation (cumulative).
4-11	C4.I3: Support plan to the aeronautics sector	Target	Number of R&D projects to promote low-carbon and energy efficient aircraft selected	-	Number	0	200	Q4	2022	Number of R&D projects to promote low-carbon and energy efficient aircraft, selected with an eligibility criterion that selected projects shall contribute to the green transition (cumulative).
4-12	C4.I3: Support plan to the aeronautics sector	Target	Number of projects completed, under the investment support fund	-	Number	0	165	Q4	2025	Number of completed projects following support by the investment support fund to promote companies' diversification, modernisation, and digital and environmental transformation (cumulative).

E. COMPONENT 5: Support to businesses

Component 5 of the French recovery and resilience plan seeks to address barriers to investment by simplifying the regulatory environment to support a dynamic recovery. It also aims to ensure that companies benefiting from aid respect other criteria, such as the social and environmental transformation that are essential for the recovery.

The component is related to CSR 2019.4 and 2020.4 on reducing regulatory restrictions and fostering growth of firms.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

E.1. Description of the reforms

Reform C5.R1: Law on accelerating and simplifying public action (“loi ASAP”)

The objective of the ASAP law¹⁸, promulgated in December 2020, is to bring the administration closer to citizens, to facilitate business developments and to simplify administrative procedures for both businesses and individuals. The objective of the reform is to implement some of the remaining implementing provisions:

- The law foresees that if regulations, notably in environmental matters, should be amended during the examination of an industrial project, the project application shall continue to be subject to the same regulatory provisions in force at the time the application was submitted. Amendments to several environmental provisions shall be laid down in separate decrees, such as the conditions under which the Minister of the environment may ask for a new assessment of an industrial project application, the precise conditions under which a new environmental assessment may be required for urban planning projects, or time limits for environmental authorisation for works addressing a civil emergency.
- The law also provides for a simplification of the rules applicable to the online sale of medicines. It shall be sufficient for pharmacies to declare the opening of a website, rather than having to wait for prior authorisation.
- The streamlining of consultative commissions: more than 15 committees shall be abolished or merged, with the specific conditions for merging or abolition to be defined in separate decrees. Committees that shall be abolished include the *Observatoire de la récidive* or the *Conseil supérieur de la mutualité*, while others, such as the *Conseil supérieur de l'égalité professionnelle* and the *Haut conseil à l'égalité* (HCE) as well as various consultative bodies on labour relations, shall be merged.

Reform C5.R2: Contribution of enterprises to economic, social and environmental transformations in the context of recovery

This reform concerns article 244 of the financing law (*loi de finances*) for 2021, adopted specifically to ensure that companies benefiting from aid under France's recovery and resilience plan (and the national plan more broadly) engage in an ecological transition approach, promote gender equality, and involve and inform their employees about the use of the funds received from the State. It imposes the following obligations on companies benefiting from aid under the national plan 'France Relance'¹⁹:

¹⁸ Loi n°2020-1525 du 7 décembre 2020.

¹⁹ [France relance : découvrez les priorités du plan | Gouvernement.fr.](https://www.gouvernement.fr/france-relance)

- All companies with more than 50 employees are required to publish, by 31 December 2022 (31 December 2023 for companies with between 51 and 250 employees), a simplified greenhouse gas emission balance²⁰, to be subsequently updated every three years.
- Obligations are increased in the area of gender equality in the workplace. In addition to having to publish the overall score obtained in the index of professional equality²¹, companies with more than 50 employees that benefit from aid under France’s recovery plan must publish, each year by March 1 at the latest, the result obtained for each of the sub-indicators making up the Index. This publication is also available on the website of the Ministry of Labour. In addition, if they have not reached a threshold set by decree, companies are required to set and publish progress targets for each of the Index's indicators. Finally, companies that are subject to the obligation to adopt corrective measures, because of an overall Index score below 75 points, are required to publish these corrective measures. The publication procedures were specified by Decrees No 2021-265 of March 10, 2021 and No 2022-243 of February 25, 2022.
- Corporate governance is strengthened: during the annual consultation on the ‘strategic guidelines of the undertaking’ already provided for by law²², the Social and Economic Committee is informed of the amount, nature and use of the aid received by the undertaking under the recovery plan measures.

²⁰ It covers “scope 1” within the meaning of ISO 14064-1.

²¹ See, e.g. : <https://travail-emploi.gouv.fr/droit-du-travail/egalite-professionnelle-discrimination-et-harcelement/indexegapro>.

²² See, e.g.: https://www.legifrance.gouv.fr/codes/article_lc/LEGIARTI000037385809/.

E.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
5-1	C5.R1 Implementation of ASAP law	Milestone	Law n°2020-1525 (loi ASAP)	Entry into force				Q2	2022	Entry into force of implementing decrees of the ASAP law, covering at least the following: <ul style="list-style-type: none"> - Implementation of dispositions of procurement/renewal of sport membership and medical certificate - Instruction of environmental authorisation requests in urgent civil circumstances - Provisions relating to profit-sharing, participation or employee savings plan agreements
5-2	C5.R2 Enterprises' contributions to economic, social and environmental transformations	Milestone	Article 244 of Law n° 2020-1721 (loi de finances 2021)	Publication on the website of the Ministry of Labour (sub-indicators)				Q1	2023	For companies with more than 50 employees that benefit from aid from France's recovery plan, Publication of the result obtained for each of the sub-indicators making up the Index, as well as, for companies whose overall score is below the threshold set by decree, the progress targets set for each of these sub-indicators.

F. COMPONENT 6: Technological sovereignty and resilience

At around 2,2% in 2019, France's share of R&D expenditure in GDP remains below the 3% target set by the Lisbon Strategy, and below that of leading countries in innovation and technology.

The objective of component 6 of the French recovery and resilience plan is to support investments in research and innovation to improve France's innovation performance and strategic autonomy/technological sovereignty. It focuses on the development of strategic technologies and innovation in key sectors of the future, with the aim to strengthen France's positions in these sectors and to increase the resilience of the economy.

In this context, the component includes two horizontal investments under the fourth '*Programme d'Investissements d'Avenir*' (PIA4): (i) one aims to support the development of key digital markets (cyber, cloud, quantum, edtech, artificial intelligence, and cultural and creative sectors) to strengthen France's positions in strategic sectors of the future; (ii) a second one to support firms' innovation in strategic sectors. The component also includes an investment to support the space sector and funding for space research, as well as an investment to support employment in R&D. Those investments are complemented by a reform (the Research Programming Law), which aims to strengthen public funding for R&D, to enhance the attractiveness of scientific careers, and to increase business-academia linkages.

This component contributes to address the Country Specific Recommendations addressed to France on the need to "focus investment-related economic policy on research and innovation" (CSR 2019.3) or to "focus investment on [...] research and innovation" (CSR 2020.3).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

F.1. Description of the reforms and investments for non-repayable financial support

Reform C6.R1: Structural aspects of the Research Programming Law

The Research Programming Law²³ was adopted in December 2020 and pursues three objectives: strengthening the funding and organisation of research; improving the attractiveness of scientific jobs and careers; and enhancing the interactions of research with the economy and society. In order to achieve these objectives, the law's implementation – which shall entail the adoption of decrees – is expected to focus on the following areas:

- Increasing the internal research and development expenditure of administrations and businesses to at least 3% of annual GDP, up from 2,19% in 2019. Compared to the initial financing law, more than EUR 30 000 000 000 shall be additionally invested over 2021- 2030 for the benefit of research organisations, universities and other research establishments.
- Providing for an increase in the annual resources of the National Research Agency of EUR 1 000 000 by 2027, with the objective of increasing the success rate of calls for projects to 30%, compared to 16% in 2018. The budget for remuneration of research and higher education staff is increased: an additional EUR 92 000 000 annually is foreseen as of 2021 and until 2027.
- Strengthening the link between science and the economy. The Research Programming Law shall make it easier for public researchers to set up a business, participate in the life of a business or combine research with private activity on a part-time basis.

²³ Loi n° 2020-1674 du 24 décembre 2020.

Investment C6-I1: Preservation of employment in private R&D

This measure supports R&D employment by strengthening collaboration between public research laboratories and private businesses, helping young graduates find jobs in the R&D sector and allowing researchers in companies to build up their skills and improve employability.

In the context of a collaborative research contract between a company and a non-profit structure having a research activity, the measure allows to cover part of the remuneration of the R&D personnel who are assigned to this collaboration. The measure takes the form of four actions:

- Companies allocating R&D staff for a period of 12-24 months to public research laboratories in the context of a common research project, whereby the researcher(s) concerned spend at least 80% of their time on the project, including 50% in research laboratories.
- Companies allowing R&D staff to start doctoral studies during their career, for a period of 36 months, whereby the researcher(s) are engaged full-time on the doctorate and spend 50% of their working time in a research laboratory.
- Young graduates with a masters degree employed by a public research institution, who are assigned to a company for a period of 12 to 24 months to work on a common research project, whereby the researcher(s) work for at least 80% of their time on the project, including at least 50% in the company.
- Young doctoral graduates employed by a public research institution who start an industrial post-doctorate for a period of 12 to 24 months, whereby the researcher(s) spend at least 80% of their time on the project, including at least 50% in the company.

The measure shall cover between 50% and 80% of the salary of the researchers concerned (with a fixed ceiling), depending on the type of collaboration, in addition to providing a support package of EUR 15 000 per researcher per year to the research laboratory. The support applies for the duration of the collaboration projects, and is withdrawn thereafter. The measure shall support 1 200 researchers in total.

Investment C6-I2: Innovating for the resilience of our business models

The objective of this measure is to support investment for the development of key digital technologies, under the ‘*volet dirigé*’ of the fourth ‘*Programme d’Investissements d’Avenir*’ (PIA4).

It shall finance, more specifically, projects falling under the six ‘acceleration strategies’ described below:

- **Strategy for the development of quantum technologies:** in the field of calculation, the objective is to have a complete prototype of a first-generation general quantum computer by 2024. It also aims to master quantum technologies (including accelerators, simulators and quantum computers, business software for quantum computing, sensors, communication systems), with the objectives to double the French pool of specialists by training 6600 doctors, masters, engineers and technicians, and to ensure France’s self-sufficiency in its supply of resources for the development of quantum technologies. The strategy also aims at mastering critical industrial capacity in quantum technologies, in particular by investing in cryogenics and lasers for quantum technologies. It also aims to have a complete industrial production chain for Silicon 28, in particular to enable the possible production of qubit.
- **Strategy for cybersecurity:** The aim of the strategy is to accelerate innovation to make France master key technologies in critical applications (such as industry, health and mobility) and to strengthen cybersecurity capabilities within industry and society. The objectives are to enable the sector to increase its turnover, doubling the number of jobs in the sector and help create world leading companies in the sector.

- **Education and digital strategy:** the strategy covers the digital transformation of education, from kindergarten to university, with the objectives to address the efficiency of the education system, to support EdTech²⁴ and to support France's leadership in this sector. It aims to train teachers in innovative pedagogical practices and to support existing companies in raising funds.
- **Strategy for cultural and creative industries:** The strategy aims to develop the digital content production. Investments shall support the sector's technological innovation, digital creation and dissemination. The objectives are to double the current pace of transition from SMEs to ETI for cultural enterprises, to increase the export turnover and deploy cultural hubs by 2025 to irrigate the pilot territories.
- **Strategy for 5G and future telecommunications technology:** The aim of this strategy is to develop solutions around telecommunications networks and to achieve end-to-end control of these solutions through support for supply, R&D and training, while at the same time developing 5G usage for the benefit of regions and industry. The 5G strategy aims at developing 5G uses in cutting-edge industrial sectors, and supporting the deployment of smart regions. It also aims to invest in R&D in beyond 5G and 6G (future network technologies, heterogeneous connectivity of connected objects, energy efficiency of networks, etc.). It also aims to respond to skills needs on the design and deployment of future networks.
- **Cloud Acceleration Strategy:** the strategy aims to create competitive cloud solutions in technological segments (infrastructure, platforms and software), with the view to support France and Europe's leadership over this key technology, also via the implementation of the Important Project of Common Interest for Next Generation and edge Computing Infrastructure and Service, for which France is co-coordinator. The expected impacts are the development of a supply of trusted cloud aimed at reducing the carbon footprint and the construction of a data-driven economy.

Once strategies are launched, calls for expression of interest and calls for proposals shall then be launched, tailored to the specific needs of each strategy. Projects (which are generally carried out by companies or research entities) shall then be selected through competitive procedures. Appropriations shall be committed as calls for projects are launched and projects selected.

The terms of reference for upcoming calls for projects shall include as an eligibility criterion to ensure the environmental neutrality of the applications of the funded solution, in a way that ensures that the measure complies with the 'do no significant harm' principle of Regulation (EU) 2021/241. This shall complement the fact that, whenever applicable, environmental criteria are part of the selection criteria for projects, and that operators are required to produce a critical analysis of their proposals based on internal and external expertise; that the green transition is listed by law as one of the objectives of the PIA, and that the PIA's governing bodies must ensure the application of these objectives, which is monitored through a dedicated indicator. This shall lead to the exclusion of (i) activities related to fossil fuels, including downstream use²⁵; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks²⁶; (iii)

²⁴ EdTech — usually referred to as EdTech for “educational technology” — brings together technological resources and digital solutions for knowledge, for transmission, learning and application.

²⁵ Except projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the 'Do no significant harm' Technical Guidance (2021/C58/01).

²⁶ Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

activities related to waste landfills, incinerators²⁷ and mechanical biological treatment plants²⁸; and (iv) activities where the long-term disposal of waste may cause harm to the environment.

Investment C6-I3: Supporting innovative businesses

The objective of this measure is to finance R&D investment for innovative companies, under the ‘volet structurel’ of the fourth ‘Programme d’Investissements d’Avenir’ (PIA4). It targets innovative enterprises that, individually or through collaborative programmes, need access to finance to cover the risk inherent to their R&D projects. It includes:

- **Innovation competitions for start-ups and SMEs:** this aid shall accompany the creation and growth of innovative technology companies, through aid to guide young researchers towards creating a business, to capitalise on the results of public research, and finally to finance start-ups and SMEs’ innovation projects with high potential. The winners of the innovation competitions come from a number of sectors: digital, health, transport and sustainable mobility, renewable energy, etc.
- **Support for structured R&D projects:** this aid shall accompany collaborative projects involving large companies with SMEs and mid-cap companies (“ETI”²⁹), with an incentive to work with research laboratories on projects stemming from the “Comités stratégiques de filière”. These projects bring together a consortium of at least two companies, with a view to creating synergies and fostering knowledge transfer, and to strengthening the depth and technological intensity of new innovative products or services.

The terms of reference for upcoming calls for projects shall include as an eligibility criterion to ensure the environmental neutrality of the applications of the funded solution, in a way that ensures that the measure complies with the ‘do no significant harm’ principle of Regulation (EU) 2021/241. This shall complement the fact that, whenever applicable, environmental criteria are part of the selection criteria for projects, and that operators are required to produce a critical analysis of their proposals based on internal and external expertise; that the green transition is listed by law as one of the objectives of the PIA, and that the PIA’s governing bodies must ensure the application of these objectives, which is monitored through a dedicated indicator. This shall lead to the exclusion of (i) activities related to fossil fuels, including downstream use³⁰; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks³¹; (iii) activities related to waste landfills, incinerators³² and mechanical

²⁷ This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

²⁸ This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

²⁹ See e.g. <https://www.insee.fr/fr/metadonnees/definition/c2034>.

³⁰ Except projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the ‘Do no significant harm’ Technical Guidance (2021/C58/01).

³¹ Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

³² This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the

biological treatment plants³³; and (iv) activities where the long-term disposal of waste may cause harm to the environment.

Investment C6-I4: Space

The measure supports three distinct actions:

- Ad-hoc contribution to the European Space Agency (ESA) for an amount of EUR 165 000 000 to respond to calls for financing launched by the ESA to finance space programmes, such as scientific missions, development of satellite programmes or financing of the Ariane 6 Programme, a rocket launch system development programme managed by the European Space Agency (ESA). These programmes are based on voluntary contributions of Member States (“optional programme”). Autonomous access to space is critical to enable the European science and exploration missions, as well as the pursuit of EU space programmes like Galileo and Copernicus.
- R&D projects in the following ways: (i) public procurement limited to research in strategic technologies defined with the National Centre for Space Studies (CNES) with both civil and dual applications ; (ii); calls for projects in areas relevant to the space sector such as optical communication, flexible telecommunication systems, and satellite telecommunication terminals; (iii) a call for projects to support key technologies in the field of nanosatellites; (iv) a national competition for space applications (“Space Tour 2021”) used to select R&D projects for innovative and promising space applications run by start-ups or SMEs.
- Projects in Vernon, the site where the ESA is expected to carry out the first tests to develop “Prometheus”, a reusable and low-cost rocket engine. The measure supports the modernisation of the rocket engine testing facility in Vernon and the creation of a 10-hectare park of solar panels, which shall generate the amount of electricity needed to produce the site’s required hydrogen amounts through electrolysis. Lastly, this measure supports a project whereby hydrogen produced on the site as a by-product of industrial processes (“hydrogène fatal”) is recovered in a fuel cell.

lifetime of the plants; for which evidence is provided at plant level.

³³ This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

F.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6-1	C6.R1 Research Programming Law	Target	Loi n° 2020-1674 du 24 décembre 2020 – entry into force of decrees		Proportion of decrees	0%	60%	Q4	2023	At least 60% of decrees entered into force.
6-2	C6.R1 Research Programming Law	Target	Loi n° 2020-1674 du 24 décembre 2020 – recruitments in tenure track		Person	0	100	Q4	2022	Number of tenure track recruitments (cumulative 2021-2022).
6-3	C6.R1 Research Programming Law	Target	Loi n° 2020-1674 du 24 décembre 2020- increase in public research funding		Amount	EUR 12,9 billion	EUR 14,7 billion	Q3	2025	Increase in public research funding compared to 2020 as evidenced in the report from the DGRI.
6-4	C6.I1 Preserving R&D employment	Target	Number of R&D personnel benefitting from the measure		Person	0	1200	Q4	2022	Total number of R&D personnel benefitting from the four actions to support employment in R&D.
6-5	C6.I2 PIA – Key digital technologies	Target	Number of strategies validated		Number	0	6	Q4	2021	All six strategies (quantum technologies, cybersecurity, Digital education, cultural and creative industries, 5G, cloud) have been validated and published on the ‘Secrétariat Général pour l’Investissement’ (SGPI)’s website.
6-6	C6.I2 PIA – Key digital technologies	Milestone	Launch of the call for proposals or interest	Publication on the ‘Secrétariat Général pour l’Investisse				Q4	2023	All calls for proposals or interest under this measure for the strategies adopted under target 6-5 launched, with terms of reference including as eligibility criterion to ensure the environmental neutrality of the applications of the funded solution.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
				ment ' (SGPI)'s website						
6-7	C6.I2 PIA - Key digital technologies	Milestone	Awards of contracts – implementing decision of the Prime Minister	Report from the 'Secrétariat Général pour l'Investissement ' (SGPI)				Q4	2024	Implementing decision of the Prime Minister following the closure of the calls for proposals/calls for interest launched under milestone 6-6; allowing contractualisation with the beneficiaries through grant agreements or other contracts for granting funds to be signed.
6-8	C6.I3 PIA – innovative businesses	Milestone	Launch of the call for proposals or interest	Publication on the 'Secrétariat Général pour l'Investissement ' (SGPI)'s website				Q4	2022	All calls for proposals or interest under this measure launched for the innovation aids, including innovation competitions for start-ups and SMEs, and R&D projects, with terms of reference including as eligibility criterion to ensure the environmental neutrality of the applications of the funded solution.
6-9	C6.I3 PIA – innovative businesses	Milestone	Awards of contracts – implementing decision of the Prime Minister	Report from the 'Secrétariat Général pour l'Investissement ' (SGPI)				Q4	2024	Implementing decision of the Prime Minister following the closure of the calls for proposals/calls for interest launched under milestone 6-8; allowing contractualisation with the beneficiaries through granting aid to be signed.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
6-10	C6.I4 Space	Target	Award of contracts to beneficiaries		Amounts (millions)	0	200	Q1	2022	EUR 200 000 000 contracted with beneficiaries of (i) calls for projects in areas relevant to the space sector and national competition for space applications (“Space Tour 2021”); and (ii) projects in Vernon (recovery of hydrogen, park of solar panels, modernisation of rocket engine testing facility).
6-11	C6.I4 Space	Target	Number of beneficiaries		Number	0	80	Q1	2022	Number of beneficiaries of calls for projects in areas relevant to the space sector and national competition for space applications (“Space Tour 2021”).
6-12	C6.I4 Space	Milestone	Investments in Ariane 6	Follow-up of the progress of the European Space Agency by the National Centre for Space Studies (CNES)				Q4	2024	Realisation of Ariane 6 Programme

G. COMPONENT 7: Digitalisation of State, territories, enterprises, Culture

This component of the French recovery and resilience plan concerns investments and reforms in the domain of digitalisation of State, territories, SMEs, support to the cultural sector and reforms in the administrative simplification and the public finances domain.

The digitalisation, in particular of businesses, is key to increasing productivity in France, as highlighted by the National Productivity Board.

The digitalisation of the State is aimed to not only increase the performance of public administration through technological upgrades, it aims to also contribute to more inclusiveness, in complementarity with the reforms of the component aimed at simplification and decentralisation (3DS law).

The support measures to the cultural sectors aim at the recovery of a severely hit sector via targeted investments in renovation, heritage, employment in the field of arts and modernisation of training, cinema, press, and book sectors, with a focus on climate transition and youth.

Finally, the two public finance reforms contribute to answering country-specific recommendations 2019.1.2 and 2020.1.1 on the management of public debt and expenditure, especially drawing a sustainable path for public finances on the long-term after the COVID crisis.

Digitalisation investments contribute to the digital infrastructure-related country-specific recommendations 2019.3.3 and 2020.3.4 and 3.7. The simplification reforms address parts of the business environment country-specific recommendations 2020.4.1 and 4.2. The investments in culture contribute to frontloading public investment with heritage renovation works (country-specific recommendation 2020.3.2) and mitigate the employment impact of the crisis (CSR 2020.2.1). Finally, the public finance reforms address parts of country-specific recommendations 2019.1.3 (expenditure savings and efficiency), and 2020.1.1 (fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

G.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C7.R1): Law on differentiation, decentralization, deconcentration and on various measures to simplify local public action (3DS)

The measure shall make the local public service more efficient and adaptable, according to local specificities.

The law on "Differentiation, decentralisation, deconcentration and simplification" (bill 3DS) shall provide for a number of provisions in the areas of housing, transport, ecological transition, health and solidarity. It shall pursue four objectives: (1) decentralization: to make public action more understandable and efficient, by completing the transfer of certain blocks of competences to local authorities; (2) promote differentiation: to ensure that each territory is able to provide responses to its specificities, using appropriate tools and resources; (3) strengthen deconcentration: to bring the State closer to the field and better adapt decision-making to local realities; (4) simplification: to simplify the implementation of the previous objectives.

An evaluation of the provisions that have worked to facilitate public action, according to the four principles provided for by law (decentralization, differentiation, deconcentration and simplification) shall occur by 30 June 2025.

Reform 2 (C7.R2): Organic law on to the simplification of experiments carried out on the basis of the fourth paragraph of article 72 of the Constitution

The measure shall enshrine the right to differentiation by giving local authorities the possibility of applying, first in an experimental framework and then, under certain conditions, in a lasting manner, rules relating to the exercise of their different powers to take account of their specificities.

The organic law shall provide that the local authorities may decide by a simple deliberation to participate in an experiment without their having to be authorized to do so by decree. It shall streamline the procedures governing the entry into force of the decisions they take in the context of the experiments as well as the conditions for exercising the legality control of these decisions. The experimental measures may be maintained in all or part of the local authorities that participated in the experiment and extended to others. The standards governing the exercise of local jurisdiction that have been the subject of the experiment may be modified at the end of the experiment.

By 30 June 2025, an evaluation of the first experiments carried out on the basis of the following indicators shall be undertaken. The evaluation shall consider at least the following factors: number of communities participating in each experiment, number of days required to obtain publication in the Official Journal the deliberations by which the communities participate in the experiments, time limit for the entry into force of the derogatory acts taken by the experimenting communities for each experiment.

Reform 3 (C7.R3): Civil service transformation

The transformation of the public service aims to respond to several challenges: making the public service more representative of the society, contributing to the professional integration of young people and low-skilled people, innovating in work organizations, valuing merit, competence, commitment, guaranteeing equality between women and men, and fight against all forms of discrimination. This policy is based on the implementation of the law on the transformation of the civil service of 6 August 2019.

The measure shall consist of the implementation of two action plans.

The action plan for the professionalization of the public service is based on 8 measures: (1) the development of a State- employer brand, (2) the organization of recruitment processes, (3) the professionalization and training of actors, (4) improving the integration of newcomers, (5) the overhaul of the “Place de l’emploi public” website, (6) sourcing, (7) the creation of talent pools and (8) the strategic management of recruitments.

The action plan for equal opportunities is designed around three pillars: (1) identifying and supporting young talents across the country towards success; (2) new competitive examination to access the civil service; (3) develop a professional career free of discrimination.

The implementation of the actions foreseen in these two action plans shall take place by 31 March 2022.

Reform 4 (C7.R4): Public finance governance

The objective of this reform of the governance of public finances is to put in place a strategy for the consolidation of public finances in the medium and long term. This strategy is based on the recommendations of the ‘Commission sur l’Avenir des Finances Publiques’ (report of 18 March 2021). Some of these recommendations shall be implemented through the entry into force of an organic law in time to be applicable for the 2023 budget and the next public finance programming

law. The Organic law shall extend the prerogatives of the High Council of Public Finances and shall establish a multi-annual expenditure rule for general government expenditure. This expenditure rules shall ensure consistency between the annual budget bills and the multi-year objectives. The implementation of this new governance framework, as well as a multi-year trajectory for public finances that allows the debt ratio to be stabilised and then reduced, shall be set out in the new public finance programming law for 2023. The government shall also put in place a Covid debt ring-fencing strategy with the aim of allocating specific resources to its repayment.

Reform 5 (C7.R5): Assessment of the quality of public expenditure

Complementary to the reform of the public finance governance, this measure is for an evaluation of public spending that shall be carried out after the crisis with the aim of identifying the most efficient expenditures favouring growth, social inclusion and the ecological and digital transition. Public spending is expected to be directed towards those that promote this type of growth while reducing those that are inefficient or redundant with respect to other sources of finance. It is, therefore, essential to accurately assess the impact of public spending with regard to the public policy objectives it serves and the search for efficiency in achieving it, in the short and medium term.

The measure shall include the stock taking of the outcome of the reforms on the effectiveness of public action over the Presidential term, the publication of an audit report on public finances by the Court of Auditor and the inclusion of the evaluation of public expenditure in upcoming budgetary laws.

The audit report on public finances to be published by the Court of Auditors shall also be a contribution to defining the strategy for the gradual exit from the support mechanisms put in place from March 2020 to respond to the economic impacts of the health crisis.

The public expenditure impact assessments shall be strengthened in connection with the entry into force of the new public finance programming law from 1 January 2023, once the health crisis has passed. The underlying expenditure trajectory shall then be detailed in the next financial laws annuals.

The assessment of the quality of public spending shall be made a regular practice as of 2023 with a clear scope and calendar and the measures taken to improve the quality and efficiency of public spending shall be annually assessed.

Investment 1 (C7.I1): Digitization of companies

Two sub-measures shall be implemented to modernize companies.

The first sub-measure is the continuation of the existing “France Num” initiative and it shall support companies in their digital transformation to develop their business digitally. The “France Num” initiative shall offer several support schemes: 20 000 digital diagnoses and accompaniments from the Chambers of Commerce and Industry (CCI) and the Chambers of Trades and Crafts (CMA); 100 000 trainings shall occur as well as the production and broadcasting of a TV program for the general public in order to raise the awareness of micro-businesses which are still not digitally equipped.

The second sub-measure shall support investments in industrial SMEs and mid-caps through upscaling and supporting their medium / long-term digitization strategy with the adoption of new technologies. The aid shall take the form of a subsidy for the acquisition of a property registered as a fixed asset and assigned to an industrial activity in predefined eligible categories: robotic equipment, additive manufacturing, virtual or augmented reality, design software, integrated machines for high-performance computing, numerically-controlled production machines, as well as software or equipment the use of which requires artificial intelligence.

Investment 2 (C7.I2): Digital upgrade of the State and territories

This investment shall identify digital innovative approaches allowing for an improvement of the efficiency of the public action and the quality of the working environment of public officials,

including for e-mobility.

To this end, a “Public Agent Digital Backpack” Fund for projects shall modernize the workstation of State officials and an “Innovation and digital transformation Fund” support high-impact digital initiatives within the State and local authorities, while supporting the digital sector.

To provide a more efficient, more collaborative and more mobile digital work environment for State employees, the funded projects shall fall under five themes: increased performance of data transport networks; development of federated digital identification for State officials; of secure remote access solutions to digital tools; of unified communication solutions at the interministerial level; and support for the acquisition by managers and teams of digital working methods.

To stimulate digital innovation and accelerate the digital transformation of the State, the funded projects shall fall under eight themes: quality dematerialization of the administrative procedures most used by citizens and businesses; new natively digital public policies; development of best digital practices born in local State services; professionalize public digital sectors; develop the use of data in the service of public action; study and experiment with the use of emerging digital technologies and approaches; digital transformation of local authorities; support structuring projects mobilizing multiple transformation levers.

Investment 3 (C7.I3): Cybersecurity of State services

The investment shall support the strengthening of cybersecurity capabilities for public services; encourage the development of a competitive and innovative cybersecurity offer for the benefit of the economy and society and reinforce the ability to prevent and respond to cybersecurity attacks.

The following projects shall in particular be implemented:

- the creation of incident response teams in the territories;
- the deployment of diagnostic and security packs for eligible beneficiaries,
- the acquisition of security products for the benefit of the State and public services;
- increasing the national capacity to detect cyber attacks.

Investment 4 (C7.I4): State digital upgrade: digital identity

Two sub-measures shall be implemented: the digital national identity card and the development of a State-guaranteed digital identification system. These two measures shall also contribute to improve security and interoperability.

To support the deployment of the new identity cards, without disrupting service to users, the systems, equipment and related IT networks shall be adapted. In particular, these systems shall be upgraded: the application « *Titres électroniques sécurisés* » (and subsequent cybersecurity upgrade), the implementation of fingerprint collection devices, and the user portal of the National Agency for Secure Titles (‘*Agence nationale des titres sécurisés*’) to allow users accessing their procedures. The development of a State-guaranteed digital identification system shall replace the practice of username/password by a more secure system of digital identification. The development of the new system shall be made in a European context of digital interoperability (eIDAS Regulation). The solution shall allow developing new sensitive public and private uses and fighting online fraud and identity theft.

Investment 5 (C7.I5): Equipment and infrastructure of the Ministry of the Interior

The measure shall develop the applications of the Ministry of the Interior and ensure their resilience. In particular, the projects supported concern several technical infrastructures:

- State inter-ministries network: phasing out of the phone network RIMBAUD and doubling existing network connections;

- IT base of the territorial administration of the State: construction of the base and new organization to coordinate the network of departmental inter-ministries information and communication systems services;
- Police prefecture video protection plan: develop and offer new storage and network capacities to the video protection system of the Paris police headquarters, in particular in view of the 2024 Olympic Games;
- Networks security: strengthening of the digital security of the Ministry (cyber defense);
- Data centre resilience: infrastructure work to ensure energy resilience for the Ministry's data centres;
- Population alert and information system: develop the alert and information system to the population, in particular with a view of implementing of the new FR-Alert system (see also measure “Ministry of the Interior’s applications”).

Investment 6 (C7.I6): Ministry of the Interior's applications

This measure shall develop new or upgrade existing digital applications for the Ministry of the Interior:

- SI Elections: application shall overhaul the computer system designed for the elections by increasing the overall robustness of the system and by interfacing in particular with other applications such as the national directory of elected officials.
- Online complaint: the application shall allow the user, in certain cases, to limit his movements and to file a complaint directly online. The project shall provide for a first phase of online support for the user / victim for whom travel may be difficult at first.
- FR-Alert: the application shall implement the Directive 2018/1972 on the establishment of an alert system via mobile phone before 30 June 2022. This application shall send immediate alerts to the user.
- Marcus 112: The Marcus 112 project shall put in place the actions and experiments necessary to rationalize the several emergency phone numbers that currently coexist in France;
- Vehicle registration system (SIV): this application shall overhaul the vehicle registration system by optimizing the user experience and improving performance. The first modules scheduled for delivery by the end of 2025 are in particular the following: payment domain, target repositories, identity and rights management, management of authorizations and approvals, cloud base and installation templates, document management, portal base and business administration module, supply and refinement of the reference data model, management of the administrative status of the registration certificate.
- LOG MI: this application shall provide a centralized logistics system common to all actors of the Ministry of the Interior.
- IT project Preparation for the future: this application shall facilitate the conduct of investigations by new digital means and reinforce the mobility of agents in the field.

Investment 7 (C7.I7): Mobility and teleworking at the Ministry of the Interior

This investment shall support a set of measures intended to promote the development of mobility and teleworking within the Ministry of the Interior. Three actions shall be implemented:

- Improvement of the digital environment and development of teleworking: promoting the development of collaborative work solutions, the acquisition of teleworking work stations and the implementation of systems allowing teleworking for officials.
- The first actions related to the Radio network of the future (namely: access to radio coverage,

development and implementation of the integrator, core network, a communication system, development and implementation of gateways and interconnections, management information system, maintenance, integration of the PCSTORM project environment, and associated training and experimentation) enabling the development of a Long Term Evolution network for public and private security actors (such as State police, firefighters, emergencies and municipal police). It shall provide effective and resilient means of communication, allowing an adapted answer to the needs of law enforcement and crisis response.

- NEO stations: extend the equipment of the police with 40 000 secure mobile terminals. The terminals and the accompanying application system allow law enforcement officers to carry out actions formerly carried out in professional offices while on mission on the terrain. They thus limit travel for both the agent and the user and ensure better overall efficiency.

Investment 8 (C7.I8): Administrative continuity: digital upgrading of the administration of the education system

This investment shall accelerate the digital transformation of the Ministry of Education, Youth and Sports, thanks to the development of its information systems, relying more heavily on data, to make them more efficient, more accessible and more secure. This investment shall also strengthen the dematerialization of procedures and services to users.

Five actions shall be implemented:

- Modernization of IT tools for first degree schooling: setting up of information systems for data exchange with local communities and simplification of management procedures.
- Simplification of piloting and management information systems for the second degree schooling.
- Development of data exchanges with partners.
- Generalization of tools and services allowing to telework in a secure environment for administrative agents, management and inspection staff, in particular through the adaptation of infrastructures and dedicated secured applications.
- Upgrade of infrastructure and tools to share data and digital services throughout the pupil's schooling (such as with local communities, parents and higher education), to set up new work organizations, promoting efficiency of agents and quality of life at work and to simplify user procedures and take into account the user experience.

Investment 9 (C7.I9): Educational continuity: digital transformation of the school

This investment shall support the installation of mobile digital equipment in the classrooms, which is a prerequisite for developing hybrid education. It shall also support investments in video projectors, shared mobile equipment, equipment specific to the elementary school, as well as the network allowing both on-site and remote teaching. It shall also fund services and resources for the first degree education as well as equipment allowing hybrid teaching in high school.

Teachers shall be trained to master the new digital education tools and services as well as the new digital environment.

Investment 10 (C7.I10): Digitalisation of public services: developing access to higher education throughout the country thanks to digital

The investment shall fund the deployment of dematerialized course modules in higher education as well as the installation of the necessary digital infrastructure. The development of remote learning courses and the corresponding infrastructures shall allow adaptation to the current health situation by avoiding overcrowding in lecture halls and classrooms. It shall also pave the way to a longer- term

strategy of accessibility to higher education intended to reach a wider public throughout the national territory but also abroad. Moreover, it shall allow proposing a more diverse and complete training offer, suited to the constraints of certain students who have to reconcile their studies with a professional activity.

The investments shall support projects for:

- creation of digital and accessible online modules in higher education institutions
- digital training of teachers-researchers from universities
- developing of nation-wide platforms (virtual classroom, webinar, distance exams, learning management system) which shall eventually offer all the bachelor's and master's modules.
- call for projects dedicated to digital services focusing on the students' user experience.

Investment 11 (C7.I11): Support for cultural sectors and heritage renovations

The investment shall support cultural heritage renovations and promote the performing arts.

The investment shall support two sub-measures: investment in cultural heritage to renovate historic monuments, in order to ensure their lasting viability and as such contribute to promoting local tourism eco-systems and investment for employment and training modernization.

Investing in cultural heritage shall support heritage sites in the regions and promote craftsmanship and know-how. This investment shall support five restoration actions:

- a “Cathedrals Plan” to speed up the necessary safety and security work and restoration projects for 45 religious buildings belonging to the State;
- the restoration of historic monuments belonging to local authorities and private owners. This shall include support for the restoration of the church in Turenne (New Aquitaine), the castle of Meauce (Bourgogne-Franche-Comté) and the Palais Rontaunay (Réunion);
- the restoration of 14 monuments managed by the Historical Monuments Center across the whole territory, such as the Château d'Angers or the abbey of Mont-Saint-Michel;
- the restoration of Villers-Cotterêts castle to become an International City of French language;
- the restoration of heritage facilities such as regional museums, departmental and municipal archives as well as conservation and study centers intended to preserve the remains resulting from archeological excavation.

The investment for artistic employment and training modernization shall support three actions:

- an “ecological transition fund” that finances projects in favor of ecological and digital transition carried out by artistic creation institutions (labels and venues for live performance and visual arts);
- a modernization plan for cultural higher education establishments which shall invest in energy retrofitting, support training, and strengthen their digitalization through the modernization of their teaching tools and their IT infrastructures;
- an exceptional public order program to give new impetus to creation in all disciplines. This program aims to support young designers in particular. It is thus a one-off expenditure in favor of supporting the creation of works of art, all disciplines combined.

Control and audit:

The implementation of the recovery and resilience plan is monitored by the “Secrétariat Général France Relance” attached to the Prime Minister and the Minister of Economy, Finance and Recovery. The implementation is delegated to the Ministries by means of “conventions” and “chartes de gestion”. With regard to the internal control system, the authorities in charge of the recovery and

resilience facility in France rely on the national system in place in France to control the national budget. The CiCC (*Commission interministérielle de coordination des contrôles*) is appointed as the national audit and control coordinator.

A circular shall be signed by the Prime Minister setting out:

- The system organisation and the obligations of each structure in terms of ensuring reliability and control of data pertaining to indicators;
- Procedures for collecting and storing data on all types of final recipients.

Given that the circular is expected to define important elements of the control and audit system, which are not yet available as of the date of submission of the plan, a milestone relating to the signature of these circulars shall provide further assurance. Moreover, the milestone shall also include a report by the CiCC detailing its audit strategy and describing the envisaged audit work on payment claims.

G2 Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-1	C7.R1 3DS Law	Milestone	Entry into force of the 3DS law	Entry into force				Q1	2022	Entry into force of the 3DS law aimed at strengthening the efficiency of public services by promoting differentiation, decentralization, deconcentration and simplification.
7-2	C7.R1 3DS Law	Milestone	Evaluation of the 3DS law	Evaluation report				Q2	2025	Evaluation of the provisions that have worked to facilitate public action, according to the four principles provided for by law (decentralization, differentiation, deconcentration and simplification).
7-3	C7.R2 Organic law Experimentation	Milestone	Entry into force of the law aiming to enshrine the right to differentiation	Entry into force				Q2	2021	Entry into force of the law aiming to enshrine the right to differentiation by widening the possibility for local authorities to resort to experiments to take into account their specificities (simplification of the legal framework and dedication of new outcomes to experimentation).
7-4	C7.R2 Organic law Experimentation	Milestone	State of play of the first experiments carried out	Evaluation report				Q2	2025	Evaluation of the first experiments carried out on the basis of the following indicators (included in the measurement): number of communities participating in each experiment authorized by law or regulation, number of days required to obtain publication in the Official Journal the deliberations by which the communities participate in the experiments, time limit for the entry into force of the derogatory acts taken by the experimenting communities for each experiment authorized by law or regulation).

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-5	C7.R3 Civil service transformation	Milestone	Implementation of actions identified as part of the projects launched on recruitment and equal opportunities	Implementation report				Q1	2022	Implementation of the plan for equal opportunities, with the following objectives: increase in the number of young apprentices, disabled workers, plan in favor of gender equality in senior State management, renovation of access to the public service through new competitive exams, support for the success of young talents throughout the territory, development of coaching and mentoring for equal opportunities.
7-6	C7.R4 Governance of public finances	Milestone	Submission of the CAFP report (Commission sur l'Avenir de Finances Publiques)	Submission of the report				Q1	2021	Submission of the CAFP report (Commission sur l'Avenir de Finances Publiques) on the post-crisis budgetary strategy and on the renovation of the public finance governance framework.
7-7	C7.R4 Governance of public finances	Milestone	Implementation of selected recommendations of the CAFP report	Entry into force				Q4	2021	Implementation in time to be applicable as from the 2023 Budget of selected recommendations of the CAFP report through the adoption of organic legislative provisions, which have in particular the following objectives: - The extension of the prerogatives of the HCFP (Haut Conseil des Finances Publiques) - The establishment of a multi-year expenditure rule as a steering rule. This expenditure rule shall ensure consistency between the annual budget bills and the multi-year objectives.
7-8	C7.R4 Governance of public finances	Milestone	Implementation of a COVID debt containment scheme	Implementation of a COVID debt containment Scheme				Q4	2021	Implementation of a COVID debt containment scheme in the draft budgetary plan.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-9	C7.R4 Governance of public finances	Milestone	New Public Finances Programming Law (LPFP, 'Loi de Programmation des Finances Publiques')	Entry into force				Q1	2023	Entry into force of a new Public Finances Programming Law (LPFP, 'Loi de Programmation des Finances Publiques') implementing the new organic legislative provisions adopted and setting a public finance path making it possible to stabilize and then decrease the debt ratio.
7-10	C7.R5 Assessment of the quality of public spending	Milestone	Publication of the results of the productivity reforms	Publication of the report				Q4	2021	Publication of the results of the productivity reforms of public action carried out over the five- year presidential term.
7-11	C7.R5 Assessment of the quality of public spending	Milestone	Report of the audit mission of the Court of Auditors on public finances	Publication of the report				Q2	2021	Report of the audit mission of the Court of Auditors on public finances.
7-12	C7.R5 Assessment of the quality of public spending	Milestone	Exit emergency measures under sanitary conditions	Exit from emergency measures				Q4	2022	Exit emergency measures under sanitary conditions, based on the recommendations of the report of the audit mission of the Court of Auditors.
7-13	C7.R5 Assessment of the quality of public spending	Milestone	Construction of financial laws articulated with public expenditure evaluations covering the scope of public administration in	Construction of financial laws				Q4	2022	Construction of financial laws articulated with public expenditure evaluations covering the scope of public administration in compliance with the expenditure trajectory of the public finance programming law.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
			compliance with the expenditure trajectory of the public finance programming law							
7-14	C7.R5 Assessment of the quality of public spending	Milestone	Annual assessment of measures taken to improve the quality of public spending implemented in the 2023 budgetary law	Publication of assessment				Q1	2024	Annual assessment of measures taken to improve the quality of public spending implemented in the 2023 budgetary law.
7-14a	C7.R5 Assessment of the quality of public spending	Milestone	Annual assessment of measures taken to improve the quality of public spending implemented since the 2023 budgetary law	Publication of assessment				Q1	2025	Annual assessment of measures taken to improve the quality of public spending implemented since the 2023 budgetary law.
7-15	C7.I1 Digital upgrade of companies	Target	Number of companies that received a subsidy to foster digital investments		Number	0	3320	Q1	2022	Number of companies that were supported to foster digital investments through the scheme “Industries of the Future”.
7-16	C7.I1 Digital upgrade of companies	Target	Number of diagnoses, digital accompaniments or trainings provided to companies		Number	0	120,000	Q4	2025	Number of diagnoses, digital accompaniments or trainings provided to companies through the scheme “FranceNum”.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-17	C7.I2 Digital upgrade of the State and local authorities	Target	Number of companies benefitting from public orders		Number	0	200	Q1	2023	Number of companies benefitting from public orders in the framework of the 'Innovation and Numerical transformation' and 'and Sac à dos numérique de l'Agent public' Funds to digitally upgrade State and local authorities.
7-18	C7.I2 Digital upgrade of the State and local authorities	Target	Percentage of civil servants whose job can be performed remotely equipped for teleworking		Percentage		95%	Q3	2023	Percentage of civil servants equipped for teleworking based on a census conducted by the State's digital departments. This target is assessed against a reference pool of 395 000 public servants whose job can be performed remotely.
7-19	C7.I3 Cybersecurity of central government	Milestone	Investment to increase governmental cybersecurity	Report to be provided by the French Government providing evidence of completion				Q4	2024	Completion of the four actions to increase governmental cybersecurity: <ul style="list-style-type: none"> • creation of response teams, • deployment of diagnostic packs, • acquisition of cybersecurity tools, • increase of detection capacity of cyberattacks
7-20	C7.I4 Digital upgrade of the State – digital ID	Target	Number of digital ID cards produced		Number		3 000 000	Q1	2022	Number of new identity cards produced and in circulation.
7-21	C7.I4 Digital upgrade of the State – digital ID	Target	Number of holders of the new ID card with a 'digital identity' compartment		Number		12 500 000	Q4	2023	Number of holders of the new ID card with a "digital identity" compartment allowing them to access the newly developed sovereign digital identity application.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-22	C7.I5 Equipment of Ministry of Interior	Milestone	Investment to reinforce the digital equipment of the Ministry of Interior	Report to be provided by the French Government providing evidence of completion				Q4	2023	Completion of the six actions to reinforce the digital equipment of the Ministry of Interior: <ul style="list-style-type: none"> • State interministerial network, • IT base of the territorial administration of the State • Police prefecture video protection plan • Network security • Data centre resilience • Population alert and information system
7-23	C7.I6 Applications of the Ministry of Interior	Milestone	Investment in digital applications developed by the Ministry of Interior	Report to be provided by the French Government providing evidence of completion				Q2	2025	Completion of the seven digital applications for the Ministry of Interior: <ul style="list-style-type: none"> • SI Elections • Online complaint • FR-Alert • Marcus 112 • Vehicle registration system (first modules) • LOG MI • IT project "Preparation for the future"
7-24	C7.I7 Teleworking in the Ministry of Interior	Milestone	Investment to reinforce the digital connectivity of the Ministry of Interior	Report to be provided by the French Government providing evidence of completion				Q4	2023	Completion of the measures to reinforce digital connectivity of the Ministry of Interior: <ul style="list-style-type: none"> • Improvement of the digital environment and development of teleworking (completion) • NEO stations (completion) • Radio network of the future (first steps)

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-25	C7.I8 Digital upgrade of the education system	Milestone	Investment to upgrade the digital services of the Ministry of National Education	Report to be provided by the French Government providing evidence of completion				Q2	2026	Completion of the five actions to upgrade the digital services of the Ministry of National Education: <ul style="list-style-type: none"> • Modernization of IT tools for 1st degree education (project “Onde”, management tool for headmasters) • Deployment of the single authentication system to access digital education services and resources and extension of the scope of beneficiaries • Deployment of the secure solution to access digital resources in primary schools (GAR project) • Transformation and modernization of academic infrastructure and tools • Generalization of tools and services allowing remote work
7-26	C7.I9 Digital transformation of the school	Target	Number of school classes digitally equipped		Number	0	45,000	Q4	2022	Number of school classes digitally equipped with digital resources in elementary classes, as well as hybrid classes in secondary education together with support for change for the personnel concerned.
7-27	C7.I10 Digital access to higher education	Target	Number of students having access to digital training		Number	0	1,400,000	Q4	2024	Number of students having access to digital training capacities in the higher education system.
7-28	C7.I11 Culture	Target	Cathedrals and national historical monuments		Number	0	60	Q4	2025	Number of renovation projects of cathedrals and national historical monuments belonging to the State that are completed.

Sequential number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
7-29	C7.I11 Culture	Milestone	Monuments belonging to local authorities and private owners	Report to be provided by the French Government providing evidence of completion				Q4	2025	Completion of all renovation works for monuments belonging to local and regional authorities (LRAs) as well as to private owners.
7-30	C7.I11 Culture	Target	Number of renovated art and architecture schools		Number	0	13	Q2	2026	Number of art and architecture schools renovation works completed.
7-31	C7.I11 Culture	Milestone	Schemes to support art creation	Report to be provided by the French Government providing evidence of completion				Q4	2024	Completion of the two schemes to support institutions focusing on art creation and support artists through a public programme for supporting the creation of works of art.
7-35	Control and audit procedures in the implementation of the RRF	Milestone	Organisation of the system and the treatment of data and organisation of the audits	Signature of the circular and report by the CICC				Q4	2021	Establishment of controls and audit procedures through the two following elements: <ul style="list-style-type: none"> Signature of a circular by the Prime Minister, which shall set out the roles and responsibilities of the coordinating body and of ministries and the procedure of collection and storing of data pertaining to indicators, including ensuring their reliability and access to the data collected of all types of final recipients; Finalisation of a report that shall provide a description of the envisaged audit strategy including a description of the audit work on the payment claims.

H. COMPONENT 8: Job protection, youth, disability, vocational training

In 2019, unemployment in France had reached its lowest level since the 2008 crisis at 8,1%. However, due to the health crisis, according to INSEE, 284 000 employed jobs were destroyed between the end of 2019 and the end of 2020. A rise in unemployment was largely mitigated by labour retention measures, in particular short-time work schemes. Further support is, however, necessary for populations more sensitive to the variations of the labour market, to avoid a structural increase in unemployment through hysteresis.

Under this component of the French recovery and resilience plan, a variety of measures are directed at supporting the entrance of youth in the labour market, including those most at risk of exclusion.

Vocational training, by enabling career transitions and contributing to increasing the productivity of the economy, is expected to play a key role in the green and digital transformations of the economy. Moreover, the crisis has highlighted the low digitalisation of vocational training (though digitalisation may support innovative learning methods, for example by using virtual reality to practice specific professional handicraft), which the authorities aim to further support by targeted investments.

By helping mitigate the employment and social impact of the crisis and promoting skills and support for jobseekers, these investments and reforms answer country-specific recommendation 2020.2. These measures also contribute to supporting the labour market integration of all job seekers and addressing skills shortages and mismatches, as set out in country-specific recommendation 2019.2

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

H.1. Description of the reforms and investments for non-repayable financial support

Reform C8.R1: Provision of services by the unemployment agency (Pôle Emploi)

This reform concerns the reorganisation of the provision of services by Pôle Emploi, the main public employment service.

This reform is expected to improve the treatment and individual diagnosis of jobseekers' situation and thus facilitate the rapid return of people to the labour market. It shall provide increased support to more vulnerable public, for whom social and professional difficulties overlap. Improved business services and training for jobseekers is expected to improve matching of labour supply and demand and to reduce increasing recruitment tensions in some sectors.

The implementation of two aspects shall more specifically be monitored: the integration of Cap'Emploi, which specialises in employment for persons with disabilities, and the integration of compensation counsellors within the Pôle Emploi agencies.

Reform C8.R2: Adaptation of short-time work schemes

At the height of the Covid-19 crisis in the spring of 2020, an exceptional short-time work scheme was introduced to limit the impact on employment and income due to reduced economic activity during lockdown periods. Over the course of 2021, as the second wave of the pandemic subsides and economic conditions improve, this ordinary short-time work scheme, dedicated to cyclical activity reductions, shall be tightened. In particular:

- Employees shall receive compensation of 60 % (instead of currently 70 %) of their previous gross earnings (around 72 % of their net earnings).
- Employers shall receive a compensation of 36 % of the previous gross earnings of employees who are in partial employment (instead of currently 60 %). The authorisation period for the

use of the JPA shall increase from 12 months to 3 months, renewable up to a maximum of 6 months, over a reference period of 12 months.

- Protected sectors and administratively closed companies shall in due course no longer benefit from increased support rates.

In addition to this general short-time work scheme (ADPC), a longer-term short time work scheme (APLD) was created to support firms experiencing a lasting shock but with significant prospects of recovery in the medium term. The APLD entered into force on 1 July 2020 and is accessible through the conclusion of a branch, company or establishment agreement. Based on social dialogue, the APLD agreements detail employers' commitments on job retention and professional training. In 2021, the level of financial support shall decrease:

- Employers shall receive an allowance of 60% of the previous gross earnings of employees placed in partial employment, instead of 70% currently received in protected sectors and closed enterprises.

Reform C8.R3: Health and security at work

An inter-professional negotiation was launched in June 2020 with a view to inviting the social partners to further develop prevention in enterprises and to adapt this model of governance. This led to the national inter-professional agreement "on enhanced prevention and renewed supply of health at work and working conditions" of 10 December 2020, which reinforces occupational health prevention in enterprises and the provision of services by SPST (Prevention and Health at Work Services) to businesses and employees. This inter-professional agreement was transposed into a law adopted by the National Assembly on 17 February 2021, aiming to provide a more effective and preventative occupational health workforce system and to prevent occupational fatigue by linking exposure to risks and career paths. It intends to:

- Enhance prevention within companies as part of a risk assessment approach through social dialogue, the definition of an annual prevention programme and the creation of a prevention passport;
- Define the service offered by prevention and health services (SPST) with a core set of services in the fields of prevention of occupational risks, individual monitoring and prevention of professional disincentives;
- Support temporary staff or contractors, as well as self-employed workers through the further involvement of SPST;
- Better address professional exclusion through dedicated SPST cells, the creation of "mid-career" medical visits, and of "pre-restarting appointments" to prepare for a successful return to work;
- Better integrate occupational health within the overarching health system to allow medical practitioners trained in occupational health training to monitor health at work;
- Strengthening SPST teams through the possibility for qualified nurses to work in advanced practice and the development of task delegations within SPST
- Adapt the governance of health at work, by setting up a National Committee for Prevention and Health at Work with the task of defining both the mandatory services offered by SPST and the framework for certification of SPST.

Within the recovery and resilience plan, the measure consists of the adoption of a series of amendments, which aim at increasing the focus of the "health at work" system on prevention, as well as reorganising the governance and functioning of the institutions responsible for "health at work".

Reform C8.R4: Reform of the unemployment insurance

The reform of unemployment insurance, designed to promote sustainable employment and limit the

overuse of short term contracts, was initially planned to enter into force gradually between November 2019 and March 2021, but was postponed due to the COVID-19 crisis.

The objectives of this reform are to strengthen incentives to return to stable employment and to limit the alternation of short contracts and periods of unemployment. For businesses, the aim is to limit the excessive use of short contracts. The reform consists in 3 main measures concerning compensation, as well as a “bonus-malus” measure determining employers’ contributions to the scheme.

The second part of the reform, which has been included in the recovery and resilience plan, consists of the following measures:

- New method for calculating the benchmark daily wage (SJR), which is the basis for determining the amount of the allowance;
- Sliding scale for reducing benefits awarded to high-income recipients after six months of compensation;
- Restriction of conditions of access to benefits (six months instead of four);
- Bonus-malus of employers’ contributions to unemployment insurance to disincentivise excessive use of short term contracts.

These measures shall enter into force at the earliest in 2021, as soon as pre-determined levels of economic activity and employment are reached, as measured by the following indicators:

- Decrease by 130 000 of the number of unemployed registered with Pôle Emploi (over six months)
- More than 2 700 000 hiring declarations for contracts of more than one month (cumulative over four rolling months).

Investment C8.I1: FNE-Training

FNE-Training is dedicated to training employees of companies benefitting from short-time work schemes, including the “longer-term short time work scheme”. This professional training is aimed at fostering upskilling and reskilling. Companies that place their employees in partial employment often need to invest in training to help their activity bounce back and adapt to recent technological or economic changes. While necessary, it is harder for companies to invest in times of economic contraction. FNE-Training comes in to support and encourage such training, which benefits both the employee, enhancing his employability, and the company, improving its competitiveness. On a broader scale, this also benefits the economy, by promoting the development of skills in high demand on the labour market.

The measure shall finance the training of employees of companies benefitting from short-time work schemes, including from the “longer-term short time work scheme” in 2020 (starting from 1 March of that year) and 2021, with levels of support ranging from 40% to 100% depending on the size of the enterprise and the timeframe during which the training was initiated.

Investment C8.I2: Reskilling through dual training programmes (Pro-A)

In a context of major changes in the labour market, the Pro-A programme enables employees, particularly those with insufficient qualifications, to focus on their professional development and facilitate a change of profession, through dual training leading to a professional certification.

The employee alternates between training in a formal setting delivered by a training body and professional activity in the company, for a duration of 6 to 12 months (possibly extended to 24 for certain qualifications and target populations). The training may take place during or after working hours. The skills operator may cover part or all of the training costs, transport and accommodation costs, as well as the employee’s remuneration during his Pro-A.

This measure shall finance the professional transition for 9 000 beneficiaries between 2021 and 2023.

Investment C8.I3: Hiring subsidies for apprenticeships

The measure shall consist of a financial subsidy for employers of apprentices during their first year of contract, adding up to maximum EUR 8 000 for over 18-year-olds, and EUR 5 000 for minors.

While the aid is open to all companies, companies with 250 or more employees must meet one of the following conditions:

- to reach 5% of contracts supporting professional insertion in 2021 (apprenticeship and professionalisation contract, VIE, CIFRE);
- or at least 3% of their workforce participating in dual training programmes (apprenticeship and professionalisation contract) in 2021, as long as there has been at least a 10% increase since 2020.

For any apprenticeship contract submitted by the Competence Operator (Opco), the support shall be paid monthly in advance of the remuneration by the Service and Payment Agency (ASP) and from the start of the contract.

Investment C8.I4: Hiring subsidies for professionalization contracts

These targeted hiring subsidies provide support to employers who recruit an employee preparing a diploma, certificate or professional qualification referred to in a national classification of certificates.

The measure consists of a monthly financial subsidy for employers during the first year of a professionalization contract, adding up to maximum EUR 8 000 for employees between 18 and 30 years of age, and EUR 5 000 for minors. These amounts correspond to 50% of the salary of under 18s, 65% of those 21-30, and 50% of those aged 21-30.

Investment C8.I5: Hiring subsidies for youth under 26

The measure consists of a hiring subsidy for youth under 26 in moderately qualified or entry-level jobs (salary limited to twice the minimum wage), to be paid for the conclusion of a fixed-term contract of at least 3 months or an open-ended contract between 1 August 2020 and 31 March 2021. The maximum level of support is EUR 4 000 over a year, with payments four times a year. This measure has been extended until May 31st 2021, but is now limited to salary less than or equal to 1,6 times the minimum wages.

Investment C8.I6: Creation of jobs for youth in the sports sector

This measure provides financial support for up to two years upon creation of a job in the sports sector, aimed at employing youth under 30. This measure supports the creation of permanent and non-relocatable jobs, helping youth enter durably the labour market, all while promoting health and exercise opportunities for the general population.

Investment C8.I7: Boarding schools for excellence

Boarding schools for excellence aim to provide students, in particular those from disadvantaged backgrounds, with an environment better suited to learning, developing their skills and broadening their educational aspirations.

However, many of the existing boarding schools are no longer well adapted to current needs, leading to low occupancy rate. Renovation shall contribute to the modernisation of these facilities, reinforcing the attractiveness of these educational opportunities. This measure shall finance the renovation or creation of 1500 places in boarding schools for excellence by the end of December 2023.

Investment C8.I8: “Roped together for success” (Cordées de la réussite)

The “Roped together for success” programme is a long-term coaching set-up between higher education students (“tutors”) and secondary school students from disadvantaged areas (priority

education and rural areas). The aim is to broaden the ambitions and horizons of these students, and to help them build their own personal and professional project. This is achieved through a combination of personal mentoring and group activities fostering further cultural and social openness (e.g. visit to museums and public institutions, visit of various professional sectors and workplaces, participation in conferences, awareness-raising actions on stereotypes, soft skills development such as public speaking). The activities are adapted to the students' age, as they can enrol in the programme at around 13 years of age and are expected to continue participating until their graduation from secondary education.

This programme is based on the partnership between, on the one hand universities or higher education establishments (such as high schools also offering post-baccalauréate 2-year preparatory classes) and, on the other hand middle and high schools from rural or disadvantaged areas who commit to enrolling 30% of their students within a given age group in the programme. These 3-year partnerships are selected by regional committees through calls for projects.

This measure shall finance the participation of 185 000 students in the programme.

Investment C8.I9: State-backed guarantees for student loans

Student loans that are backed by State guarantees are meant to help students under 28 years of age to finance their studies. The State guarantee enables students that are unable to provide a personal guarantee to access a credit necessary to the financing of their studies.

The loan repayment may be deferred until the degree is obtained. The maximum amount borrowed is EUR 20 000 for a minimum of two years. Therefore, this measure should finance the State guarantees for at least 36 000 student loans.

Investment C8.I10: Personalised pathways for youth aged 16-18 who do not observe training requirements

This measure offers short term support to early school leavers, notably given their extra difficulties following the Covid-19 crisis and resulting lockdowns, with an aim of helping address in the longer term the exclusion of low-skilled youth from the labour market.

The measure shall provide tailored support to minors who do not observe training requirements. The objective is to offer each 16-18 year-old that has been identified as not complying with the training obligation a solution according to his needs and professional project. The programme is expected to last 13 weeks on average and is constructed to provide youth with the opportunity to work on soft skills, discover career options, and receive comprehensive support (social, sports, cultural, depending on the variations of the programme).

Investment C8.I11: Creation of places in higher education

Exceptional results at the Baccalaureate exam have resulted in a significant increase in the number of students that started higher education in the fall of 2020. The measure shall consist of creating additional training places in higher education, which aims at providing solutions to youth and increasing the training offer for economic sectors in high demand.

The measure shall include the opening of additional places in short and vocational trainings; in bachelor, nursing schools and in paramedical training following notably the current context and the Ségur de la Santé agreement.

Investment C8.I12: Plan for youth: higher education for post-baccalaureate students

Given the need for additional places in higher education, this investment complements the investment in the creation of places in higher education, with opening up of places in shorter two- year diplomas as well as one-year trainings.

Additional places shall be created by September 2021, in the following areas:

- places for two-year BTS;
- places for one-year CAP;
- places open in local initiative training and other complementary trainings;
- places for three-year CAP.

Investment C8.I13: “Personalised guidance towards employment and autonomy” (PACEA) and youth guarantee

The “personalised guidance towards employment and autonomy” (PACEA) consists in an integrated contractual framework to support young people aged 16 to 25 facing integration difficulties. An initial diagnosis helps identify the needs and expectations of each youth, followed by phases of individual support of varied duration, up to a maximum of 24 consecutive months. These phases are defined on an individual basis and may include training, or a work placement, participation in civic service or voluntary work.

The youth guarantee, which is an intensive phase of support within the PACEA, combines a programme of up to 12 months (that may be extended to 18 months), including personalised guidance, with a monthly subsidy to support participation in the programme that may also include work experience and training. This measure shall finance the subsidies paid to youth participating in the PACEA and the “Youth guarantee”.

Investment C8.I14: Aided contracts for youth (PEC and CIE)

Young people entering the labour market are among those most affected by the negative impact of the COVID-19 crisis. Helping young people furthest from employment therefore calls for reinforced measures, such as subsidised contracts targeted at youth, in both the non-profit (PEC) and the for-profit sector (Employment Initiative Contracts (CIE)).

These subsidised contracts, lasting between 6 and 24 months on an estimate (barring exceptions listed in the Labour code), combine an offer of employment with individualised guidance with an employment counsellor and enhanced access to training for the PEC.

In the non-profit sector (PEC), the monthly compensation paid to the employer amounts to 65% of the gross minimum wage for the hours worked, with contracts averaging 21,3 hours per week (minimum of twenty hours).

In the for-profit sector (CIE), the compensation paid to the employer amounts to 47% of the gross minimum wage, with contracts averaging 30 hours per week (minimum of twenty hours).

This measure shall finance 65 000 aided contracts (PEC and CIE combined) concluded in 2020 and 2021.

Investment C8.I15: Support to employers for hiring of persons with disabilities (AMEETH)

This targeted hiring subsidy is paid to any employer hiring between 1 September 2020 and 30 June 2021 an employee with a disability, for a fixed-term contract of minimum three months or an open-ended contract. The hiring subsidy is granted for jobs with salaries up to twice the minimum wage, and the maximum amount of the support is EUR 4 000 over a year.

This measure shall finance at least 12 500 hiring subsidies in 2021 for the recruitment of persons with disabilities.

Investment C8.I16: Extension of the “guided employment” plan for persons with disabilities

The “Guided employment” support scheme consists in providing individualised guidance to persons with disabilities to help devise a tailored project, based on the “place and train” approach. Both the

employer and employee may be supported over the medium-term, based on the intensity of the needs (from two hours per month to over twelve hours per month for the most intensive phases).

This support scheme is articulated through four distinct modules which may be adapted to the individual situation:

- a) Evaluation of the situation of the worker with a disability, taking into account his professional project, his abilities and needs, as well as, if relevant, the needs of the employer
- b) Elaboration of the professional project and assistance in its implementation with a view to rapidly integrating employment in a standard working environment
- c) Assisting the beneficiary in finding employment
- d) Support during employment, to facilitate access to trainings, as well as skills assessments and where necessary providing intermediation with the employer to adapt the working conditions and environment to specific needs. The support is mainly provided by a trained job coach, who acts as reference point for the employee and employer. This measure shall finance the extension of the support scheme. While the number of beneficiaries is not known upfront, due to significant variations in the level of support provided, it shall be reported upon ex post, once the extension has been fully implemented.

Investment C8.I17: Distance training courses

Developing distance learning courses contributes to social and territorial cohesion by providing training opportunities for persons who may have been previously excluded due to mobility constraints (persons with disabilities, or residing in rural areas, or caring for other persons) and therefore better reaching target groups, including unemployed persons, and promoting lifelong learning. Moreover, the overall digitalisation of courses may contribute to the acquisition and development of basic digital skills.

This investment shall finance the opening of an additional 30,000 distance training courses organised by the national employment agency, Pôle Emploi. The measure is also expected to include remuneration over the whole duration of the training, estimated to eight months on average, for an estimated 42% of the participants.

Investment C8.I18: Modernising and digitalising professional training

The Covid-19 crisis and resulting sanitary measures have highlighted the importance of distance learning and digital tools and modules. Professional training should be offered with greater flexibility, combining onsite, hybrid and distance learning possibilities. The measure shall consist in i) supporting innovative projects to digitalise and modernise professional training, put forward by industry level economic actors or by networks of training providers. ii) supporting the provision of training in “third places” in order to make the training more accessible and attractive.

Investment C8.I19: Additional allocation for the “Pro transitions” associations (AT pro) for the financing of professional transitions

Professional transitions and reorientations enable the reallocation of resources across economic sectors, by providing employees with skills better adapted to the current economic context. Professional transitions are financed notably by the dedicated “Transition Pro” associations (AT Pro) which cover the training and other costs, remuneration and related social costs. There is high demand for such guided career changes, as in 2019, over 35 000 requests were received and only 18 231 financed. The measure shall consist of financing for additional transitions, for which there is high demand.

At regional level, the “Transition Pro” associations have been tasked with drawing up a comprehensive list of jobs which may benefit from financing under the plan France Relance. This list

is expected to focus on the jobs with high employment perspectives in the region, taking into account the priorities set out in the plan France Relance (green transition, digital transformation of the economy).

Investment C8.I20: Top-up of individual learning accounts for digital skills

To foster the acquisition of digital skills across the workforce, access to trainings specifically focusing on digital skills or digital careers is reinforced, by enabling individuals to sign up to such trainings through their individual learning accounts. This -is expected to not only increase the employability of the participants, and on a wider scale contribute to addressing the issue of skills mismatch across the workforce.

Individual learning accounts shall be topped up with a EUR 1 000 credit, which may be used for trainings linked to digital skills or digital careers. Around 400 trainings have been authorised for this use, which may be attended during working hours provided the employer agrees. Once the training has been completed, the cost is paid to the training body.

Investment C8.I21: Increase of resources for France Compétences

The measure is for a grant to France Compétences, the national authority responsible for the regulation and financing of apprenticeships and professional training, subject to a vote by the Board of Directors of the establishment, by 30 November 2021, of a balanced budget for 2022. Due to fewer resources linked to the economic crisis, additional one-off support was necessary for France compétences to be able to respond to the highly increased demand in apprenticeships. The measure shall finance an expected additional 160 000 apprenticeship contracts by 31 December 2023.

This investment shall increase temporarily the payments made by France Compétences to skills operators (OPCO), which cover, in particular, the costs of training apprentices. Ensuring that educational costs are covered is an important factor in the use of apprenticeships for the employer.

Investment C8.I22: Increase of resources for Pôle Emploi

Pôle Emploi shall recruit 1000 counsellors on fixed-term contracts, which shall provide further support to jobseekers in times of economic difficulty. These additional recruitments shall enable the Agency to provide guidance to the additional jobseekers resulting from the current economic crisis, which are expected to further increase once the economic support to enterprises (such as short-time work schemes) is gradually phased out.

Moreover, the additional counsellors shall implement some of the new Pôle Emploi services as defined in the tripartite agreement 2019-2022.

H.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
8-1	C8.R1: Reform of the provision of services by the unemployment agency	Target	Agencies having integrated Cap'Emploi services		Number	0	700	Q4	2022	Number of Pôle Emploi agencies having integrated Cap'Emploi services.
8-2	C8.R1: Reform of the provision of services By the unemployment agency	Target	Agencies with a compensation counsellor		Number	0	700	Q4	2022	Number of Pôle Emploi agencies having implemented the "compensation counsellor" set-up.
8-3	C8.R2: Reform of short-time work schemes	Milestone	Short-time work scheme reform to boost economic activity through a gradual restriction of the generosity and stricter access conditions to the schemes	Entry into force				Q3	2021	<p>The adaptations consist in:</p> <ul style="list-style-type: none"> • Decrease in levels of compensation for employers and employees • Decrease of the validity of authorisation period for recourse to short-time work scheme (from 12 months to 3 months, renewable over a 12 month period) • Phasing out of increased support rate for protected sectors and administratively closed companies

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
8-4	C8.R3: Reform of health and security at work	Milestone	Adoption of amendments to the law aiming at providing France with a more effective system of “health at work” actors, focusing on prevention on the one hand, and on the other hand reorganising the governance and functioning of the institutions responsible for “health at work”	Entry into force				Q4	2021	Adoption of amendments to the law aiming at providing France with a more effective system of “health at work” actors, focusing on prevention on the one hand, and on the other hand reorganising the governance and functioning of the institutions responsible for “health at work”.
8-5	C8.R3: Reform of Health and Security at work	Target	Services for health and security at work equipped with secure digital tools		Number	0	165	Q2	2026	Number of services for health and security at work equipped with secure digital tools.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
8-6	C8.R4: Reform of the unemployment insurance	Milestone	Entry into force of several measures of the reform of the unemployment scheme	Entry into force				Q4	2021	Entry into force of several measures relating to: <ul style="list-style-type: none"> • New method for calculating the benchmark daily wage (SJR); • Sliding scale for reducing benefits awarded to high-income recipients after eight months of compensation; • Entry into force of the first step of the “bonus malus”
8-7	C8.R4: Reform of the unemployment insurance	Milestone	Automatic entry into force of the remaining measures once economic conditions improve	Entry into force				Q4	2022	Automatic entry into force of the remaining measures once economic conditions improve: <ul style="list-style-type: none"> • Restriction of conditions of access to benefits (six months instead of four) • Sliding scale for reducing benefits awarded to high-income recipients after six months of compensation;
8-8	C8.I1: FNE-Training	Target	Trainings provided in the context of FNE-Formation training pathways		Number	0	400 000	Q4	2022	Number of trainings and other actions (validation of acquis, competence assessment).
8-9	C8.I2: Reskilling through dual training programmes (Pro A)	Target	Employees benefitting from the Pro-A programme		Number	0	9 000	Q4	2023	Number of employees participating in reskilling through dual training programmes (Pro-A).

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
8-10	C8.I3: Hiring subsidy for apprenticeship contracts	Target	Hiring subsidies paid for apprenticeship contracts		Number	0	333 374	Q4	2021	Number of apprenticeship contracts for which a hiring subsidy has been paid to the employer.
8-11	C8.I4: Hiring subsidy for professionalization contracts	Target	Hiring subsidies paid for professionalization contracts		Number	0	100 000	Q1	2022	Number of professionalization contracts for which the exceptional professionalization subsidy has been paid to the employer.
8-12	C8.I5: Hiring subsidy for youth under 26	Target	Hiring subsidies paid for contracts hiring youth under 26		Number	0	337 000	Q1	2021	Number of contracts for which the youth hiring subsidy has been paid to the employer.
8-13	C8.I6: Creation of jobs for youth in the sports sector	Target	Jobs created in the sports sector which benefit from a subsidy		Number	0	2200	Q3	2023	Number of jobs created in the sports sector which benefit from a subsidy.
8-14	C8.I7: Boarding schools for excellence	Target	Places either built or renovated		Number	0	1500	Q3	2023	Number of places either built or renovated in "Boarding schools for excellence".
8-15	C8.I8: « Roped together for success »	Target	Students participating in the « cordées de la réussite »		Number	0	185 000	Q3	2021	Number of students participating in the "cordées de la réussite" programme.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
			programme							
8-16	C8.I9: State-backed guarantees for student loans	Target	Beneficiaries of State-guaranteed student loans		Number	0	36 000	Q4	2022	Number of beneficiaries of state-guaranteed student loans, following the amendment of the agreement with Bpifrance increasing the State provision.
8-17	C8.I10: Personalised pathway for youth aged 16-18 who do not observe the training requirement	Target	Youth entering the AFPA activities		Number	0	10 500	Q1	2022	Number of youth aged 16-18 entering the first phase of the personalised pathway offered by the national agency for professional training of adults (Afpa).
8-18	C8.I11: Creation of places in higher education	Target	Places in higher education created		Number	0	30 000	Q4	2022	Number of places in higher education created, as reported through the 'student monitoring information system' survey conducted by the sub-directorate for IT Systems and Statistical Studies of the Ministry of Higher Education and Research (MESR) ('le Système d'Information sur le Suivi de l'Etudiant – SISE' survey).
8-19	C8.I12: Plan for youth: higher education	Target	Places in higher education created		Number	0	16 000	Q3	2021	Number of places in higher education created, as reported through surveys by Academies.
8-20	C8.I13: PACEA and Youth guarant	Target	Recipients of a PACEA benefit or of a youth guarantee benefit in 2021		Number	0	130 000	Q1	2022	Number of youth having received a PACEA benefit or a youth guarantee benefit in 2021.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	ee									
8-21	C8.I14: Aided contracts for youth (PEC and CIE)	Target	Aided contracts		Number	0	65 000	Q1	2022	Number of aided contracts, for youth PEC and for youth CIE, as reported by Pôle Emploi.
8-22	C8.I15: Support to employers for hiring of persons with disabilities (AMEETH)	Target	Subsidies paid		Number	0	12 500	Q2	2021	Number of hiring subsidies paid for the hiring of an employee with disabilities.
8-23	C8.I16: Extension of the “accompanied employment” plan	Milestone	Full deployment of the extension of the “accompanied employment” plan	Report evidencing completion				Q2	2023	Full deployment of the extension of the “accompanied employment” plan supporting persons with disabilities.
8-24	C8.I17: Distance training courses	Target	Entries into distance training courses		Number	0	30 000	Q4	2023	Number of entries into distance learning courses as proposed by Pôle Emploi.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
8-25	C8.I18: Modernising and digitalising professional training	Target	Training bodies declaring having trained participants either in part or fully through distance learning		Number	0	11 000	Q4	2025	Number of training bodies declaring having trained participants either in part or fully through distance learning in their Education and Financial Statement.
8-26	C8.I18: Modernising and digitalising professional training	Milestone	Support for project management assistance to support the design and dissemination of digital content	Transmission of deliverables				Q4	2022	Deliverables produced as part of the support for project management assistance aimed at supporting the design and dissemination of digital content (including the 15 project files)
8-27	C8.I19: Additional allocation for the “Pro transitions” associations (AT pro) for the financing of professional transitions	Target	Professional transitions financed		Number	12 277	16 177	Q4	2022	Increase in the number (+3 900) of financed professional transitions started in 2021, as compared to the total number of professional transitions financed in 2020.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
8-28	C8.I20: Top-up of individual learning accounts for digital skills	Target	Persons having used their topped-up ILA to sign up to a training for digital skills registered in the national register of professional certifications or in the specific register		Number	0	22 500	Q1	2022	Persons having used their topped-up ILA to sign up to a training for digital skills registered in the “national register of professional certifications” or in the “specific register”.
8-29	C8.I21: Increase in the resources of France Compétences	Milestone	Signature of the agreement with France Compétences	Signature of the agreement				Q1	2021	Signature of the agreement by the French State and France Compétences to increase the financial resources of France Compétences by EUR 750 000 000.
8-30	C8.I21: Increase in the resources of France Compétences	Target	Additional apprenticeship contracts signed		Number	302 619	462 619	Q4	2023	Number of additional apprenticeship contracts signed (+160 000) between 2021 and 2023, as compared with the 2019 baseline, as reported by competence operators.
8-31	C8.I22: Increase in the resources of Pôle Emploi	Target	Pôle Emploi counsellors recruited		Number	0	1 000	Q4	2022	Number of Pôle Emploi counsellors recruited with fixed term contracts.

I. COMPONENT 9: Research, Health and Dependence, Territorial cohesion

The overall goal of this component of the French recovery and resilience plan is to strengthen social and territorial cohesion in the broad sense. In particular, it focusses on health, digital, research and higher education with eight investments and three reforms.

The component includes investments in the health sector across the territory, including modernisation and renovation of infrastructures and the digitalisation of health. Those investments shall be accompanied by several reforms of the health and long-term care systems focused on enhancing the careers of caregivers, defining investment policies, simplifying the organisation, and reforming the elderly care and autonomy.

The component also includes a measure to accelerate digital connectivity throughout the territory via an investment boost in the ultrafast broadband plan ‘France très haut débit’. It shall be accompanied by a digital inclusion measure to allow access to digital tools for everybody.

Public research shall be supported by additional funding of the National Research Agency, allowing increased success rates of research calls for projects. The Investment for the Future Plan (PIA4) shall dedicate calls for projects to improve the standards in higher education by promoting excellence, helping search for funding and improving organisation.

The component 9, answers Country Specific Recommendation 2020.1.2 on improving the resilience of the health system, Country Specific Recommendations 2019.3.3, 2020.3.4 and 2020.3.7 on investing in the digital transition and infrastructures, and Country Specific Recommendations 2019.3.1 and 2020.3.8 on investing in research and development. It also addresses Country Specific Recommendations 2020.3.2 and 2020.3.3 by unlocking public investments while promoting private investment.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

I.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C9.R1): National Strategy for the Transformation of the Health System

The national strategy ‘Ma Santé2022’ took shape in July 2019 with the adoption of the Law on the Organisation and Transformation of the Health System. Its aim is a better organisation of the health system at local level, in particular by setting up new local health structures with the objective of a better coordination between care segments (such as the territorial professional health care communities). This national strategy has been reinforced by a number of successive reform strands, including the ‘Investir pour l’Hôpital’ plan (November 2019), the ‘Ségur de la Santé’ plan (July 2020) and a law aimed at simplifying the governance of hospitals (‘loi visant à améliorer le système de santé par la confiance et la simplification’ adopted by the Parliament in April 2021). The objective of the latter, as a measure under the French recovery and resilience plan, is to reform hospital governance allowing for more flexibility in the organisation and functioning of hospitals and providing hospital units with an increased role in the decision-making.

Reform 2 (C9.R2): Creation of a new branch of social security covering the risk of loss of autonomy

In order to improve the provision of care for the elderly and disabled, the measure shall provide for the creation of a fifth branch within the general social security system covering the risk of loss of autonomy in addition to the pre-existing branches (covering the risks of sickness, retirement,

family, work-related accidents and occupational diseases). The Social Security Financing Law (LFSS) for 2021 defines the first measures for organising the governance and financing of this fifth branch. The entire financing of medico-social establishments is transferred to this fifth branch of social security.

Investment 1 (C9.I1): Digital health

The measure aims at accelerating the development of digital tools in the health sector

It consists of four sub-measures:

- State digital infrastructure in the field of health:

This investment shall accelerate the deployment of State information systems: the shared medical record, the digital health platform, one-stop shop for all digital services for healthcare professionals, electronic identification cards for healthcare professionals.

- interoperability and safety of the software used by the public and private healthcare sectors

This investment aims at upgrading the existing software already used in the public and private sector to make them compatible with the interoperability and security requirements imposed by the State. This investment shall prioritise technological investment to promote the exchange of health data such as hospital release documents, biology reports, radiology reports and images, prescription and liaison letters.

- support and incentivise healthcare professionals in the digital transition

This investment shall finance the deployment of software and support users. It shall also provide financial support to incentivise healthcare professionals to use digital services, in particular the shared medical record.

- digital catch-up of the social medicine

This investment aims at equipping social medicine facilities with digital infrastructure such as internet connection, computers and software. Concretely, professionals of one or several regions shall invest jointly to lower the cost and ensure coherence.

Investment 2 (C9.I2): Modernisation and restructuring of hospitals and health care supply

As announced in the Health Segur plan, the government has committed to increasing investment support for hospitals and health care facilities. A part of these investments concerns the complete renovation and the modernisation of hospital buildings, also with a view to increasing their energy efficiency (improved insulation of buildings to improve thermal comfort, better performance of technical installations reducing consumption). Other investment projects concern the construction of outpatient facilities and the modernisation of medical infrastructure and equipment (such as the equipment of surgical rooms and the development of outpatient services).

The measure shall also finance investments to comply with safety and environmental standards (such as safety of equipment and health products, equipment to improve the working conditions, waste management).

The Regional Health Agencies shall be responsible for identifying and examining the investment needs of hospitals with regard to the specific needs of their territories.

Investment 3 (C9.I3): Renovation of medico-social establishments.

This investment is aimed at the renovation, transformation and equipment of the French medico-social sector, in particular Establishments for Dependent Elderly Persons (EHPAD) over the period 2021-2025, in order to increase their accommodation and care capacity in anticipation of future demographic changes and to contribute to the ecological transition through energy efficient projects.

This measure shall consist of supporting investments in the medico-social sector for the renovation or reconstruction of the most obsolete EHPAD, mainly in the public sector. Examples of investments include renovation and extension projects for public EHPADs, including the construction or renovation of individual rooms and individual sanitary facilities, the development of reception areas, the upgrading of facilities to accessibility standards, and the creation of facilities adapted to people with cognitive disorders.

The selection criteria for projects shall be defined at national level by a committee involving the Caisse nationale de solidarité pour l'autonomie (CNSA) and the Directorate-General for Social Cohesion of the Ministry of Solidarity and Health. This measure shall be implemented by the CNSA from 1 January 2021 onwards, which shall delegate a share of the investment credits over a five-year period to the Regional Health Agencies each year. Each Regional Health Agency shall carry out its annual programming, after examining the projects submitted by the managers of establishments, in line with the eligibility criteria defined at national level.

For some projects, the CNSA may delegate implementation to entities managing pensions and insurance schemes covering health and safety risks at work (CARSAT) or to France's departmental councils.

Investment 4 (C9.I4): National suicide prevention hotline

The implementation of a national suicide prevention hotline is part of the national health strategy 2018-2022 and is one of the actions announced in the 'Ségur de la santé' plan. The measure shall support the implementation of the information system needed for the functioning of the hotline service. This information system, foreseen by decree n° 2021-1566 of 2 December 2021, is at the disposal of the response centres set up by regional health establishments.

Investment 5 (C9.I5): High -speed broadband plan

The initial high-speed broadband plan ('plan France très haut débit') aimed at improving the connectivity in the territory and provide by 2022 nation-wide "very high speed" access of at least 30 Mbps. The strategy has been revised to increase the level of ambitions, improving connectivity in rural areas, with support of the French recovery and resilience plan.

The measure shall encourage the acceleration of the deployment of Next Generation Access (NGA) networks, in particular in optic fibre, with speeds above 100 Mbps and generally exceeding 1 Gbps. The projects shall take place in the so-called "public initiative networks", zones for which the private investment is difficult to attract and concern in particular the following territories: Aude, Auvergne, Bretagne, Cher, Dordogne, Doubs, Haute-Savoie, Indre, Manche, Mayotte, Sarthe and Seine-et-Marne. The government's overarching goal is to provide full NGA access by 2025, in line with the Gigabit society objectives.

Investment 6 (C9.I6): Digital Inclusion

The action builds on an existing initiative to support digital inclusion and it -is expected to train additional 4 000 digital advisers that shall be hosted by local authorities and private actors from associations or from the social and solidarity economy (such as town halls, libraries, retirement homes, nursing homes, social action centres and local associations). These digital advisers shall organize workshops and offer training sessions to enable everyone to gradually take ownership of everyday digital tasks, such as to protect their personal data, master social networks, check sources of information, make a

CV, sell an item, buy online, work remotely or schedule a doctor appointment. They shall be trained in advance of their activities and continuously in order to offer quality services to the people supported but also to prepare for the continuation of their mission beyond the two years supported by the recovery and resilience plan.

The measure shall in parallel support the local networks that offer digital activities (clear labelling, development of training kits, support to the development of pedagogic solutions) as well as supporting the development of “digital helpers” (‘Aidants Connect’) that directly help people performing digital tasks.

Investment 7 (C9.I7): R&D recovery strategy (National Research Agency)

The research programming law (see component 6) sets up the budget increase trajectory of the National Research Agency from EUR 1 190 000 000 in 2021 to EUR 1 674 000 000 in 2027. The measure shall complement this increase by boosting the allocation in 2021 and 2022.

This additional investment shall raise the success rate of call for projects. The report annexed to the research programming law aims to eventually increase this success rate to 30% in 2027, against 16% observed in 2018. An intermediate step of reaching 20% by 2021 is expected to translate into around 2300 selected projects out of 10,000-11,500 submitted for the year. It shall better fund fundamental research in all disciplinary fields and in particular ensure the financing of all the excellence projects including the risky and innovative projects on which the recovery is expected to be based.

Investment 8 (C9.I8): Support teaching, research, development and innovation ecosystems (PIA4)

This envelope of the PIA4 (Investments for the future, *Plan d'Investissements d'Avenir*) aims at supporting innovation in the fields of teaching (from kindergarten to university) and research. The measure shall be dedicated to three calls for projects.

- The first one, "Excellence in all its forms", shall support the transformation projects of higher education institutions in order to reach the best international standards. Transformation is understood as any significant evolution of the institution or the site contributing to develop their potentialities in all of their missions, or in the missions, considered as the most important for the institution or the site, as part of their strategic project. The objective is to consolidate and strengthen French academic communities in all their diversity and help them achieve the ambition they set for themselves.
- The second one shall support the diversification of the funding resources of higher education and research institutions. It shall provide support in creating or transforming services dedicated to support in setting up projects and by supplementing the funding received by the institutions. It would constitute a lever to encourage institutions to diversify their resources (funds obtained from the European Union, in terms of training and funds raised within the framework of philanthropy and sponsorship).
- The third call for projects is dedicated to transforming school education by promoting innovation and new forms of organization and management. Several priorities shall be followed:
 - Educational emergency areas: identify pupils who drop out of school in target areas, to strengthen educational resources in order to bring them up to standard.
 - National platform "being a parent": offering, in particular via digital technology, a new approach strengthening the role, link and commitment of parents in school. Zero dropout territories: set the ambition to totally reduce dropout in secondary and higher education through innovative interministerial, associative and regional intervention methods.
 - Territories of learning paths: in conjunction with businesses, significantly increase work-study training by developing innovative solutions, promoting solutions for integrated care for young people (housing, mobility, employment contract), ensuring follow-up for young people to avoid ruptures.

The terms of reference for upcoming calls for projects shall include as an eligibility criterion to ensure

the environmental neutrality of the applications of the funded solution, in a way that ensures that the measure complies with the ‘do no significant harm’ principle of Regulation (EU) 2021/241. This shall complement the fact that, whenever applicable, environmental criteria are part of the selection criteria for projects, and that operators are required to produce a critical analysis of their proposals based on internal and external expertise; that the green transition is listed by law as one of the objectives of the PIA, and that the PIA’s governing bodies must ensure the application of these objectives, which is monitored through a dedicated indicator. This shall lead to the exclusion of (i) activities related to fossil fuels, including downstream use³⁴; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks³⁵; (iii) activities related to waste landfills, incinerators³⁶ and mechanical biological treatment plants³⁷; and (iv) activities where the long-term disposal of waste may cause harm to the environment.

³⁴ Except projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the ‘Do no significant harm’ Technical Guidance (2021/C58/01).

³⁵ Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

³⁶ This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non -recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

³⁷ This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

I.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
9-1	C9.R1 National Strategy for the Transformation of the Health System	Milestone	Vote and publication of the bill to improve the health system (simplification of the governance of hospitals).	Entry into force				Q4	2021	Entry into force of the bill to improve the health system through confidence and simplification, which shall make it possible to give establishments more flexibility in their organisation, to re-medicalise hospital governance, and to give the hospital service a greater place in decision-making.
9-2	C9.R1 National Strategy for the transformation of the Health System	Target	Credit commitment rate for the upgrading of human resources in health		Percentage		90%	Q4	2023	Credit commitment rate for the upgrading of human resources in health.
9-3	C9.R2 Creation of a new branch of social security covering the risk of loss of autonomy	Milestone	law for the creation of a new branch of social security dedicated to supporting the independence of the elderly and people with disabilities	Entry into force				Q3	2020	Publication in the Official Journal of the Law No 2020-991 of 7 August 2020 on social debt and autonomy, which provides for the creation of a new branch of social security dedicated to supporting the independence of the elderly and people with disabilities.
9-4	C9.I1 Catching up on	Target	State digital infrastructure in the field of health		Number (in million)	9,5	40	Q4	2024	Number of patients having a national electronic health record and a secured health email address.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
	technical standards for digital health									
9-5	C9.I1 Catching up on technical standards for digital health	Target	Finalisation of interoperability and security of installed fleet software and support and incentivise healthcare		Number (in million)	3	15	Q4	2024	Digital documents prepared by healthcare professional (such as biology reports, radiology reports, hospital reports and certificates) and saved in the new system.
9-6	C9.I1 Catching up on technical standards for digital health	Target	Digital catch-up of the social medicine		Number	0	410 000	Q4	2024	Number of active electronic medico-social records.
9-7	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Establishments supported in their investments in technical installations, equipment or light renovation		Number	0	800	Q1	2023	Number of establishments to which the ARS (Regional Health Agency) has allocated credits investments in technical installations, equipment or light renovation. Cumulative calculation: number of different health care institutions that received credits to invest in technical installations, equipment or light renovation works.
9-8	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Number of investment projects in the construction, energy renovation or modernization of medical establishments (> € 20 million)		Number	0	10	Q4	2024	Number of investment projects in the construction, energy renovation or modernisation of medical establishments, validated by the ARS (Regional Health Agency) for an amount exceeding EUR 20 000 000. Cumulative calculation.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
			(cumulative)							
9-9	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Number of investment projects in the construction, energy renovation or modernization of medical establishments (> € 20 million)		Number	10	30	Q2	2026	Number of investment projects in the construction, energy renovation or modernisation of medical establishments, validated by the ARS (Regional Health Agency) for an amount exceeding EUR 20 000 000. Cumulative calculation.
9-10	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	establishments supported in their investments in technical installations, equipment or light renovation		Number	800	1000	Q4	2025	Number of establishments to which the ARS (Regional Health Agency) has allocated credits investments in technical installations, equipment or light renovation. Cumulative calculation: number of different health care institutions that received credits to invest in technical installations, equipment or light renovation works.
9-11	C9.I3 Renovation of medico-al and social establishments	Target	Number of nursing homes having benefited from assistance with equipment to improve reception conditions for the elderly ("daily investment") (cumulative)		Number		3 000	Q4	2022	Number of homes for the dependent elderly that have received funding under the "daily investments" scheme

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
9-12	C9.I3 Renovation of medico-al and social establishments	Target	Accommodation or housing units for the elderly who have benefited from aid for real estate investment				32 200	Q2	2026	Accommodation or housing units built or renovated in EHPAD, or homes for the elderly or dependent persons.
9-13	C9.I4 National suicide prevention hotline	Milestone	Activation of the telephone line service to prevent suicide	Hotline activation				Q4	2022	Activation of the telephone line service to prevent suicide.
9-14	C9.I5 Very fast broadband plan ('Plan France très haut débit')	Target	Additional housing and business premises that are eligible to be connected to fibre		Number	0	1 700 000	Q1	2022	Number of additional (compared to 2020) housing and business premises that are eligible to be connected to fibre in 2021.
9-15	C9.I5 Very fast broadband plan ('Plan France très haut débit')	Target	Additional housing and business premises that are eligible to be connected to fibre		Number	0	2 500 000	Q4	2023	Number of additional (compared to 2022) housing and business premises that are eligible to be connected to fibre in 2023.
9-16	C9.I6 Digital inclusion	Target	France Services digital advisers trained		Number	0	3 600	Q4	2022	Number of France Services digital advisers trained under the training and recruitment campaign.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator for milestones	Quantitative indicator for target			Indicative timeline for completion		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
9-17	C9.I7 R&D recovery strategy - National Research Agency	Target	Global success rate for generic and specific calls for projects		Percentage	16	20	Q2	2022	Ratio between the number of projects selected by the National Research Agency and the number of projects submitted in the generic and specific calls. The ratio for calls for projects launched in year 2021 shall be measured in Q2 of year 2022.
9-18	C9.I8 PIA4 - Support to teaching, research, promotion and innovation ecosystems	Milestone	All three calls for projects launched ("ExcellencES", "Diversification of the resources of higher education and research institutions", and "Transformation of school education by promoting innovation and new forms of organization and management")	Publication of the calls on the website				Q4	2021	All calls for projects launched under this measure, with terms of reference including as eligibility criterion to ensure the environmental neutrality of the applications of the funded solution.
9-19	C9.I8 PIA4 Support to teaching, research, promotion and innovation ecosystems	Milestone	Awards of contracts—implementing decision of the Prime Minister	Report from the Secrétariat Général pour l'Investissement' (SGPI)				Q4	2023	Implementing decision of the Prime Minister following the close of the calls for proposals/calls for interest launched under milestone 9-18; allowing contractualisation with the beneficiaries through granting funds to be signed for all beneficiaries.

J. COMPONENT 10: REPowerEU

The aim of the REPowerEU chapter is to support France’s ambitions in terms of energy independence and transition, in the context of the new geopolitical and energy market realities. Funding under REPowerEU is expected to help finance two main axes needed to strengthen France’s energy sovereignty and reduce its energy dependence: decarbonisation of industry – including through the development of the fossil-free and renewable hydrogen sector – and energy renovation of private housing and public buildings. Three reforms under the REPowerEU chapter are also expected to support France reach its goals and provide greater policy consistency. The implementation of the reforms aiming at accelerating the deployment of renewable energy sources and increasing energy sobriety, supported by a new General Secretariat for Ecological planning, together with the four investment measures (energy efficiency measures, the measure supporting fossil-free industry and the measure increasing production and uptake of fossil-free hydrogen) are all expected to contribute to reducing dependency on fossil fuels.

The implementation of investment IPCEI hydrogen measure has a multi-country and cross-border dimension, with the exception of the project related to the development of zero-emission vehicles. In addition, with the investment related to the energy renovation of public buildings, and the scaled-up measure C10.I4 Energy renovation of private, the plan contributes to increasing the pace of renovation of buildings with the goal to reducing dependency on fossil fuels and to reducing energy demand. These measures are complemented by the fossil-free industry measure which also aims at reducing the dependency on fossil fuels and to reducing energy demand of the industry sector.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

J.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C10.R1): Law on the acceleration of renewable energy production

The objective of this reform is to speed-up the uptake of renewable energies in France, in order to achieve France’s energy transition objectives and ensure its energy security of supply. France shall adopt a Law on the acceleration of renewable energy production by mid-2023, with the aim of solving the main bottlenecks that currently hinder the deployment of renewable energy: it is in particular expected to facilitate the granting of permits and define “acceleration zones” conducive to the rapid development of projects, in particular for wind power, solar (including thermal, photovoltaic and agrivoltaic) and methanization.

In terms of procedures, the Law is expected to establish a single entry point for the examination of permit applications (the “*referent préfectoral*”, who represents the State at regional or local level). It is also expected to promote the involvement of all municipalities in the identification of “acceleration zones”.

Several far-reaching legislative provisions shall be directly applicable:

- the territorial planning of renewable energies shall be based on a bottom-up process, involving all representatives of municipalities and territories, in charge of the definition of the “acceleration zones”, following a strong consultation process with all stakeholders;
- The acceleration of offshore wind planning: public debates shall be launched on the four coastal areas of France in order to define a mapping of offshore wind projects and the State shall be responsible for technical studies, which is expected to allow the TSO (transmission system operator) to anticipate the connection works;
- the simplification of the installation of photovoltaic panels on abandoned motorways and railways areas;
- the development of collective self-consumption shall be strengthened by targeting the revenues of extra production of renewables in low-income housing (*Habitation à Loyer Modéré*, HLM) to the reduction of the costs, the maintenance or repair of the installation; and by clarifying the contractual framework for self-consumption communities.

Reform 2 (C10.R2): Setting up the General Secretariat for Ecological Planning (SGPE)

A Secretariat General for Ecological Planning (SGPE) shall be established under the authority of the Prime Minister before Q1 2023. Its prerogatives shall be clearly set out by decree. The SGPE shall be responsible for coordinating the development of national strategies on climate, energy, biodiversity and the circular economy, ensuring compliance with France's European and international commitments. The SGPE shall also be in charge of ensuring the implementation of these strategies by all the ministries concerned and their translation into action plans. The SGPE is expected to ensure regular evaluation of the policies carried out under these strategies and action plans and the publication of indicators to report on their progress. The SGPE shall prepare and coordinate the Government's responses to the opinions of the High Council for the Climate.

Reform 3 (C10.R3): Energy sobriety plan

An energy sobriety plan shall be published by the Government before the end of 2022 to accelerate the reduction of energy consumption by promoting energy efficiency actions involving the State, local authorities, businesses and citizens, with the objective of a 10% reduction in energy consumption by 2024 (compared to the winter of 2018-2019). The energy sobriety plan shall include cross-cutting and sectoral measures to be implemented by each player, on a voluntary basis. The energy sobriety plan shall contain proposals for energy reduction in various areas including housing, transport and industry. The majority of the proposed actions are expected to concern buildings (for instance lowering the heating temperature of premises/housing, lowering the heating temperature of hot water tanks etc.).

Investment 1 (C10.I1): Fossil-free industry

The measure shall support investments in decarbonising industrial heat, energy efficiency and process change investments in industry to reduce fossil energy consumption. Consequently, it is expected to reduce greenhouse gas emissions. The scheme shall be implemented by ADEME (Agency for the Ecological Transition), which acts as an operator on behalf of the General Secretariat for Investment (SGPI). The investment shall be funded through calls for project in three categories:

- 1) Production of biomass heat. These investment projects shall consist of the installation of a new biomass boiler replacing a fossil fuelled unit. The biomass solution shall meet the sustainability and greenhouse gas emission savings criteria set out in Articles 29-31 and the rules on food and feed-based biofuels set out in Article 26 of the Renewable

Energy Directive 2018/2001/EU (REDII), and related implementing and delegated acts.

- 2) Large-scale projects (over EUR 3 million) on energy efficiency and improvement of industrial processes. These investment projects shall reduce fossil energy consumption through single or combined investments, such as projects in energy efficiency, waste heat recovery, changes in production processes and electrification.
- 3) Small decarbonisation projects mainly carried out by SMEs. These projects shall cover similar types of investments as sub-measure 2), but for smaller projects (under EUR 3 million).

Contracting of selected projects allowing to reach the target is expected to take place in the course of 2023 and works are expected to be completed by August 2026.

Compliance with the DNSH principle as set out in the measure description shall be required for selected projects allowing to reach the target. It shall be required that investments made within EU Emission Trading System (ETS) installations shall enable to decrease CO₂ emission intensity, in a way that ensures that the measure complies with the “do no significant harm” principle of Regulation (EU) 2021/241. The following list of activities shall not be supported: (i) activities related to fossil fuels, including downstream use³⁸; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emission intensity that is not lower than the relevant benchmarks³⁹; (iii) activities related to waste landfills, incinerators⁴⁰ and mechanical biological treatment plants⁴¹.

Investment 2 (C10.I2): IPCEI hydrogen

This measure shall support four projects contributing to the uptake of hydrogen production and hydrogen-based technology and zero-emission transport, thanks to investments in research and development, as well as in first industrial deployment phases (within the meaning of the December 2021 IPCEI guidelines). All these projects are part of the first IPCEI wave “Hy2Tech”:

The Hyvia project is a joint venture between Renault and Plug Power and shall produce the first hydrogen light commercial vehicles by the end of 2025.

³⁸ Except for (a) projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the ‘Do no significant harm’ Technical Guidance (2021/C58/01) (b) activities under the EU Emission Trading System (ETS) for which the use of fossil fuel is temporary and technically unavoidable for the transition towards a fossil fuel free operation. The timing of the complete phase out of fossil fuels should be based on precise milestones.

³⁹ Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible shall be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

⁴⁰ This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

⁴¹ This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants’ waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

The aim of the Arkema project is to develop advanced materials for mobility, such as resins and coatings necessary for the manufacturing of new generation polymeric membranes for fuel cells. The installation of pilot lines for the manufacturing of such products shall be completed by mid-2026.

The aim of the Faurecia project is to produce new generation of hydrogen tanks for storing hydrogen in cryogenic form. The installation of the pilot production line for the Gen II gas hydrogen tank pilot shall be completed by mid-2026.

The Genvia project shall pursue research and development activities on the production of pressurised alkali electrolysis. The installation of the first demonstrator of a high temperature solid oxide technology electrolyser shall be completed by mid-2026.

Investment 3 (C10.I3): Thermal renovation of public buildings

This measure shall support the thermal renovation of public buildings belonging to the State, with the objective of reducing in the very short term the energy consumption of the State's building stock and its dependence on fossil fuels, thus improving its environmental performance.

Projects shall be selected by two calls for projects ("Résilience I" and "Résilience II"), with the aim of selecting and financing operations to reduce fossil energy consumption in public buildings as from winter 2023-2024.

All projects shall have at least one notified renovation works contract before the end of 2023, and the projects are expected to be completed by the beginning of 2025.

Investment 4 (C10.I4): Scaled-up measure: Energy renovation of private housing, including energy sieves

The objective of this measure is to scale-up C1.I1 Energy renovation of private buildings, under component 1: Buildings renovation. The scale-up part of the measure shall increase the number of renovated buildings belonging to households for energy efficiency purposes.

The ambition of the revised scheme "MaPrimeRenov" for 2024-2025 shall be reinforced in terms of energy efficiency gains by (i) focusing more on deep renovation and thermal sieves, (ii) increasing the ceiling of eligible expenses and (iii) increasing the aid ceiling for the most modest households.

Overall, the energy renovation works carried out in private housing has an objective to achieve at least 30% of energy savings on average.

All the MPR (MaPrimeRenov') financed by the plan shall be notified to owners for eligible renovation projects before the end of 2025.

J.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator (for milestones)	Quantitative indicator for target			Time		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
10-1	C10.R1 Law on the acceleration of renewable energy production	Milestone	Entry into force of the Law on the acceleration of renewable energy production	Provisions in the Law providing for the entry into force of the provisions directly applicable				Q1	2023	Promulgation of the Law and entry into force of the provisions directly applicable on territorial planning in order to define “acceleration zones”, public debate on off-shore wind planning, simplification of procedures for the installation of photovoltaic panels on abandoned motorways and railways areas, and the development of collective self-consumption
10-2	C10.R2 Setting up of the General Secretariat for Ecological Planning (SGPE)	Milestone	Entry into force of the Decree implementing the setting-up of the SGPE	Provisions in the decree indicating entry into force				Q1	2023	Entry into force of the Decree n°2022-990 setting-up the SGPE and its entry into operation. The Decree shall set out the prerogatives of the SGPE, which include: <ul style="list-style-type: none"> - coordinating the development of national strategies on climate, energy, biodiversity and the circular economy; - ensuring the implementation of these strategies by all the ministries concerned and their translation into action plans; - preparing and coordinating the Government's responses to the opinions of the High Council for the Climate.
10-3	C10.R3 Energy sobriety plan	Milestone	Publication of the Energy sobriety plan	Publication of the Energy sobriety plan				Q1	2023	Publication of the Energy sobriety plan with the objective of a 10% reduction in national energy consumption by 2024 (compared to the winter of 2018-2019). The plan shall include proposals for energy reduction in

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator (for milestones)	Quantitative indicator for target			Time		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
										various sectors, including housing, transport and industry.
10-4	C10.I1 Fossil-free industry	Milestone	Selection of projects achieving an expected reduction of fossil energy consumption	Selection of projects				Q4	2023	<p>Selection of projects jointly achieving an expected reduction of fossil energy consumption of 250 GWh of primary energy per year.</p> <p>The greenhouse gas emissions reduction is calculated in comparison to the “before investment” situation, and defined by the operator in the reply to the call for tender. Investments made within ETS installations shall achieve projected GHG emissions in line with the conditions in the measure description.</p> <p>Biomass solutions shall be in line with the conditions in the measure description.</p>
10-5	C10.I1 Fossil-free industry	Milestone	Entry into operation of projects achieving an expected reduction of fossil energy consumption	Entry into operation of projects				Q2	2026	<p>Entry into operation of projects jointly achieving an expected reduction of fossil energy consumption of 250 GWh of primary energy per year.</p> <p>The greenhouse gas emissions reduction is calculated in comparison to the “before investment” situation, and defined by the operator in the reply to the call for tender. Investments made within ETS installations shall achieve projected GHG emissions in line with the conditions in the measure description.</p> <p>Biomass solutions shall be in line with the conditions in the measure description.</p>
10-6	C10.I2 IPCEI Hydrogen	Target	Light commercial vehicles H2 (Hyvia project)		Number		3000	Q4	2025	Number of H ₂ light commercial vehicles manufactured by the Hyvia project.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator (for milestones)	Quantitative indicator for target			Time		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
10-7	C10.I2 IPCEI Hydrogen	Milestone	High temperature solid oxide electrolyser (Genvia project)	Installation of first demonstrator				Q1	2026	The installation of the first demonstrator of a high temperature solid oxide technology electrolyser shall be completed (Genvia project)
10-8	C10.I2 IPCEI Hydrogen	Milestone	New generation polymeric membranes (Arkema project)	Installation of pilot production lines				Q2	2026	The installation of pilot lines for the manufacturing of resins and coatings necessary for the production of new generation polymeric membranes shall be completed (Arkema project)
10-9	C10.I2 IPCEI Hydrogen	Milestone	Gas hydrogen tanks (Faurecia project)	Installation of the pilot production line				Q2	2026	The installation of the pilot production line for the GenII gas hydrogen tanks shall be completed (Faurecia project)
10-10	C10.I3 Thermal renovation of public buildings	Target	Renovation projects of public sites belonging to the State, for which the renovation works contract has been notified	Number			1000	Q4	2023	Number of renovation projects of public sites belonging to the State, for which at least one renovation works contract has been notified,
10-11	C10.I3 Thermal renovation of public buildings	Target	Renovation projects of public sites belonging to the State, for which the renovation works have been completed	Number		0	900	Q1	2025	Number of renovation projects of public sites belonging to the State for which the renovation works have been completed
10-12	C10.I4 Energy renovation of private housing,	Target	Number of MPR validated	Number		700 000	1 450000	Q4	2025	Number of households which have been granted a MaPrimeRénov' cumulatively in 2024 and 2025.

Sequential Number	Measure	Milestone / Target	Name	Qualitative indicator (for milestones)	Quantitative indicator for target			Time		Description of each milestone and target
					Unit	Baseline	Goal	Quarter	Year	
	including energy sieves									

4. Estimated total cost of the recovery and resilience plan

The estimated total cost of the recovery and resilience plan of France, including the REPowerEU chapter, is EUR 41 864 300 141

The estimated total cost of the REPowerEU chapter is EUR 2 826 330 141.

SECTION 2: FINANCIAL SUPPORT

1. Financial contribution

1.1. First Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
1-1	C1.R1 Housing policy	Milestone	Reform of the APL (« aides personnelles au logement »)
1-4	C1.I1 Energy renovation of private buildings	Target	Number of MPR validated
1-6	C1.I2 Energy renovation of social housing	Target	Number of dwellings within the category of social housing receiving a grant for renovation
1-8	C1.I3 Energy renovation of public buildings	Target	Number of renovation projects of public sites belonging to the State, for which the renovation works contract has been notified
2-4	C2.I1 Decarbonisation of industry	Target	Greenhouse gas emissions avoided
2-6	C2.I2 Urban densification: sustainable construction	Target	Number of municipalities benefiting from the aid
3-1	C3.R1 Mobility law	Milestone	Article 35.2 of Law No 2019-1428 of 24 December 2019 on mobility
3-2	C3.R1 Mobility law	Milestone	Article 172 of Law No 2019-1428 of 24 December 2019 on mobility
3-4	C3.R2 Green budget	Milestone	Green budget with the Financing law
3-5	C3.I1 Support to railway	Milestone	Conclusion of the funding agreements
3-15	C3.I2 Support for the purchase of clean vehicles	Target	Ecological bonuses
3-18	C3.I3 Daily mobility	Milestone	AFITF funding agreements
3-21	C3.I4 Acceleration of transport infrastructure works	Milestone	AFITF funding agreements
3-22	C3.I4 Acceleration of transport infrastructure works	Milestone	Signature by the ASP (l'Agence de Services et de Paiement) of the funding agreement for new charging stations
3-27	C3.I5 Greening of the State car fleet	Target	Number of electric and plug-in hybrid vehicles purchased by the French administration
3-29	C3.I6 Greening of harbours	Milestone	AFITF funding agreements
4-1	C4.R1: Reform of the Governance of the Programme d'investissements d'avenir (PIA)	Milestone	Revised governance of the <i>Programme d'investissements d'avenir</i>

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
4-2	C4.I1: Innovate for the green transition	Target	Number of 'acceleration strategies' validated
6-5	C6.I2 PIA – Key digital technologies	Target	Number of strategies validated
7-3	C7.R2 Organic law Experimentation	Milestone	Entry into force of the law aiming to enshrine the right to differentiation
7-6	C7.R4 Governance of public finances	Milestone	Submission of the CAFR report (Commission sur l'Avenir de Finances Publiques)
7-7	C7.R4 Governance of public finances	Milestone	Implementation of selected recommendations of the CAFR report
7-8	C7.R4 Governance of public finances	Milestone	Implementation of a COVID debt containment scheme in the draft budgetary plan
7-10	C7.R5 Assessment of the quality of public spending	Milestone	Publication of the results of the productivity reforms
7-11	C7.R5 Assessment of the quality of public spending	Milestone	Report of the audit mission of the Court of Auditors on public finances
7-35	Control and audit procedures in the implementation of the RRF	Milestone	Organisation of the system and the treatment of data and organisation of the audits
8-3	C8.R2 Reform of short-time work schemes	Milestone	Short-time work scheme reform to boost economic activity through a gradual restriction of the generosity and stricter access conditions to the schemes
8-4	C8.R3 Reform of health and security at work	Milestone	Adoption of amendments to the law aiming at providing France with a more effective system of "health at work" actors, focusing on prevention on the one hand, and on the other hand reorganising the governance and functioning of the institutions responsible for "health at work"
8-6	C8.R4 Reform of the unemployment insurance	Milestone	Entry into force of several measures of the reform of the unemployment scheme
8-10	C8.I3 Hiring subsidy for apprenticeship contracts	Target	Hiring subsidies paid for apprenticeship contracts
8-12	C8.I5 Hiring subsidy for youth under 26	Target	Hiring subsidies paid for contracts hiring youth under 26
8-15	C8.I8 « Roped together for success »	Target	Students participating in the « cordées de la réussite » programme
8-19	C8.I12 Plan for youth: higher education	Target	Places in higher education created
8-22	C8.I15 Support to employers for hiring of persons with disabilities (AMEETH)	Target	Subsidies paid
8-29	C8.I21 Increase in the resources of France Compétences	Milestone	Signature of the agreement with France Compétences
9-1	C9.R1 National Strategy for the Transformation of the Health System	Milestone	Vote and publication of the bill to improve the health system (simplification of the governance of hospitals).
9-3	C9.R2 Creation of a new branch of social security covering the risk of loss of autonomy	Milestone	Law for the creation of a new branch of social security dedicated to supporting the independence of the elderly and people with disabilities

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
9-18	C9.I8 PIA4 - Support to teaching, research, promotion and innovation ecosystems	Milestone	All three calls for projects launched (“ExcellencES”, “Diversification of the resources of higher education and research institutions”, and “Transformation of school education by promoting innovation and new forms of organization and management”)
		Instalment Amount	EUR 8 505 747 126

1.2. Second Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
1-3a	C1.R2 Revised thermal regulation RE2020	Milestone	Revision of the thermal regulation RE2020
1-5	C1.I1 Energy renovation of private buildings	Target	Number of MPR validated
1-7	C1.I2 Energy renovation of social housing	Target	Number of dwellings within the category of social housing receiving a grant for renovation
1-9	C1.I3 Energy renovation of public buildings	Target	Number of public buildings belonging to local and regional authorities (LRAs) which have been the subject of a subsidy notification from the State or the Regional Council for energy renovation works
2-1	C2.R1 Law Climate & Resilience	Milestone	Law Climate & Resilience
2-3	C2.R2 Law on circular economy	Milestone	Decrees implementing the anti-waste and circular economy Law
2-5	C2.I1 Decarbonisation of industry	Target	Greenhouse gas emissions avoided
2-7	C2.I3 Urban densification: brownfields	Target	Number of projects for which a grant has been signed for recycling operation of wasteland or of urbanized area
2-9	C2.I4 Biodiversity	Target	Number of projects supported in the fields of ecological restoration and protected areas
2-11	C2.I6 Secure water networks	Target	Number of linear km of drinking water networks and sanitation networks supported
2-12	C2.I7 Modernization of sorting centres	Target	Number of contracts signed for the modernization of sorting centres
2-13	C2.I7 Modernization of sorting centres	Milestone	Investment in waste sorting and collection, and in medical waste treatment
2-16	C2.I9 Plant protein plan	Target	Number of projects that shall receive fund from the “protein plan” in order to invest in protein plant production
3-6	C3.I1 Support to railway	Target	Switches
3-7	C3.I1 Support to railway	Target	Catenaries
3-8	C3.I1 Support to railway	Target	Regenerated railway lines

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
3-9	C3.I1 Support to railway	Target	Tunnels
3-10	C3.I1 Support to railway	Milestone	Environmental treatment of railways
3-16	C3.I2 Support for the purchase of clean vehicles	Target	Ecological bonuses
4-3	C4.I1: Innovate for the green transition	Milestone	Launch of calls for proposals or calls for interest
4-8	C4.I2: Develop decarbonised hydrogen	Milestone	Signature of decision to attribute financial support to private promoters under the IPCEI on hydrogen
4-10	C4.I3: Support plan to the aeronautics sector	Target	Number of projects selected for support under the investment support fund
4-11	C4.I3: Support plan to the aeronautics sector	Target	Number of R&D projects to promote low-carbon and energy efficient aircraft selected
5-1	C5.R1 Implementation of ASAP law	Milestone	Law n°2020-1525 (loi ASAP)
6-2	C6.R1 Research Programming Law	Target	Loi n° 2020-1674 du 24 décembre 2020 – recruitments in tenure track
6-4	C6.I1 Preserving R&D employment	Target	Number of R&D personnel benefitting from the measure
6-8	C6.I3 PIA – innovative businesses	Milestone	Launch of the call for proposals or interest
6-10	C6.I4 Space	Target	Award of contracts to beneficiaries
6-11	C6.I4 Space	Target	Number of beneficiaries
7-1	C7.R1 3DS Law	Milestone	Entry into force of the 3DS law
7-5	C7.R3 Civil service transformation	Milestone	Implementation of actions identified as part of the projects launched on recruitment and equal opportunities
7-12	C7.R5 Assessment of the quality of public spending	Milestone	Exit emergency measures under sanitary conditions
7-13	C7.R5 Assessment of the quality of public spending	Milestone	Construction of financial laws articulated with public expenditure evaluations covering the scope of public administration in compliance with the expenditure trajectory of the public finance programming law
7-15	C7.I1 Digital upgrade of companies	Target	Number of companies that received a subsidy to foster digital investments
7-20	C7.I4 Digital upgrade of the State – digital ID	Target	Number of digital ID cards produced
7-26	C7.I9 Digital transformation of the school	Target	Number of school classes digitally equipped
8-1	C8.R1 Reform of the provision of services by the unemployment agency	Target	Agencies having integrated Cap'Emploi services
8-2	C8.R1 Reform of the provision of services by the unemployment agency	Target	Agencies with a compensation counsellor
8-7	C8.R4 Reform of the unemployment insurance	Milestone	Automatic entry into force of the remaining measures once economic conditions improve
8-8	C8.I1 FNE-Training	Target	Trainings provided in the context of FNE-Formation training pathways

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
8-11	C8.I4 Hiring subsidy for professionalisation contracts	Target	Hiring subsidies paid for professionalization contracts
8-16	C8.I9 State-backed guarantees for student loans	Target	Beneficiaries of State-guaranteed student loans
8-17	C8.I10 Personalised courses for youth aged 16-18	Target	Youth entering the AFPA activities
8-18	C8.I11 Creation of places in higher education	Target	Places in higher education created
8-20	C8.I13 PACEA and Youth guarantee	Target	Recipients of the PACEA and youth guarantees as of 2021
8-21	C8.I14 Aided contracts for youth (PEC and CIE)	Target	Additional aided contracts
8-26	C8.I18 Digital educational content: platforms for digital content	Milestone	Support for project management assistance to support the design and dissemination of digital content
8-27	C8.I19 Additional allocation for the "Pro transitions" associations (AT pro) for the financing of professional transitions	Target	Professional transitions financed
8-28	C8.I20 Top-up of individual learning accounts for digital skills	Target	Persons having used their topped-up ILA to sign up to a training for digital skills registered in the national register of professional certifications or in the specific register
8-31	C8.I22 Increase in the resources of Pôle Emploi	Target	Pôle Emploi counsellors recruited
9-11	C9.I3 Renovation of medical and social establishments	Target	Number of nursing homes having benefited from assistance with equipment to improve reception conditions for the elderly ("daily investment") (cumulative)
9-13	C9.I4 National suicide prevention hotline	Milestone	Activation of the telephone line service to prevent suicide
9-14	C9.I5 Very fast broadband plan ('Plan France très haut débit')	Target	Additional housing and business premises that are eligible to be connected to fibre
9-16	C9.I6 Digital inclusion	Target	France Services digital advisers trained
9-17	C9.I7 R&D recovery	Target	Global success rate for generic and specific calls for projects
		Instalment Amount	EUR 12 217 010 020

1.3. Third Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
1-2	C1.R1 Housing policy	Milestone	Reform of the Pinel and mid-range rental housing
1-10	C1.I3 Energy renovation of public buildings	Target	Number of m ² of floors of public sites belonging to the State where the energy renovation works have been completed

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
1-13	C1.I4 Energy renovation of VSEs and SMEs	Target	Number of companies benefitting from the tax credit and/or accompanying measures
2-8	C2.I3 Urban densification: brownfield	Target	Number of projects for which a grant has been signed for recycling operation of wasteland or of urbanized area
2-10	C2.I5 Prevention of seismic risks in the DOM	Target	Number of buildings concerned – seismic risks in the DOM
2-17	C2.I10 Forests	Target	Surface area of forests for which a grant has been committed in order to improve, adapt, regenerate or reconstitute the forest
3-3	C3.R1 Mobility law	Milestone	Article 3 of Law No 2019-1428 of 24 December 2019
3-11	C3.I1 Support to railway	Target	Local railways lines
3-12	C3.I1 Support to railway	Target	Renovated freight lines
3-23	C3.I4 Acceleration of transport infrastructure works	Target	Charging stations
3-24	C3.I4 Acceleration of transport infrastructure works	Target	Kilometres of reserved lanes completed
3-28	C3.I5 Greening of the State car fleet	Target	Number of electric and plug-in hybrid vehicles purchased by the French administration
3-30	C3.I6 Greening of harbours	Target	New electrical connections on docks
3-32	C3.I7 Strengthening the resilience of electricity grids	Milestone	Beginning of projects
4-4	C4.I1: Innovate for the green transition	Milestone	Award of the contracts – implementing decision of the Prime Minister
5-2	C5.R2: Enterprises' contributions to economic, social and environmental transformations	Milestone	Article 244 of Law n° 2020-1721 (loi de finances 2021)
6-1	C6.R1 Research Programming Law	Target	Loi n° 2020-1674 du 24 décembre 2020 – entry into force of decrees
6-6	C6.I2 PIA – Key digital technologies	Milestone	Launch of the call for proposals or interest
7-9	C7.R4 Governance of public finances	Milestone	New Public Finances Programming Law (LPFP, 'Loi de Programmation des Finances Publiques')
7-17	C7.I2 Digital upgrade of the State and local authorities	Target	Number of companies benefitting from public orders
7-18	C7.I2 Digital upgrade of the State and local authorities	Target	Percentage of civil servants whose job can be performed remotely equipped for teleworking
7-21	C7.I4 Digital upgrade of the State – digital ID	Target	Number of holders of the new ID card with a 'digital identity' compartment
7-22	C7.I5 Equipment of Ministry of Interior	Milestone	Investment to reinforce the digital equipment of the Ministry of Interior
7-24	C7.I7 Teleworking in the Ministry of Interior	Milestone	Investment to reinforce the digital connectivity of the Ministry of Interior

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
8-9	C8.I2 Reskilling through dual training programmes (Pro A)	Target	Employees benefitting from the Pro-A programme
8-13	C8.I6 Creation of jobs for youth in the sports sector	Target	Jobs created in the sports sector which benefit from a subsidy
8-14	C8.I7 Boarding schools for excellence	Target	Places either built or renovated
8-23	C8.I16 Extension of the “accompanied employment” plan	Milestone	Full deployment of the extension of the “accompanied employment” plan
8-24	C8.I17 Distance training courses	Target	Entries into distance training courses
8-30	C8.I21 Increase in the resources of France Compétences	Target	Additional apprenticeship contracts signed
9-2	C9.R1 National Strategy for the Transformation of the Health System	Target	Credit commitment rate for the upgrading of human resources in health
9-7	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Establishments supported in their investments in technical installations, equipment or light renovation
9-15	C9.I5 Very fast broadband plan (‘Plan France très haut débit’)	Target	Additional housing and business premises that are eligible to be connected to fibre
9-19	C9.I8 PIA4 - Support to teaching, research, promotion and innovation ecosystems	Milestone	Awards of contracts - implementing decision of the Prime Minister
10-1	C10.R1 Law on the acceleration of renewable energy production	Milestone	Entry into force of the Law on the acceleration of renewable energy production
10-2	C10.R2 Setting up of the General Secretariat for Ecological Planning (SGPE)	Milestone	Entry into force of the Decree implementing the setting-up of the SGPE
10-3	C10.R3 Energy sobriety plan	Milestone	Publication of the Energy sobriety plan
10-4	C10.I1 Fossil-free industry	Milestone	Selection of projects achieving an expected reduction of fossil energy consumption
10-10	C10.I3 Thermal renovation of public buildings	Target	Renovation projects of public sites belonging to the State, for which at least one renovation works contract has been notified
		Instalment Amount	EUR 8 662 970 741

1.4. Fourth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
1-11	C1.I3 Energy renovation of public buildings	Target	Number of m² of floors of public sites belonging to the State where the energy renovation works have been completed
1-12	C1.I3 Thermal renovation of public buildings	Target	Number of schools, colleges or high schools where the energy renovation works have been completed
2-2	C2.R1 Law Climate & Resilience	MilestoneTarget	Law Climate & Resilience – low GHG emission zones
3-19	C3.I3 Daily mobility	Target	Public transport reserved lanes
3-25	C3.I4 Acceleration of transport infrastructure works	Target	Projects realised on waterways
3-26	C3.I4 Acceleration of transport infrastructure works	Milestone	Modernisation of the CROSS network and numerical system for the maritime affairs
6-7	C6.I2 PIA - Key digital technologies	Milestone	Awards of contracts – implementing decision of the Prime Minister
6-9	C6.I3 PIA – innovative businesses	Milestone	Awards of contracts – implementing decision of the Prime Minister
6-12	C6.I4 Space	Milestone	Investments in Ariane 6
7-14	C7.R5 Assessment of the quality of public spending	Milestone	Annual assessment of measures taken to improve the quality of public spending implemented in the 2023 budgetary law
7-19	C7.I3 Cybersecurity of central government	Milestone	Investment to increase governmental cybersecurity
7-27	C7.I10 Digital access to higher education	Target	Number of students having access to digital training
7-31	C7.I11 Culture	Milestone	Schemes to support art creation
9-4	C9.I1 Catching up on technical standards for digital health	Target	State digital infrastructure in the field of health
9-5	C9.I1 Catching up on technical standards for digital health	Target	Finalisation of interoperability and security of installed fleet software and support and incentivise healthcare
9-6	C9.I1 Catching up on technical standards for digital health	Target	Digital catch-up of the social medicine
9-8	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Number of investment projects in the construction, energy renovation or modernization of medical establishments (> € 20 million) (cumulative)
		Instalment Amount	EUR 3 776 166 734

1.5. Fifth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
1-3b	C1.R2 Revised thermal regulation RE2020	Milestone	Revision of the thermal regulation RE2020 for specific tertiary buildings
2-3a	C2.R2 Law on circular economy	Milestone	Decrees implementing the anti-waste and circular economy Law
2-14	C2.I7 Modernisation of sorting centres	Target	Number of sorting centres modernised
2-15	C2.I8 Recycling and reuse	Target	Quantity of plastic materials avoided
3-13	C3.I1 Support to railway	Target	Local railways lines
3-14	C3.I1 Support to railway	Target	Renovated freight lines
3-20	C3.I3 Daily mobility	Target	Public transport reserved lanes
3-31	C3.I6 Greening of harbours	Milestone	Purchase of vessels
4-9	C4.I2: Develop decarbonised hydrogen	Target	Electrolyser production capacity
4-12	C4.I3: Support plan to the aeronautics sector	Target	Number of projects completed, under the investment support fund
6-3	C6.R1 Research Programming Law	Target	Loi n° 2020-1674 du 24 décembre 2020- increase in public research funding
7-2	C7.R1 3DS Law	Milestone	Evaluation of the 3DS law
7-4	C7.R2 Organic law Experimentation	Milestone	State of play of the first experiments carried out
7-14a	C7.R5 Assessment of the quality of public spending	Milestone	Annual assessment of measures taken to improve the quality of public spending implemented since the 2023 budgetary law.
7-16	C7.I1 Digital upgrade of companies	Target	Number of diagnoses, digital accompaniments or trainings provided to companies
7-23	C7.I6 Applications of the Ministry of Interior	Milestone	Investment in digital applications developed by the Ministry of Interior
7-25	C7.I8 Digital upgrade of the education system	Milestone	Investment to upgrade the digital services of the Ministry of National Education
7-28	C7.I11 Culture	Target	Cathedrals and national historical monuments
7-29	C7.I11 Culture	Milestone	Monuments belonging to local authorities and private owners
7-30	C7.I11 Culture	Target	Number of renovated art and architecture schools
8-5	C8.R3 Reform of health and security at work	Target	Services for health and security at work equipped with secure digital tools
8-25	C8.I18: Modernising and digitalising professional training	Target	Training bodies declaring having trained participants either in part or fully through distance learning
9-9	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Number of investment projects in the construction, energy renovation and modernisation of medical establishments (> € 20 million)

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
9-10	C9.I2 Modernisation and restructuring of hospitals and health care supply	Target	Establishments supported in their investments in technical installations, equipment or light renovation
9-12	C9.I3 Renovation of medico-al and social establishments	Target	Accommodation solutions for the elderly who have benefited from aid for real estate investment
10-5	C10.I1 Fossil-free industry	Milestone	Entry into operation of projects achieving an expected reduction of fossil energy consumption
10-6	C10.I2 IPCEI Hydrogen	Target	Light commercial vehicles H2 (Hyvia project)
10-7	C10.I2 IPCEI Hydrogen	Milestone	High temperature solid oxide technology electrolyser (Genvia project)
10-8	C10.I2 IPCEI Hydrogen	Milestone	New generation polymeric membranes (Arkema project)
10-9	C10.I2 IPCEI Hydrogen	Milestone	Gas hydrogen tanks (Faurecia project)
10-11	C10.I3 Thermal renovation of public buildings	Target	Renovation projects of public sites belonging to the State, for which the renovation works have been completed
10-12	C10.I4 Energy renovation of private housing, including energy sieves	Target	Number of MPR validated
		Instalment Amount	EUR 7 108 078 557

SECTION 3: ADDITIONAL ARRANGEMENTS

1. Arrangements for monitoring and implementation of the recovery and resilience plan

The implementation of the French recovery and resilience plan is administratively led by the Ministry of Economy, Finance and Industrial and Digital Sovereignty, in close cooperation with the General Secretariat of European Affairs (SGAE), attached to the Prime Minister. The SGAE is coordinating central administrations involved in the plan and is supported in the implementation and monitoring process by the Pôle PNRR - Plan national de relance et de resilience - in the Direction Générale du Trésor (to replace the former “Recovery Secretariat” in charge of the “France Relance” plan” of which the investments of the French recovery and resilience plan constitute a sub part). The Pôle PNRR is monitoring the implementation of the plan at the level of each measure, in close cooperation with Heads of each Ministry.

The implementation of the reforms shall be more closely monitored by each relevant Ministry. Attached to each Ministry, a referent person is specifically responsible for monitoring, implementing and reporting on the reforms included in the recovery and resilience plan. The inter-ministerial coordination is ensured by the SGAE who shall be in charge of collecting, together with the Ministry of Economy, Finance and Industrial and Digital Sovereignty, the supporting documents demonstrating the completion of the milestones of the reforms planned under the recovery and resilience plan.

The controls on the milestones and targets, as well as the verifications within the framework of their internal

control system, are delegated to the Ministries in charge of the implementation of the components through the “circulaire de la Première Ministre N°6369/SG” from August 5th 2022. Verification, inspection and audit missions shall be organised to ensure the effectiveness of these systems and to control the quality of the data transmitted.

2. Arrangements for providing full access by the Commission to the underlying data

The completion of the targets and milestones related to investments shall be subject to regular and centralised monitoring by the Pôle PNRR, on the basis of information collected and reported by the public administrations concerned. Data on indicators attached to milestones and targets shall be provided in a dedicated IT collection tool (Propilot). These data shall be collected at local level and centralized at national level and shall be used to report on the achievement of milestones and targets under the recovery and resilience plan. The ministries shall update them at regular intervals in order to finalise payment requests to be sent to the European Commission.

In accordance with Article 24(2) of Regulation (EU) 2021/241, upon completion of the relevant agreed milestones and targets in Section 2.1 of this Annex, France shall submit to the Commission a duly justified request for payment of the financial contribution. France shall ensure that, upon request, the Commission has full access to the underlying relevant data that supports the due justification of the request for payment, both for the assessment of the request for payment in accordance with Article 24(3) of Regulation (EU) 2021/241 and for audit and control purposes.