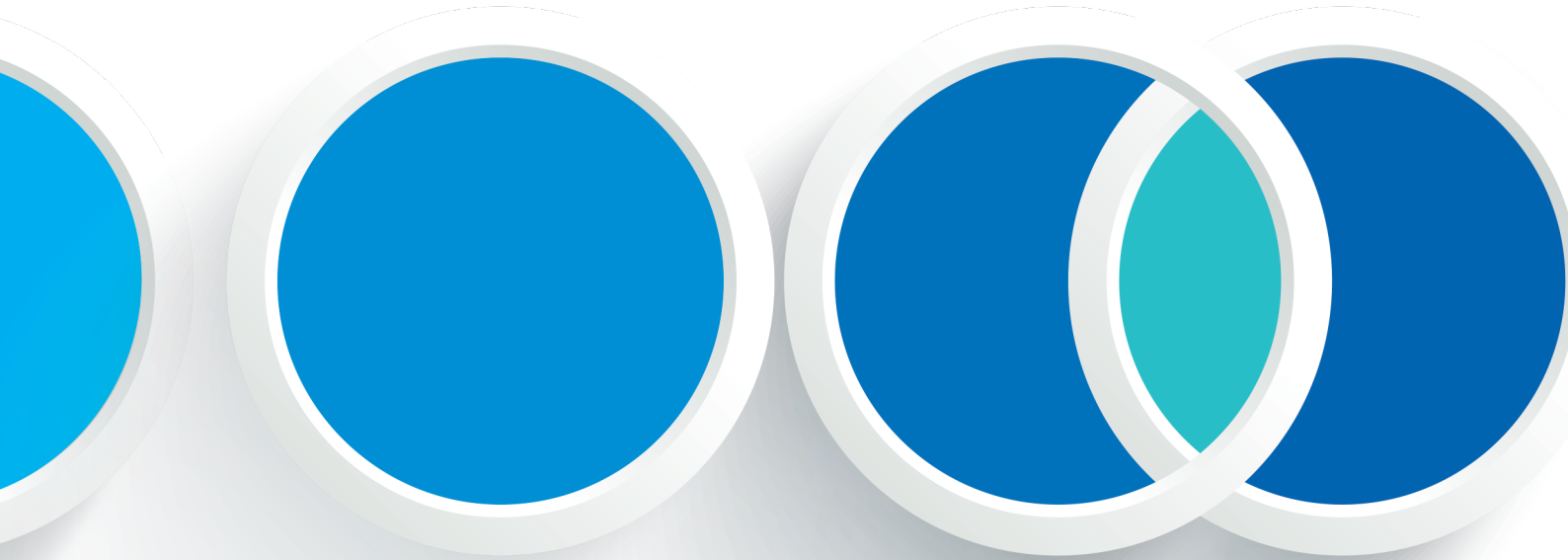




FRANCE STRATÉGIE
ÉVALUER. ANTICIPER. DÉBATTRE. PROPOSER.

ANNUAL WORK PROGRAMME



2020



France Stratégie's mission is to provide public authorities, as well as all our fellow citizens, with original and useful insights for public decision-making about France's economic, environmental and social challenges, to formulate relevant public policy proposals, and to evaluate public policies, with a consistent regard for quality and openness.

As in 2019, France Stratégie is building its 2020 work programme on six axes, each corresponding to a set of public policies:

1. to make a successful ecological transition to a sustainable development model
2. to adapt the productive system to the challenges of the 21st century
3. to build effective policies for social progress
4. to reduce structural unemployment
5. to anticipate the future of work and its organisation
6. to pursue a balanced and diversified development of territories

For France Stratégie, the year 2020 will be particularly marked by the completion of work underway and the publication of the results on the long-term perspectives for professions, conducted with the Dares, *Jobs in 2030*. This major project is an illustration of our know-how, a methodical approach imposing the highest standards for requirements on sources and modelling; a steering committee uniting all participants, and especially, the social partners; and finally, above all, the publication of results that shed new light on major issues for the country, including regional projections, the consideration of the competences issues, as well as several macroeconomic scenarios. Previous works have shown that these results are long-awaited ; they should enable the public to become aware of likely developments in each profession, and allow public and private officials to determine actions to be taken, especially in the context of the Productive Pact for Full Employment-to avoid a possible imbalance that could hinder growth and employment.

2020 will also see a number of important projects be launched, including the following, as part of the long-term goals :

1. An innovative approach compatible with the major impulse behind the 2019 work programme: to create the conditions for the cross-accounting of sustainability issues in public policies. Environmental (climate, biodiversity, etc.), social, economic, but also democratic (citizen participation) or territorial challenges: the various medium and long-term risks must be better integrated into the design, implementation and monitoring of public action, daily. France Stratégie is designing a seminar open to researchers, public, and private participants, to develop a common approach to these crucial issues.
2. France Stratégie proposed to the Ministry of National Education, which agreed, to mount an effort to build a "shared prospective vision of employment and skills" in the education sector.
3. Finally, France Stratégie was entrusted with the task of running the French side of the "Forum for the Franco-German future", as provided for in Article 22 of the Treaty of Aachen.

Gilles de Margerie,
Commissioner General of France Stratégie

EVALUATION COMMITTEES DRIVEN BY FRANCE STRATÉGIE

- | **The Committee for the Evaluation of Work orders** will issue its next progress report in the Spring of 2020 that will update the available data and present the current state of research. Moreover, the committee will pilot studies emerging from the two calls for research projects launched in 2019 ; the first focusing on the effects of the new rules governing individual labour relations and the breach of employment contracts, and the second concentrating on collective bargaining and the quality of social dialogue in companies.
- | **The Capital Tax Reform Evaluation Committee** will issue its next report before October 1, 2020. In addition to the updated data and literature review presented in 2019, this issue should include the first results of the work produced in response to the call for research projects on the impact of wealth tax and dividend tax reforms before 2018.
- | **The IMPACTE evaluation committee**, established in September 2019, published a report in December describing the methodology to be used to evaluate each of the twenty-three themes of the Covenant law. The next evaluation report will be published before October 1, 2020. This committee will also take over the evaluation of the Competitiveness and Employment Tax Credit (CETX) and the Accountability Pact.
- | **The evaluation committee for the national strategy to prevent and combat poverty**, set up in October 2019 will issue its first report in the Spring of 2020. This document will present the evaluation approach, the method, and the timetable for the work to be carried to assess the impact of the measures introduced under the context of the strategy. The Committee includes in its proceedings people living in poverty as well as a citizens' panel.
- | In 2020, **the Commission Nationale d'Évaluation des Politiques d'Innovation (CNEPI)** will oversee the work produced in response to the call for research projects on the evaluation of the research tax credit (RTX), finalised at the end of 2019. This work will assess the effect of the RTX on the companies that have entered the scheme since the 2008 reform, the location choices of R&D by multinationals, and finally on the economic variables downstream of R&D (innovation, growth and employment, etc.).
- | In 2020, **the Evaluation Committee of the Very High-Speed Broadband (VHB)** plan will guide the work arising from the call for research projects finalised at the end of 2019, which is aimed at analysing the socio-economic impacts of the arrival of VHB, assessing the impact of public funding, and measuring the quality of governance. Concurrently, a study should be available in the summer of 2020 on the economic and cost models of the project holders in charge of VHB deployment in France.



AXIS 1

MAKING A SUCCESSFUL ECOLOGICAL TRANSITION TO A MODEL OF SUSTAINABLE DEVELOPMENT

The government has set ambitious goals: carbon neutrality by 2050 ; zero net artificialization ; no net loss of biodiversity ; reduction of our consumption of resources. The National Low-Carbon Strategy (NLCS) and the multiannual energy programming, in particular, offer an ambitious climate roadmap. In 2020, France Stratégie will focus on the conditions for the success of this roadmap: identification of the risks for achieving the objectives, public policies to be implemented to promote transition, and economic and social issues.

- | **How can the costs of carbon abatement be determined?** The commission chaired by Patrick Criqui will continue its work in 2020. Its aim is to define a shared methodological framework for calculating and interpreting the carbon abatement costs of different technologies or measures, and to estimate harmonized abatement costs.
- | **How can behaviour be oriented in favour of ecological transition?** What lessons can be learned from French and foreign incentive policies and experiments?
- | **What use should be made of assessments of the effects of using the NLCS based on macroeconomic models?** The aim here is to look critically at these estimates, identifying the underlying assumptions, the associated risks, and the policies to be implemented.
- | **What are the developments for the existing measures or what new measures can be implemented to achieve the goals of thermal renovation of dwellings listed in the NLCS?** Based on a widely shared observation about the obstacles to the rise of thermal renovation, proposals will be made to help structure supply and restore confidence on the demand side.
- | **What is the outlook for the different modes of transport and the mobility of goods and people?** Co-piloted with the Conseil Général de l'Environnement et du Développement Durable (CGEDD), this work aims to inform public policies, particularly about carbon neutrality by 2050.
- | **How can the organisation of the electricity sector in Europe evolve in the ever-changing context it is facing** (renewable energies, network intelligence, storage issues, affirmation of new players)?
- | **How can the deployment of a more circular economy be encouraged?** What is the impact in economic, employment, and environmental terms?

ADAPTING THE PRODUCTIVE SYSTEM TO THE CHALLENGES OF THE 21ST CENTURY

France, more than other countries, has experienced a decline in its industrial base during the last twenty years. After a stakeholder consultation phase, the Government is soon expected to announce, within the framework of the Productive Pact, a series of measures to reverse this trend, to meet the challenges posed by the major ecological, digital, and demographic transitions, and put the country on a path towards full employment. As a participant in this exercise, France Stratégie continues the analysis by drawing lessons from the different phases of industrial policy in France. This year, work will also focus on the main challenges identified for productivity and competitiveness, particularly the attractiveness of production sites, the growth of SMEs, the effectiveness of aids combined with innovation, and the importance of skills and of the quality of management.

- | **The Conseil National de Productivité**, for which France Stratégie serves as the general secretariat, will produce its second report in the autumn of 2020 to deepen the analysis of the principal issues examined in the previous report. The link between skills and productivity gains will be explored from different angles, and the matter of diverging productivity gains within the service sectors will be the subject of an original analysis.
- | **At the request of the National Assembly, a "literature review" on the evaluation of industrial policies** will be carried out in 2020.
- | **How could the country make use of low interest rates** to make the necessary investments in order to meet the long-term challenges?
- | **The issue of the lack of growth of French SMEs regularly stimulates research work**, yet no consensus or coherent view exists on the respective importance of the different factors highlighted. Together, with the work on the evaluation of the PACTE Act on growth and transformation of companies, a working group will bring together experts from different disciplines and backgrounds to participate in a series of seminars to make a shared diagnosis.
- | **As part of its task of monitoring public aid, the European Commission has asked France for a plan for assessing aid for innovation.** This plan directed by the Direction Générale des Entreprises authorizes France Stratégie to conduct a combined study of the various support mechanisms for R&D and business innovation, as well as a specific focus on the aid distributed by the public investment bank, Bpifrance.
- | **What effect does diversity have on business performance?** Conducted by a research team from the TEPP laboratory, this study will measure the possible gains associated with greater diversity for gender or age compared with the average of companies in the same sector.



- | **What are the critical issues involved with the use of data from industrial equipment and the Internet of Things?** There is great potential for development and innovation in companies and administrations ; the aim is to clarify the nature and status of this data, and to identify these issues for public authorities concerning consumer protection, competition policy, and sovereignty.

AXIS 3

BUILDING EFFECTIVE POLICIES OF SOCIAL PROGRESS

In 2020, France Stratégie will continue its analysis of economic and social inequalities, as well as its study of the impact of public policies on these inequalities. The initial aspect of the work will seek to deepen the analysis of inequalities in their various dimensions, emphasizing international comparisons and the evolution of these inequalities over time. A second axis will assess the impact of different public policies, initially redistribution - whether through tax levers or social benefits - but also family, education and employment policies, and so forth.

- | **When are inequalities formed?** International comparisons conducted by the OECD, as well as the work of France Stratégie, show the persistence of strong inequalities of opportunity in France. The aim here is to analyze the respective importance of the different stages of education, early childhood, primary school, access to higher education, integration into the labour market among other factors in the development of the education system, and the part these issues play in the creation of inequalities. This analysis will help public authorities identify the most appropriate policies to adopt.
- | **There is now a consensus on the controlled level of income inequality in France compared with similar countries.** A comparative European analysis will be carried out to evaluate the respective contributions of primary income disparities and of the inequalities in the redistribution system. This analysis will be supplemented by work on the evolution of inequalities over the last decade in France, and on the impact of fiscal and social policies on this evolution.
- | **To what extent is the analysis of wealth inequality modified when the wealth equivalent of pension rights is taken into account?** To answer this question, data from the Heritage Surveys and the Destiny 2 microsimulation model will be used.
- | **France Stratégie will continue making its contribution to the preparatory work for the creation of the Universal Work Income** by studying how social-tax transfers accommodate the cost of the child, above all, when the parents are separated. The possibility of an analysis of optional expenditure subject to local authority resources will also be among the topics to be considered.

- I **France Stratégie has issued, with the High Council for the Family, Children and Age, two appeals for research projects.** The first would deal with the evaluation of the 2015 reform of aid for parents who cease or reduce their working activity to bring up a child under the age of three. The second examines family trajectories and the standard of living after a separation of the parents. The aim is to acquire a better knowledge of these children's future to more fully guide public policies for these children, especially involving their protection from poverty.
- I **A study will be carried out to analyze the possible link between compliance with the employment obligation** for people with disabilities, business performance, and wage policy.

AXIS 4

REDUCING STRUCTURAL UNEMPLOYMENT

Reducing unemployment structurally has been a persistent theme of France's public policies for forty years. While the unemployment rate has been declining since 2015, it remains at a higher level than other European countries, even though French companies report that they are facing major recruitment difficulties. The work carried out this year aims to shed light on this paradox ; it will examine in greater depth the reasons for these tangible difficulties and identify the levers for promoting job creation. Having a better understanding of how other European countries cope with the issue of employment and the trade-offs involved in their labour market performance is also critical, whether in labour costs or job quality in the broadest sense.

- I **Conseil d'Orientation pour l'Emploi (COE)** will focus this year on updating its 2013 diagnosis of recruitment difficulties and identifying levers to remove obstacles to job creation due to these difficulties.
- I **For the remuneration for low-wage earners**, France currently relies on three schemes: the minimum wage 'SMIC', reductions in employers' social security contributions, and activity bonuses. In connection with the symposium for the 50th anniversary of the SMIC, work in 2020 will re-examine the sustainability of this triptych over time from a set of dimensions (marginal tax rates and wage progression, budgetary cost, incentives for qualification and dynamics of intermediate jobs, etc.). It will also question France's specificity in this area.
- I **The existence of a trade-off between job quality and quantity** is often invoked to explain differences in unemployment rate performance. In addition to updating previous works, the study will analyze the different existing configurations in Europe from the point of view of the link between these two dimensions, and aspires to deepen the definition of what quality job is today.
- I **What lessons can be learned from forms of organisation of working time for life abroad?** This study will be based on an analysis of the models of working time organization



proposed in certain European countries to identify the major trends at work and examine the effects of these organizational changes for both employees and companies.

- | **Work on business creation** investigates the French specificity in terms of entrepreneurship in an international comparison (data from the Global Entrepreneurship Monitoring), to analyze the origins of the recent dynamic, particularly of microenterprises, and to assess the impact of the age of the creator on the performance of their business (based on 3 waves of the INSEE SINE survey).

AXIS 5

ANTICIPATING THE FUTURE OF WORK AND ITS ORGANISATION

Changes in the labour market affect not only forms of employment, but also ways of working and required skills. Both the digital transition and environmental changes are substantially altering the needs of the labour market ; indeed, they are anticipating a more complex exercise than ever before in developing employment and training policies. However, work is a subject embedded in an economic and social system: its organisation has reciprocal effects on the environment and on the capacity of individuals to effectively use their skills at different phases of their lives. The work planned for 2020 will shed light on these issues for both public players and companies.

- | **Work organisation is not neutral** concerning employees' ability to mobilize and develop their skills. It may contribute to or discourage it. Within the framework of the Réseau Emploi-Compétences (REC), a working group bringing together employment and training stakeholders and companies will identify organizational practices favouring the development of employees' skills. The ultimate goal is to better understand the nature of the links between skill development and work organization, and to identify levers to encourage their articulation.
- | **What links can be established between environmental changes** (global warming, in particular) **and changes in work** (ways of organizing work, working conditions, working time, and so on)? The goal is to analyze how these changes can respond to the challenges posed by the fight against global warming, and to consider issues related to the sustainability of work.
- | **In addition to the national projections published at the beginning of the year, several additional modules of the Jobs in 2030** exercise will be published in 2020 with the Dares. The projections will first be regionalized, then they will be declined in an alternative scenario modelling an acceleration of the diffusion of digital technologies. Finally, the skill requirements attached to the business projections will be projected.

- | **What legal issues and social rights are associated with new forms of employment at the frontier of wage-earning?** The aim is to provide an overview of these forms of activity, which include family careers, voluntary work, civic service, internships, or the "digital labor". Attempts will be made to quantify them and to identify the types of social rights associated with them, as well as the problems associated with these activities, both for public authorities and individuals.
- | **What does it mean to be an executive today?** What makes executives today special both in terms of ways of working and associated rights? A cross-cutting analysis (historical, sociological, statistical, legal) will make it possible to update the issues related to this population, which provides insight on changes in work more generally.
- | **How can we anticipate skills needs for educational professions?** From February onwards, France Stratégie is bringing together a group made up of researchers, members of the educational community, and representatives of the various educational professions, in order to develop, over a period of eighteen months, a "shared prospective vision of jobs and skills" for these professions. Training, careers, the role of digital technology, complementarities, from early childhood to higher education, in and out of school..., all the professions that contribute to the education of children and young people will be studied in the framework of this innovative format for prospective dialogue, with the goal of publishing a report in the second half of 2021.

AXIS 6

PURSuing A BALANCED AND DIVERSIFIED DEVELOPMENT OF TERRITORIES

The territorial approach is an important dimension, though relatively recent in the agenda of France Stratégie's work. On one hand, it aims to more fully understand the economic and social situations and developments in the territories, and on the other hand, it seeks to identify the means of public action and evaluate their effectiveness. To this end, France Stratégie coordinates with other study-producing organisations, while exchanging with field actors. In addition, it cross-references data processing and case studies. In 2020, the goal will be to understand how the challenges of ecological transition are reflected in the territories and to deepen the analysis of the heterogeneity of local situations in terms of social mix, unemployment rates, and cost of living.

- | **An analysis of the evolution since 1990 of residential segregation in France** (between neighbourhoods within a same urban unit) will be carried out on the basis of harmonized census data (Saphir database).
- | **In 2020, France Stratégie will conduct a study to identify the territories** (at the employment zone level) **with the best performance in terms of unemployment rates**, according to different criteria: in terms of level or change; compared to neighbouring employment zones or to the national unemployment rate; adjusted or not adjusted for the socio-demographic composition of the active population. The aim is to identify the characteristics of these territories, to understand their dynamics and what these outperformances cover.



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- | **What are the contagion effects of business failures on their territory?** The liquidation of a company may lead to the bankruptcy of other companies in the same territory with a significant reduction in local activity and employment. A reverse dynamic may be at work if market shares and assets are reallocated to more productive local firms. The analysis will seek to quantify the various effects at work.
 - | **What are the price differences between territories?** The aim is to measure price differentials between territories based on a territorial analysis of the main items of household spending, with particular attention paid to the issue of pre-spending, which has a strong influence on individuals' perceptions of purchasing power.
 - | **How to better articulate territorial climate-energy policies with the NLCS?** The aim is both to understand how territorial climate-energy policies contribute to the objectives of the NLCS and how to strengthen their coherence with these objectives. This work will be based on an analysis of a few initiatives in this direction, but for the moment there is little coordination.
 - | **What are the links between income, place of living and exposure to pollution?** The aim is to consider environmental inequalities in France, their origin, nature, and consequences in terms of public policies.

FOCUS : THE EVENTS ORGANIZED BY FRANCE STRATÉGIE

France Stratégie is a forum for debate and consultation that invites participants to share their reflections. Nearly forty events were organised in 2019 on a variety of themes and formats. In 2020, the main events are already planned:

- | a seminar composed of three cycles on "Sustainability", to end in 2021.
- | an international symposium for the "50th anniversary of the SMIC", co-organized with the SMIC expert committee, the Conseil d'Analyse Économique (CAE), and the Dares.
- | a seminar on the evolution of skills required by the ecological transition, with CGDD and Céreq.
- | a seminar on the future of European industrial policy, in cooperation with the OECD.
- | a seminar on public policies for young children, in cooperation with CNAF, HCFEA and ONPES.
- | a seminar on methods for the socio-economic analysis of public investments, as part of the work carried out by the committee of experts chaired by Roger Guesnerie.

PLATEFORME RSE

France Stratégie provides the permanent secretariat of the Plateforme RSE, which brings together about fifty organizations representing the various stakeholders in corporate social responsibility (CSR). The Platform's work has resulted in about thirty publications that address the social, environmental and governance issues raised by CSR.

The Plateforme RSE responds to government referrals and can be self-referring. In 2020, it will formulate in particular a diagnosis and proposals on the following themes :

- | **the biodiversity footprint of businesses**, in response to a referral from the Ministry of Ecological and Solidarity Transition.
- | **Sectoral CSR labels**, following an experiment conducted with eighteen professional federations in close coordination with the mission entrusted by the Minister of the Economy and Finance with the implementation of Article 174 of the PACTE law.
- | **the digital responsibilities of companies**: the production, use and protection of data collected by companies.

FIND FRANCE STRATÉGIE'S LATEST NEWS ON:



France Stratégie contributes, through its proposals, to public action and informs the debate. It carries out original studies on major economic and social developments and sustainability issues. It also produces public policy evaluations. The results of its work are addressed to public authorities and citizens.

In addition, France Stratégie coordinates the resources of a network of organizations that includes the Conseil d'Analyse Économique (CAE), the Conseil d'Orientation des Retraites (COR), the Hauts Conseils de l'Avenir de l'Assurance Maladie, du Financement de la Protection Sociale, de la Famille, de l'Enfance et de l'Âge (HCAAM, HCFiPS and HCFEA), the Haut Conseil pour le Climat (HCC) and the CEPII.

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