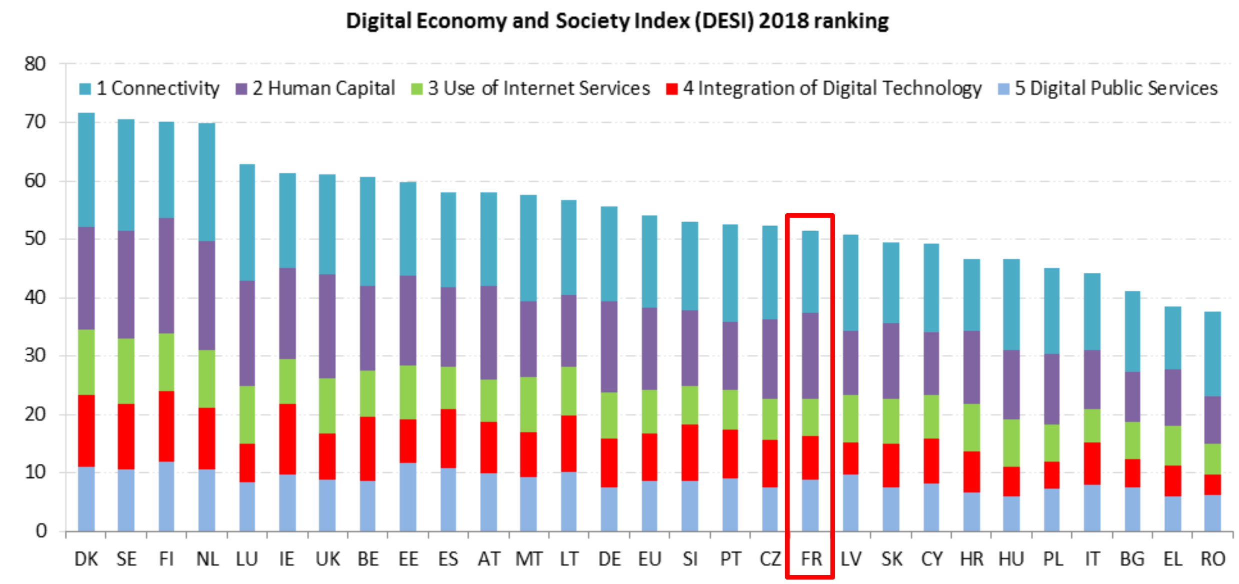
Digital Economy and Society Index (DESI)[1] 2018 Country Report France

The DESI report tracks the progress made by Member States in terms of their digitisation. It is structured around five chapters:

1 Connectivity	Fixed broadband, mobile broadband, broadband speed and prices
2 Human Capital	Internet use, basic and advanced digital skills
3 Use of Internet Services	Citizens' use of content, communication and online transactions
4 Integration of Digital Technology	Business digitisation and e-commerce
5 Digital Public Services	eGovernment

The DESI was re-calculated for the previous years for all countries to reflect slight changes in the choice of indicators and corrections to the underlying indicator data. As a result, country scores and rankings may have changed from the previous publication. For further information please consult the DESI methodological note at https://ec.europa.eu/digital-single-market/en/desi.



[1] https://ec.europa.eu/digital-single-market/en/desi

	France		Cluster	EU
	rank	score	score	score
DESI 2018	**18**	**51.5**	**54.7**	**54.0**
DESI 2017	18	48.8	51.5	50.8

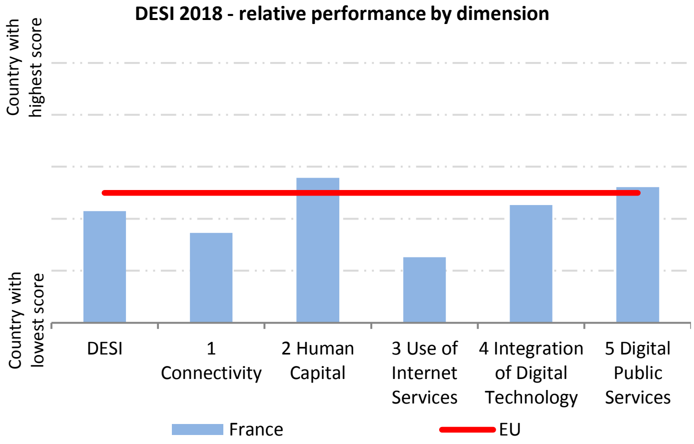
France ranks 18th out of the 28 EU Member States. Overall, it retains its ranking with some slight improvements to its score, making overall some progress. France has achieved good results in digital skills, both basic and advanced, in particular because of a high proportion of scientific and technical graduates (9th rank). France occupies an average position in terms of e-government (use and services offered online) and performs well in open data. However, France has a level of connectivity that is below the EU average, in particular because of a low degree of coverage for the 4G mobile band and for fast and ultra-fast broadband. Furthermore, companies in France have a below average degree of integration of digital technologies.

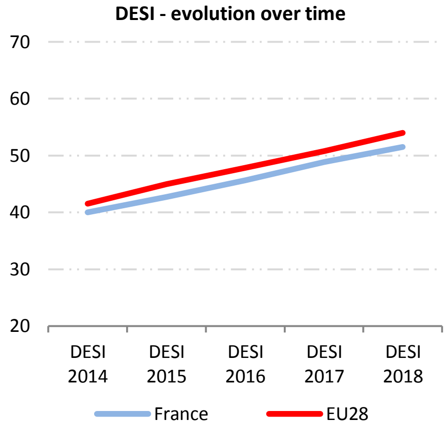
In terms of e-commerce, France occupies an average position.

France is also lagging behind in the use of the Internet, both in terms of content (news, music and video) and communication (social networks); even though online transactions (banking, shopping) are widely used.

France belongs to the Medium performing cluster of countries[2].

Following the 2017 elections, the new Government presented The 'Grand Plan d'Investissement 2018-2022' in September 2017, which aims to accompany the transition of the economy to a new growth model, including an ecological and digital transition, with a mix of institutional reforms and targeted investments. The Plan will mobilise over 5 years EUR 57 billion on a broad spectrum of actions under 4 action lines for the transformation: ecological transition; vocational training; innovation; digital transformation of the public services. The last action line, digital administration, will receive a grant of EUR 9.3 billion.





[2] Medium-performing countries are Spain, Austria, Malta, Lithuania, Germany, Slovenia, Portugal, Czech Republic, France and Latvia.

1 Connectivity

1 Connectivity	France		Cluster	EU
	rank	score	score	score
DESI 2018	**23**	**56.4**	**62.4**	**62.6**
DESI 2017	21	52.7	58.8	58.5

	France					EU
	DESI 2018			DESI 2017		DESI 2018
	value		rank	value	rank	value
1a1 Fixed Broadband Coverage % households	**>99.5%** 2017	→	**3**	**100** 2016	**6**	**97** 2017
1a2 Fixed Broadband Take-up % households	**71%** 2017	↓	**17**	**72%** 2016	**10**	**75%** 2017
1b1 4G Coverage % households (average of operators)	**89%** 2017	↑	**21**	**78%** 2016	**23**	**91%** 2017
1b2 Mobile Broadband Take-up Subscriptions per 100 people	**87** 2017	↑	**15**	**81** 2016	**14**	**90** 2017
1c1 Fast Broadband (NGA) Coverage % households covered by VDSL, FTTP or Docsis 3.0	**52%** 2017	↑	**27**	**47%** 2016	**27**	**80%** 2017
1c2 Fast broadband take-up % homes subscribing to >= 30 mbps	**16%** 2017	↑	**24**	**13%** 2016	**24**	**33%** 2017
1d1 Ultrafast Broadband Coverage % households covered by FTTP or Docsis 3.0	**42%** 2017		**25**	**NA**		**58%** 2017
1d2 Ultrafast Broadband take-up % homes subscribing to >= 100 mbps	**10.4%** 2017	↑	**20**	**8.0%** 2016	**19**	**15.4%** 2017
1e1 Broadband price index Score (0 to 100)	**94** 2017	→	**1**	**94** 2016	**4**	**87** 2017

With an overall connectivity score of 56.4, France ranks 23rd among the EU Member States. French households are fully covered (>99.5 % coverage) by fixed broadband and 71 % of them subscribe to fixed broadband, slightly below the EU average of 75 %. The situation as regards higher performance networks is more complex: only 52 % of French households have NGA coverage (Next Generation Access or fast broadband networks providing at least 30 Mbps); and only 16 % of French households actually availed of fast broadband. These figures are lower than the EU averages of 80 % for NGA coverage and 33 % for subscription to fast broadband respectively, which may be partly explained by low population density outside urban areas. Take-up of mobile broadband has improved from 81 to 87 subscriptions per 100 subscribers within a year (June 2016-June 2017), although it is still slightly below the EU average of 90.

According to the French National Broadband Plan ‘Plan France Très Haut Débit’ (Plan for Ultra-Fast Broadband in France), all French territories should be covered by broadband speeds of 30 Mbps or more by 2022. Additionally, in July 2017, French President Macron declared that he wants to offer ‘good high speed’ Internet (at or above 8 Mbit/s) to all by 2020. It has been confirmed that a total of EUR 3.3 billion is allocated by the Government to support the deployment of NGA networks in areas where private initiative is lacking.

In order to further improve its high speed connectivity coverage throughout the country, France aims to speed up the roll-out of fibre network and considers alternative means to fibre in remote areas, e.g. fixed 4G as a transitory complement.

French authorities are also looking at ways of making deployment commitments more effective and avoid overbuild of new networks in less dense areas.

French authorities are also steering new investment into mobile networks with the view to reducing zones without coverage and improve quality of services, including indoor coverage. In exchange for investing more than EUR 3 billion in improving network coverage, the French mobile operators would not have to face new spectrum auctions in the years to come as current spectrum licences expire. Instead, reinforced requirements would be introduced in their licence obligations.

Both strategies are expected to contribute to better high speed connectivity results throughout the country by 2020.

2 Human Capital

2 Human Capital	France		Cluster	EU
	rank	score	score	score
DESI 2018	**11**	**59.1**	**58.6**	**56.5**
DESI 2017	10	57.4	56.5	54.6

	France				EU
	DESI 2018		DESI 2017		DESI 2018
	value	rank	value	rank	value
2a1 Internet Users % individuals	**83%** ↑ 2017	**11**	**82%** 2016	**10**	**81%** 2017
2a2 At Least Basic Digital Skills % individuals	**57%** ↑ 2017	**13**	**56%** 2016	**11**	**57%** 2017
2b1 ICT Specialists % total employment	**3.8%** ↑ 2016	**11**	**3.6%** 2015	**13**	**3.7%** 2016
2b2 STEM Graduates[3] Per 1000 individuals (aged 20-29)	**21.4** 2015	**9**	**NA** 2014		**19.1** 2015

In Human Capital, France is performing well (11th rank in DESI 2018). French people are regular Internet users (83 % of individuals aged 16-74 consult the Internet at least once a week) and they have good digital skills (57 % of individuals aged 16-74 have at least basic digital skills). A good proportion of graduates in science and technology (21.4 graduates per 1 000 inhabitants aged 20-29 years, EU average 19.1 per 1 000 in 2015) might contribute to the generally high level of digital skills and the high use of the Internet. However, French companies face difficulties in recruiting ICT specialists (42 % of companies with more than 10 employees outside the financial sector which have tried to recruit ICT specialists reported difficulties in filling job vacancies in 2017). Nevertheless, France remains below the EU average (48 % reported the same problems in 2017).

The second part of the social reforms initiated by the new Government will be launched in early 2018 (projects to be presented in the spring and to be adopted this summer). It will include the reform of vocational training and apprenticeships.

The new approach to vocational training and apprenticeships will be organised according to the skills and practical needs of businesses rather than trades; it will take greater account of transversal skills, including digital skills.

The 'Grande Ecole du Numérique' (GEN) is a network of public and private training centres offering short-term (6 months) to long-term (2 years) digital training courses without any prerequisite qualification. Now in its 2nd year, about 420 certified training courses and 10 000 apprentices were trained at the end of 2017 (respectively 171 and 4 000 at the end of 2016). GEN will benefit from additional credits. GEN is part of the French coalition for digital skills and jobs.

[3] The most recent data has been used in DESI 2018. It may refer to 2016 or 2015 depending on the Member State. This is reflected in the 2018 DESI ranking. Historical data has been updated by Eurostat.

The ‘French coalition for digital skills and jobs’ was signed in September 2017 in order to tackle the lack of digital skills in France. It is managed by the MEDEF (the ‘Movement of the Enterprises of France’, the largest employer federation in France). It has 4 components: 1) employees 2) education 3) professionals 4) skills. GEN is pilot on components 2 and 3.

The ‘Investment plan for skills’, the second axis of the Great Investment Plan (‘Grand Plan d’Investissement’) 2018-2022 launched by the Government in September 2017, has a significant digital dimension. It will be awarded EUR 15 billion out of a total of EUR 57 billion (although it is difficult to calculate the exact proportion that will be devoted to digital training). Its goal is to train 1 million job seekers with low skills and 1 million young dropouts. Course attendees will be awarded a certificate; they will have a strong numerical dimension both in their methods and in their content.

All these training measures help to adapt the digital knowledge of the population to the demand of businesses and to the needs of everyday life.

3 Use of Internet Services

3 Use of Internet Services	France		Cluster	EU
	rank	score	score	score
DESI 2018	**24**	**42.2**	**48.3**	**50.5**
DESI 2017	25	40.3	45.0	47.5

	France				EU
	DESI 2018		DESI 2017		DESI 2018
	value	rank	value	rank	value
3a1 News % individuals who used Internet in the last 3 months	**61%** ↑ 2017	**27**	**56%** 2016	**27**	**72%** 2017
3a2 Music, Videos and Games % individuals who used Internet in the last 3 months	**75%** 2016	**21**	**75%** 2016	**21**	**78%** 2016
3a3 Video on Demand % individuals who used Internet in the last 3 months	**12%** 2016	**18**	**12%** 2016	**18**	**21%** 2016
3b1 Video Calls % individuals who used Internet in the last 3 months	**33%** ↓ 2017	**28**	**34%** 2016	**25**	**46%** 2017
3b2 Social Networks % individuals who used Internet in the last 3 months	**49%** ↑ 2017	**28**	**47%** 2016	**28**	**65%** 2017
3c1 Banking % individuals who used Internet in the last 3 months	**72%** ↑ 2017	**11**	**69%** 2016	**10**	**61%** 2017
3c2 Shopping % internet users (last year)	**76%** ↑ 2017	**7**	**75%** 2016	**7**	**68%** 2017

France has its lowest ranking for using Internet services (24th rank in DESI 2018) even if it has slightly improved. In terms of content, among internet users in the last three months, only 61 % (EU average: 79 % in 2017) read online newspapers or magazines; 75 % (EU average: 78 % in 2016) play or download games, movies, or music; and 12 % (EU average: 21 % in 2016) watch a video on demand. Moreover, in terms of communication, among internet users in the last three months, 33 % (EU average: 46 % in 2017) made a phone or video (via webcam) call over the Internet; 49 % (EU average: 65 % in 2017) use social network sites. However, in terms of online transactions, France is above average: 72 % (EU average: 61 % in 2017) of Internet users in the last three months used online banking, and 76 % (EU average: 68 % in 2017) of Internet users in the past year ordered goods or services online.

4 Integration of Digital Technology

4 Integration of Digital Technology	France rank	France score	Cluster score	EU score
DESI 2018	**16**	**37.8**	**42.1**	**40.1**
DESI 2017	16	34.7	38.5	36.7

	France DESI 2018 value		France DESI 2018 rank	France DESI 2017 value	France DESI 2017 rank	EU DESI 2018 value
4a1 Electronic Information Sharing % enterprises	**38%** 2017	↓	**10**	**39%** 2015	**9**	**34%** 2017
4a2 RFID % enterprises	**4.6%** 2017	↑	**15**	**2.7%** 2014	**24**	**4.2%** 2017
4a3 Social Media % enterprises	**16%** 2017	↑	**21**	**14%** 2016	**20**	**21%** 2017
4a4 eInvoices % enterprises	**NA** 2017			**14.9%** 2016	**16**	**NA** 2017
4a5 Cloud % enterprises	**NA** 2017			**11.8%** 2016	**16**	**NA** 2017
4b1 SMEs Selling Online % SMEs	**15.8%** 2017	↓	**16**	**15.9%** 2016	**15**	**17.2%** 2017
4b2 E-commerce Turnover % SME turnover	**11.1%** 2017	↑	**12**	**10.3%** 2016	**10**	**10.3%** 2017
4b3 Selling Online Cross-border % SMEs	**7.4%** 2017	↓	**19**	**7.9%** 2015	**15**	**8.4%** 2017

In terms of the integration of digital technologies by companies, France is below average (16th rank in DESI 2018), but has made slight progress (37.8 in DESI 2018 v 34.7 in DESI 2017). In terms of business online, 38 % of companies with more than 10 employees outside the financial sector share information internally using Enterprise Resource Planning (ERP) software, which places France above the EU average (34 % in 2017). However, companies use little social media (16 %, EU average: 21 % in 2017), electronic invoicing (15 % in 2016) and cloud computing (12 % in 2016). In addition, France has an average position in terms of e-commerce. Among SMEs outside the financial sector, 16 % sell online (EU average: 17 % in 2017) and 7.4 % sell online cross-border (EU average: 8.4 % 2017).

'Industrie du Futur' (IdF) is a cross-cutting programme aiming to modernising France's industrial fabric by focusing on 5 axes: technology, transformation, training, cooperation and promotion.

Another important channel for funding innovation contributing to the IdF agenda are the regional clusters, combining R&D, industry and education 'Projets structurants des pôles de compétitivité' (PSPC). In its third phase (2013-2018) the Government has focused the programme's objectives more on the economic impact and support of SMEs.

As part of the overall industrial policies in favour of the adoption and dissemination of industry 4.0 technologies and platforms, 'Factory Lab' was started in 2016. It is a multi-sector collaborative platform for integration of technologies provided by technology suppliers in industrial environments to provide short demos of common interest, and training of SMEs.

Another feature of the broader programme Nouvelle France Industrielle is the focus on key technologies for France. The ‘Key Technologies 2020’ is a list of 47 key technologies in which French companies need to be present within 5 to 10 years in order to maintain a competitive advantage and uphold the appeal of France in growth markets.

For 2017 IdF programme priorities included a new phase of SMEs support; testbeds development for testing and experimenting with new and innovative products and technologies; as well as integrating start-ups into the programme.

A step that will be taken in 2018 to support digital transformation of SMEs is the modernisation of ‘Transition Numérique’ programmes by setting up a platform that provides resources to support the network of consultants as well as the companies themselves. Furthermore, new local actors and pilot actions will be integrated in close cooperation with the regions, in particular to generalise the use of digital vouchers.

The legislative framework has been adapted to the specificities of the collaborative economy in different sectors. The ‘ALUR’ and ‘Digital Republic’ laws in the housing sector, as well as the Thévenoud and Grandguillaume laws in transports have regulated the operation of service platforms.

Highlight 2017: Station F

Station F is the largest business incubator in the world. Station F was founded by Xavier NIEL in June 2017.

Station F is both an incubator and an accelerator. Start-ups rent paid workstations: EUR 195 per post and per month. Beyond the premises, a set of services are available to them: events, meeting rooms, a Tech Shop, public services. 1 000 start-ups are installed representing 3 000 entrepreneurs (between 2 and 5 people per company). There are 30 support programmes run by partners, either companies or schools (e.g. HEC, EDHEC, and INSEAD).

The ‘Founders’ programme: Station F serves as an incubator (start-up phase) for start-ups. The products must have a technological dimension. The ambition must be international. 2 300 applications were received; 184 were selected, representing 650 people. 20 to 25 % of start-ups come from abroad. Applications were received from 50 different countries.

The ‘Fighters’ programme: for entrepreneurs from disadvantaged backgrounds. The service is free. 50 people are welcomed for 1 year.

The ‘Fellowship’ programme: provincial or foreign companies can take a campus ‘subscription’ for EUR 900 per month.

The team consists of 18 people, all entrepreneurs or former entrepreneurs. The average age is 26 and a half. 9 nationalities are represented.

5 Digital Public Services

5 Digital Public Services	France		Cluster	EU
	rank	score	score	score
DESI 2018	**13**	**58.4**	**58.5**	**57.5**
DESI 2017	13	55.6	54.9	53.7

	France					EU
	DESI 2018			DESI 2017		DESI 2018
	value		rank	value	rank	value
5a1 eGovernment Users[4] % internet users needing to submit forms	**67%** 2017	↑	**12**	**62%** 2016	**14**	**58%** 2017
5a2 Pre-filled Forms Score (0 to 100)	**32** 2017	↑	**22**	**27** 2016	**22**	**53** 2017
5a3 Online Service Completion Score (0 to 100)	**87** 2017	↑	**13**	**86** 2016	**13**	**84** 2017
5a4 Digital Public Services for Businesses Score (0 to 100) - including domestic and cross-border	**85** 2017	↑	**13**	**84** 2016	**13**	**83** 2017
5a5 Open Data % of maximum score	**91%** 2017	↑	**4**	**86%** 2016	**2**	**73%** 2017
5b1 eHealth Services % individuals	**12%** 2017		**20**	**NA**		**18%**

On digital public services, France is in the average (13th rank in DESI 2018, unchanged since last year). More than half (67 % in 2017) of internet users need to submit forms via the Internet to public authorities (EU average: 58 % in 2017). In addition, according to the Euro Data Portal composite indicator, France ranks 4th in the EU for open data, 91 % of the maximum score, thanks to good performance both in terms of readiness, usability and impact. On the other hand, according to the results of the e-government benchmark, France has an average position in terms of completion of online services (score of 87, EU average: 84 in 2017) and a laggard position (score of 32, EU average: 53 in 2017) in terms of the amount of pre-filled data in the online forms.

The Public Action Programme 2022, launched in October 2017 by the Prime Minister, gives priority to the digital transformation of administrations, with the objective of 100 % of dematerialised public services by 2022. A fund for the transformation of public action was installed at the end of 2017 and endowed with EUR 700 million over the next five years, including EUR 200 million for 2018. On implementation, the first interdepartmental committee of public transformation was held on 1st February; five major transformation projects have been launched, including one in digital transformation (see FranceConnect below).

The FranceConnect project has launched 4 actions: a dashboard of online public services (by the end of March 2018), FranceConnect Identity (Single-Sign-On system) for the unique identification of users (by 31 December 2020 at the latest), FranceConnect Platform: secure data exchange, a kit of development of online services.

[4] The definition of this indicator has been changed. The new indicator measures eGovernment users as a percentage of those internet users needing to submit forms to the public administration.

The Digital Society mission of the Digital Agency represents the citizenship component and, at the local level, the support of the territories (‘digital appropriation by all’). It intervenes according to 3 axes:

1) Toolkit: e.g. the ‘Resources Platforms’ provide information sites in physical centres; the ‘Laboratory’ provides data (indicators, surveys …) and services.

2) Structuring and animation: e.g. The MedNum (Digital Mediation): a cooperative that brings together the State, communities and companies under the same legal framework (in France, there would exist between 5 000 and 10 000 Digital Public Spaces); Article 69 of the Digital Republic Act (the agency aggregates responses from local authorities that implement Master Plans for Digital Development of the Territory).

3) Speed up: e.g. the Digital Culture voucher. First launched in the Aquitaine region, it offers partial or total funding for digital support services offered to citizens. An experiment was launched with the Directorate-General of Public Finances (pilot who trained 300 people): in the Tax Centres, help those who do not have digital skills, or even access to a computer/internet (right to training workshops).

Actions in favour of digital administration are part of the policy of modernising public services and adapting them to the demands of their users.