



2030 DIGITAL DECADE

**Annex
France**

REPORT ON THE STATE OF THE DIGITAL DECADE 2023

Digital Decade Country Report 2023: France

France has untapped digital potential to contribute further to the collective efforts to achieve the EU's Digital Decade targets.

Given the size of the French economy and its population, current and future actions are expected to contribute significantly to such efforts. France has several digital strategies, broadly aligned with the objective of the Digital Decade Policy Programme. France is doing well as regards connectivity and start-ups and shows positive trends in digital public services and human capital. However, the digital transformation of the economy is uneven. In particular, whilst the top innovating companies use and deliver advanced digital technologies, there is not widespread use of basic technologies by small and medium enterprises (SMEs).

France is collaborating with other Member States in exploring the possibility to set up a **European Digital Infrastructure Consortium (EDIC)** on an Alliance for Language Technologies, to develop a common infrastructure in the field of natural language processing and large multi-language models.

DIGITAL SKILLS

Slightly more than three out of five people in France have at least basic digital skills. Nonetheless, scientific, digital and media literacy in all subjects at all levels of formal education needs particular attention. The share of ICT specialists in total employment is stable at 4.3%, slightly below the EU average (4.6%). The share of women among ICT specialists is, at 19%, very close to the EU average of 18.9%. However, despite ambitious positive measures (Pix, Skills and Jobs of the Future), France has increased less than the EU average, and the country's prospects are undermined by low rates of ICT enrolment and low numbers of graduates. Significant efforts to improve digital skills are therefore crucial for the EU to reach the Digital Decade target on basic digital skills and ICT specialists.

France should accelerate its efforts in the area of digital skills.

In particular, France should implement measures to address all levels of education, especially the fundamental level in mathematics. In addition to boosting the investment for ICT specialists, particularly ICT graduates, France should continue to upskill and reskill the workforce.

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DIGITAL INFRASTRUCTURE

France has a strong performance in digital infrastructure. France should already achieve full fibre roll-out in 2025. In 2022, there was particularly good overall coverage for fixed fibre connections, reaching 73% of households, and the rural/urban divide has been narrowing. However, efforts to continue fibre roll-out need to be maintained in France's outermost regions and in rural zones. Thanks to the 'New Deal' plan, mobile coverage in 4G covers all populated areas and 5G roll-out is going well for voice and internet applications, covering 88% of populated areas. New 5G applications are being tested in pilot projects. The environmental aspect of digital sectors has been the focus of several laws.

Cybersecurity is increasingly being addressed but still needs to be stepped up in support of SMEs. A strategy for semiconductors, including public funding, is supporting French and EU industrial sovereignty: it is in line with the EU Chips Act. The country participates in the Important Project of Common European Interest (IPCEI) on Microelectronics and Communication Technologies with 15 direct participants focusing on a wide range of areas including substrates, power, sensing, packaging, automotive, photonics, telecom, aerospace and defence. France aims to become a key player in quantum computing and plans to deploy Euro quantum communication infrastructure. It also participates in the European programme for high-performance computing (EuroHPC).

France should continue implementing its policies on digital infrastructures. In particular France should further improve its 5G spectrum readiness making the remaining priority bands available. France is also encouraged to continue its activities regarding the environmental aspect of digital sectors, as well as in the areas of quantum and semiconductors in order to help the EU become a strong market player in these areas.

DIGITALISATION OF BUSINESSES

Digitalisation of businesses is an area where France needs to contribute more substantially. In 2022, 64% of SMEs used digital technologies, while the EU average was 69%. SME use of digital technologies in France is still far from the Digital Decade objective of 90% and the pace of progression is still insufficient to foster its achievement. Likewise, France businesses have an untapped potential when it comes to uptake of advanced digital technologies, although for several years the France Num initiative has been delivering training and support to SMEs for using digital technologies. Further, France participates in the Next Generation Cloud Infrastructure and Services.

As regards establishing technology start-ups and scale-ups, France has succeeded in nurturing a very favourable ecosystem, considered to be the second best in Europe. 36 companies are considered unicorns in France (a sharp increase from 22 the year before) and 82 companies reached a market valuation of between EUR 100 million and EUR 1 billion. International attractiveness is high for entrepreneurs and they are able to access finance. European Digital Innovation Hubs have been selected, and most are expected to be deployed by early 2023.

France should step up its efforts in the area of digitalisation of businesses. In particular, it should take specific action to improve SME rate of digitalisation, including in advanced technologies.

DIGITALISATION OF PUBLIC SERVICES

Access to public services in France is slightly below the EU average both for citizens and for businesses. However, there are many projects underway to address this. France has put in place an observatory concerning people's digital practices and has started efforts to use cloud more systematically. Electronic identification is in place for several services and the use of the European solution is considered and would need to be accelerated. The Inter-ministerial Direction of Digital (DINUM) provides a platform for open data (data.gouv.fr) and follows concrete actions in 15 ministries. Additional measures are needed to support users who have difficulties to access digital public services, in particular health records.

France should accelerate its efforts to digitalise public services. In particular, it should complement the RRP funding of hardware equipment in hospitals with measures to involve users and adapt the organisation to the new data flows. Public authorities should take measures to further strengthen the alignment of the different administrative levels involved and to improve the interoperability, effectiveness and availability of online public services, in particular in the healthcare sector.

DIGITAL IN FRANCE'S RECOVERY AND RESILIENCE PLAN (RRP)

The French RRP amounts to EUR 40.3 billion, with 22% of it (i.e., EUR 8.1 billion) allocated to digital transformation, of which EUR 7.7 billion will be spent on efforts to achieve the Digital Decade targets¹⁰. On 19 August 2021, the Commission disbursed the pre-financing of EUR 5.1 billion. In the context of the first payment request, France achieved 38 milestones and targets, leading the Commission to disburse 7.4 billion in Q1 2022. Some milestones were related to measures in the digital area, such as accelerating six key digital technologies (quantum, cybersecurity, education, cultural industries, 5G and cloud) and increasing the resources of France Compétences. The French RRP also includes measures to address the public health sector (EUR 2 billion), training and education (apprentice contracts, training for digital skills, digital learning contents, and a plan for remote learning), digital public services (EUR 500 million), the 'France Très Haut Débit' plan (EUR 240 million) and digital devices for schools.

¹ Based on Annex VII of the RRF Regulation. Furthermore, a qualitative assessment of the data took place to allow for an estimation of the possible contribution of RRF measures to the Digital Decade targets and the remaining part is also supporting the general objectives of the Digital Decade. This applies to all descriptions of the RRFs included in this Annex. The information provided refers to the Recovery and Resilience Plan as adopted by the Council before 1 September 2023, without prejudice to potential ongoing revisions of the plan.