

FLAGSHIP REFORMS IMPLEMENTED SINCE 2017

INITIATED REFORMS	PATHWAY	RESULTS
1. A NEW TAX ENVIRONMENT TO ENCOURAGE INVESTMENT		
A progressive lowering of the rate of corporate tax (impôt sur les sociétés – IS) from 33.33% in 2017 to 25% by 2022.	Finance Act 2018	In 2021, the corporate tax rate is 26.5% for almost all businesses and 27.5% if revenues exceed €250 million.
Cuts to production taxes <ul style="list-style-type: none"> A 50% reduction in corporate value added tax (CVAE) and property tax. A reduction in the capping rate from 3% to 2% of the regional economic contribution based on value added. 	Finance Act 2018	€20 billion in tax cuts (2021 and 2022) then €10 billion/year. 600,000 businesses benefiting from January 2021.
The research tax credit has been made permanent. Possibility to deduct R&D expenditure of 30% up to €100 million in expenditure, and 5% above this threshold.	Annual Finance Act	France is ranked second among OECD countries for financing R&D.
Lower taxation on capital: A single capital gains tax rate (prélèvement forfaitaire unique – PFU) of 30%. The wealth tax on total assets (impôt de solidarité sur la fortune – ISF) was replaced by the property wealth tax (impôt sur la fortune immobilière – IFI).	Finance Act 2018	Improving tax competitiveness (La France résiste aux chocs, EY Attractiveness Survey – June 2019).
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2. OVERHAULING FRANCE'S SOCIAL MODEL		
Reform of labor market: Collective performance agreement, simplifying dismissals on economic grounds, facilitating social dialogue .	"Work decrees" of September 22, 2017	Employment-related disputes cut in half over 10 years. The lowest unemployment rate since 2008 (7.6% in late 2021). +27% in collective agreements signed between 2018 and 2020. 231,000 industrial jobs created or strengthened.
Reformed apprenticeship and professional development system. Skills investment plans (SIPs). <ul style="list-style-type: none"> Massive investments: €15 billion (SIP 2018), €1.4 billion (SIP 2021), €2.5 billion ("France 2030"). Training target set in 2018 of two million people over five years. 	Freedom to Choose Professional Development Act of September 5, 2018 "France 2030" plan	One million people started training in the year since 2019 (record). Historic record of 495,000 apprenticeship contracts signed in the private sector in 2020.
A permanent reduction in health insurance contributions.	Finance Act 2018	Reducing labor costs for salaries of up to €3,886 gross per month (minus six points for contributions).
Stimulating the employment of vulnerable groups: <ul style="list-style-type: none"> Zero-cost jobs: Up to €15,000 for the hiring of employees living in priority neighborhoods. Apprentices up to €8,000 per job. Tripling of budget allocated to young people (€9 billion).	Decree of December 26, 2019 #1jeune1solution plan	Over two million young people benefit from a solution (apprenticeship contract, training or pathways to integration).
Improving the purchasing power of employees.	Finance Act 2018 and 2019	Tax exemption on overtime for employees, abolition of housing tax, activity bonus.
Short-time working: Securing employees and employers subject to a slump in demand. €36 billion of public funds since 2020 to keep employees in work and to start more quickly.	Order of October 14, 2020	Up to nine million employees benefiting in spring 2020. Unemployment rate at the lowest since 2008 (7.6% in late 2021).
Transforming unemployment insurance and supporting jobseekers.	Freedom to Choose Professional Development Act of September 5, 2018	Encouraging people to return to work and businesses to offer more permanent contracts (CDIs).

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3. ADMINISTRATIVE SIMPLIFICATION AND FACILITATING SETTING UP SITES IN FRANCE

The Action Plan for Business Growth and Transformation: Simplifying business startups, a legal framework for initial coin offerings (ICOs), simplifying profit-sharing and corporate participation.	PACTE Act of May 22, 2019	One-stop shop since January 2021, around ten ICO visa applications, €145 billion in employee and retirement savings and €55 billion in shareholding funds at the beginning of 2020.
A boost to the equity capital of micro-enterprises, SMEs and mid-size companies.	"Relaunch France" initiative	A total of 199 accredited "Relaunch France" funds in August 2021.
Calls for proposals to accelerate the creation or relocation of industrial activities in France.	"Relaunch France" initiative	€2 billion of public funding. In October 2021 , there were 624 winning businesses in the strategic sectors element and 1,400 winning businesses in the regions element.
Enshrining the right to amend errors, simplifying, and making all administrative procedures paperless within businesses.	ESSOC Act of August 10, 2018	More fluid relations with the authorities , 250 administrative procedures will be made paperless by 2021.
Ready-to-use sites. Accelerating the implementation of industrial sites, simplifying public procurement.	ASAP Act of December 7, 2020	127 ready-to-use sites.
Strengthening the attractiveness of France as a location for healthcare industries	Strategic Council of Healthcare Industries (2018, 2021) "France 2030" plan	Constructive dialogue between the state and industry, simplified regulatory framework and reduced market access timeframes.
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4. ACCELERATION OF THE ECOLOGICAL TRANSITION

The multi-year energy planning and the national low-carbon strategy.	Decree of April 23, 2020	Carbon neutrality by 2050.
Limiting waste: Transforming our linear economy (producing, consuming, throwing away) into a circular economy.	Anti-Waste Act for a Circular Economy of February 10, 2020	End of single-use plastic packaging by 2040. 100% recycled plastic by January 1, 2025.
€200 million to reduce the environmental impact of ports , €4.7 billion for the modernization of the rail transport , €300 million for the rehabilitation of brownfield sites, financial support to boost energy efficiency and adapt industrial processes (€1.2 billion).	"Relaunch France" initiative	An attractive, simplified environment for firms seeking to set up industrial operations.
Investing in the technologies of the future and innovating in the ecological transition (decarbonated hydrogen, decarbonation of the agri-food industry, transport and mobility).	"National Investment Program" 4 "France 2030" plan	National Investment Program: €11 billion between 2021 and 2022 (digitization of public services, energy efficiency and adaptation of industrial processes). Saving up to 80% of CO2 emissions. France 2030: €34 billion, including €3.5 billion rolled out in 2022.