

## Incorporation of the €100 billion ‘France Relance’ Package (announced on 3 September 2020) in the Bruegel coronavirus fiscal response dataset

23 October 2020

This document, which is based on the 2021 draft budget bill (*Projet de loi de finances - PLF*), updates our earlier calculations.

The €100 billion France Relance [package](#) is composed of measures that mostly cover the period 2020-2022, but some run well into this decade. For the purpose of our coronavirus fiscal response dataset we try to distil how much of this package will be spent in 2020. A few measures relate to initiatives that were announced earlier than France Relance and hence were already included in our dataset. We therefore only count measures which relate to 2020 and which are new.

The following table, which is taken from the 2021 PLF, gives an overview of the overall €100 billion package. It shows that €86 billion of the recovery plan is financed by the state budget. The remaining €14 billion are financed through the social security administration and other public institutions. €64 billion of the state funding is allocated under different ‘missions’, only one of which is called ‘Plan de relance’. €15 billion was already committed in 2020, but these are not actual expenditures (see further).

Le principe retenu, pour les crédits budgétaires, est une concentration des ouvertures d'AE en 2021.

Plan de relance (en Md€)	100
<b>État</b>	<b>86</b>
<b>Crédits budgétaires</b>	<b>64</b>
<i>dont mesures engagées dès 2020</i>	15
<i>dont mission budgétaire "Plan de relance" (AE 2021)</i>	36
<i>dont Programme d'investissements d'avenir (PIA 4)</i>	11
<i>dont autres vecteurs budgétaires</i>	2
<b>Mesures fiscales</b>	<b>20</b>
<i>dont baisse des impôts de production</i>	20
<b>Crédits évaluatifs - garanties</b>	<b>2</b>
<b>Administrations de sécurité sociale</b>	<b>9</b>
<b>Séjour de la santé - investissement public</b>	<b>6</b>
<b>Unedic - activité partielle de longue durée</b>	<b>2</b>
<b>Cnaf - majoration exceptionnelle de l'allocation de rentrée scolaire</b>	<b>1</b>
<b>Hors administrations publiques</b>	<b>5</b>
<b>Banque des territoires</b>	<b>3</b>
<b>Bpifrance</b>	<b>2</b>

Source: *Projet de loi de finances 2021*

In our calculations we analyse the individual measures and break down the total amounts across years, based on the PLF 2021. The PLF only covers those measures that fall under the state budget. For other measures we relied on a [press document](#). The reported numbers in our table below are ‘credits de paiement’ (CP), as opposed to ‘autorisations d’engagements’ (AE). Simply put, AE define upper limits to funds that can be committed to a certain initiative over its total duration, while CP set the spending limits for that initiative in a given year. For initiatives that span multiple years, the sum of yearly CP is equal to the AE.<sup>1</sup> Unless the budget specifically states otherwise, we assume that all measures are fully paid for by 2022. This allows us to also calculate the CP for that year as the difference between the AE for 2021 and the CP of 2021, as the French authorities decided to open all AE in 2021. We chose to not count measures for which we lacked information but included them in our overview.

Our calculations show that new discretionary spending (with respect to our dataset) from ‘France Relance’ amounts to €5.3 billion in 2020, €39.7 billion in 2021, €35.0 billion in 2022, and €1.3 billion in 2023, with some measures lasting beyond that, namely the ‘Ségur de la santé’ public investments (€2.4 billion if spread proportionately) and the permanent cut in production taxes, which has an annual impact of €10 billion (but which is only considered part of France Relance for 2021 and 2022). Liquidity provisions and guarantees amount to €0.5 billion in 2020, €22.4 billion in 2021 and €2.2 billion in 2022.

Since the estimates for later years are based on the assumption that all spending happens before 2022 unless stated otherwise, we produced a second set of estimates (see end of document) partially based on the government’s own estimates that can be found in the dedicated [budget documents](#).<sup>2</sup> The results for discretionary fiscal spending are: €5.3 billion in 2020 (unaffected), €38.0 billion in 2021, €25.8 in 2022, €5.6 in 2023 and €2.8 billion beyond that. While our estimates for 2021 differ solely because of differences in accounting for certain initiatives (cf. infra), the numbers for 2022 and beyond differ significantly once the assumption of full spending before 2022 is dropped. We did not produce other estimates for liquidity provisions and guarantees.

Both these series of numbers do not add up to €100 billion for several reasons. Firstly, most initiatives for 2020 that were already announced before France Relance (3 September 2020) were included in our dataset and are not counted again in this document. Secondly, we account for liquidity provisions and guarantees in a different way than the French government, namely by reporting the covered volumes of loans rather than the amount put aside in the budget. This includes a €20 billion package of guarantees for subordinated loans in 2021 that was announced on 19 October 2020. Other initiatives are also accounted for differently, such as the equity injection for the SNCF (€4.1 billion). Thirdly, part of the €11 billion recovery spending under the 4<sup>th</sup> Programme d’Investissements d’Avenir is unaccounted for, as we counted only €6 bn CP in 2021-2022 under the relevant programmes.

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<sup>1</sup> More information can be found here: <https://www.economie.gouv.fr/cedef/difference-autorisation-engagement-credit-paiement>

<sup>2</sup> The ‘dépenses pluriannuelles’ are available at the level of ‘programmes’ from the state budget only. Hence, we could only replace our own estimates with the government’s estimates for the programmes under ‘plan de relance’ and the relevant programmes of ‘investissements d’avenir’.

The sums also do not include €2.4 billion of spending for ‘Ségur de la santé’ as it runs beyond 2023. Finally, we did not include spending for ‘Garanties’ (€ 2 billion) and ‘Banque des Territoires’ (€3 billion) as we lacked information on the timing and nature of these initiatives.

Finally, note that this overview does not distinguish between measures financed by the French state and those financed by the Next Generation EU (NGEU) recovery package, which will account for 40% of the total amount. Yet our database includes discretionary fiscal measures for 2020 and NGEU will not be operational this year, hence all 2020 spending is to be financed by the French state.

### **Sources**

<https://www.economie.gouv.fr/projet-loi-de-finances-2021#>

<https://www.budget.gouv.fr/documentation/documents-budgetaires/exercice-2021/projet-de-loi-de-finances/budget-general/plan-de-relance>

<https://www.economie.gouv.fr/cedef/difference-autorisation-engagement-credit-paiement>

[https://www.gouvernement.fr/sites/default/files/cfiles/mesures\\_france\\_relance.pdf](https://www.gouvernement.fr/sites/default/files/cfiles/mesures_france_relance.pdf)

Item	CP for 2021	Budget for 2020 (€ bn)*	Budget for 2021 (€ bn)	Estimate for 2022 (€ bn)**	Estimate for 2023 (€ bn)***	Comments
STATE BUDGET: PLAN DE RELANCE ECOLOGICAL TRANSITION	6.586					
Energy renovation	2.825					
Energy renovation of private buildings			0.915	1.085		
Energy renovation of public buildings			1.600	2.100		
Energy renovation of social housing			0.250	0.250		
Energy renovation of SMEs			0.080	0.121		€ 105mn tax credits and € 95mn other funding
Biodiversity	0.427					
Urban renewal			0.279	0.371		
Biodiversity, prevention and resilience			0.070	0.230		
Drinking water networks and purification installations			0.078	0.145	0.078	This breakdown is based on the press dossier and the PLF 2021.
Decarbonisation of industry	0.281	0.010	0.281	0.909		
Circular economy	0.084					
Investments in recycling and reuse			0.066	0.160		
Modernisation of triage centres			0.018	0.257		
Agricultural transition	0.390					
Acceleration of transition of agricultural sector			0.115	0.209		
Strategy for protein independence			0.038	0.062		
Modernisation of meat industry, health, animal welfare			0.048	0.202		
Renewal of agricultural equipment			0.107	0.143		
Forests			0.082	0.118		
Sea	0.045					
Fishing			0.008	0.042		
Greening of ports			0.036	0.164		
Infrastructure and green mobility	1.300					
Boosting power grid resilience			0.020	0.030		
Public transport and bicycles			0.091	0.809		
Railways			2.223	2.527		This is technically a recapitalisation of € 4.1bn for SNCF Reseau and € 0.65bn funding. The amount is calculated as 4.100/2 + 0.173 (CP for 2021) and 4.100/2 + (0.650-0.173) for 2022
Acceleration of transport infrastructure works			0.205	0.345		
Subsidies for clean vehicles		0.623*	0.732	0.548		This is a continuation of a measure from LFR3, announced on 26 May 2020. The total of € 1.9 bn includes € 0.6bn from 2020 (already counted), and € 1.28bn (AE) from 2021 onwards.
Greening of government car fleet			0.079	0.101		A similar measure was announced on 26 April 2020, but funding seems to be scheduled for 2021 and onwards.

Green technologies	0.911				
Nuclear power			0.080	0.020	
Develop green hydrogen			0.205	1.795	Strategy presented on 9/9/2020.
R&D nuclear power			0.070	0.030	
Support to aeronautical and automobile sector		0.535	0.556	1.204	These measures are continuations of measures announced on 26 April 2020 and on 10 June 2020. In 2020 €763 million AE was opened and €535 million CP spent. PLF 2021 spends €556 million under this mission out of €1532 AE. Under programme 190 another €270 is opened in AE (cf infra). This makes €2565 million.
Regional investment grant	0.324		0.324	0.276	This is only mentioned in budget documents, not in the original programme from 3/9/2020.
<b>STATE BUDGET: PLAN DE RELANCE COMPETITIVENESS</b>	<b>3.996</b>				
Financing firms	0.757				
Equity guarantee for the 'Relance' label			0.500	0.500	€ 150mn in CP which allows to guarantee € 1bn of equity investments by Bpifrance over 2 years. Guarantees by the state to support up to €20 bn of subordinated loans to SMEs concluded in 2021. Announced on 19 October 2020. <a href="https://www.economie.gouv.fr/plan-de-relance/place-de-paris-soutien-financement-entreprises#">https://www.economie.gouv.fr/plan-de-relance/place-de-paris-soutien-financement-entreprises#</a>
Guarantees for participative loans			20.000		
Regional investment funds			0.250		
Bpifrance Financement guarantee fund		0.100	0.327	0.137	
Working resources for Bpifrance Financement			0.030	0.010	
Technological sovereignty	0.923				
Support to space sector			0.350	0.165	
Preservation of R&D jobs			0.128	0.172	
Relocation: securing critical supplies		0.010	0.240	0.451	LFR3 opened €100 million AE in 2020 and €10 million CP. PLF 2021 opens €501 million AE and €240 million CP. As such, for 2022 we have 361+90=451.
Relocation: support to industrial projects		0.020	0.205	0.175	LFR3 opened €149 million AE and €20 million CP in 2020. PLF 2021 opens €251 million AE and €205 million CP. As such, for 2022 we have 129+46=175.
Export support measures	0.070				
Business France		0.007	0.060		
BPI assurance export		0.002	0.007	0.007	
FASEP			0.003	0.028	
Digitalisation of the State, territories and firms	1.110				
Digitalization of SMEs		0.026	0.184	0.175	LFR3 opened €56 million AE and €26 million CP in 2020. PLF 2021 opens €329 million AE and €184 million CP. As such, for 2022 we have 30+145=175.
Digitalisation of public services			0.926	0.574	
Culture	1.095				
Support to cultural sector		3.527	1.095	0.505	385 million for 2020 was already included in our database, so we only note an additional 3.527 million. The funds assigned to programme 152 and 161 by LFR3 for the plan de relance will be disbursed under the mission 'plan de relance' from 2021 on, starting with €41.6 million CP. We therefore estimate for 2022: 232-20-28-41.6=142.4.
Plan de relance: military orders	0.042		0.042	0.142	

STATE BUDGET: PLAN DE RELANCE COHESION	11.410					
Preserving jobs	4.988					
Partial unemployment			4.400			€ 4.4bn from the state budget, € 2.2bn from Unedic
FNE training			0.588			
Youth	4.179					
aide a la creation d'entreprises par les jeunes			0.040			
accompagnement intensif jeunes			0.069			
Missions locales and PACEA			0.122			This is additional spending for France Relance. The original budget falls under 'travail et emploi (cf infra).
Aide aux employeurs d'apprentis		0.3*	0.801			The LFR3 openend €500 million AE amd €300 million (already counted) CP under 'travail et emploi'. The PLF 2021 opens €51 million AE and €801 million CP. The rest is financed by a rearrangement of programme 103.
Aide aux employeurs de contrats de professionalisation		0.160	0.640			The LFR3 openend €744 million AE and €160 million CP under 'travail et emploi'. PLF 2021 opens €56 million AE and €640 million CP.
Augmenter le nombre de jeunes beneficiaires de l'allocation garantie jeunes			0.095	0.116		This is additional spending for France Relance. The original budget falls under 'travail et emploi (cf infra).
Contrats initiative emploi			0.172	0.039		
Creation de places en formation superieure au titre du plan jeunes		0.060	0.080	0.040		Info for 2022 and 2023 comes from press dossier, not PLF 2021.
Developement de l'insertion par l'activite economique pour les jeunes			0.047			This is additional spending for France Relance. The original budget falls under 'travail et emploi (cf infra).
Doubler, d'ici 2022, le nombre de jeunes les plus defavorises accompagnees vers les metiers du sport et de l'animation			0.017			PSF and SESAME
Emplois pour les jeunes dans le sport			0.020			
Parcours Emploi competences (PEC)			0.240	0.176		
Parcours personnalises pour les jeunes de 16 a 18 ne respectant pas l'obligation de formation			0.123	0.087		
PIC – Parcours qualifiants pour les jeunes			0.193	0.525		
Plan jeunes: cordees de la reussite			0.005	0.005		
Plan jeunes: internats d'excellence			0.020	0.030		
Plan jeunes: poursuite d'etudes pour les neo-bacheliers et CAP en trois ans		0.012	0.039	0.041		
Plan jeunes/ emplois FONJEP			0.007	0.014		The press dossier mentiones another €14 million for 2022, but there is no extra AE openend in PLF 2021.
Plan jeunes / service civique			0.363	0.201		The press dossier mentiones another €201 million for 2022, but there is no extra AE openend in PLF 2021.
Aide a l'embauche des jeunes de moins de 26 ans		0.100	0.900	0.100		The LFR3 openend €1000 million AE and €100 million CP under 'travail et emploi'. PLF 2021 opens €100 million AE and €900 million CP, so for 2022 we estimate CP €100 million.
Accompagnement des jeunes diplômés vers l'emploi par l'Association pour l'emploi des cadres (APEC)			0.003			
Renforcer le dispositif de garantie par l'Etat des prets etudiants			0.540	0.540		Increase of the dotation to Bpi from 4 to 20 million euro, allowing a yearly increase in guarantees from 135 to 675 million euros.
Volontariat territorial en entreprise vert			0.002			
Revalorisation de la remuneration stagiaire pour les jeunes			0.085			
Formation de la sante et du soin			0.075	0.075		Info comes from press dossier, not PLF 2021.
Emplois francs plus jeunes			0.004	0.004		

Disability	0.093				
Hiring premium for workers with disabilities			0.078	0.007	
Assistance for workers with disabilities			0.008	0.008	
Professional training	1.314				
Abonder les formations des metiers strategiques de demain			0.0225		
France competences			0.75		
Augmentation des moyens de pole emploi			0.25		
Dotation complementaire allouee aux associations transitions pro pour le financement des projets de transition professionnelle			0.1		
La reconversion ou promotion par alternance			0.108	0.162	
Revalorisation de la remuneration stagiaire formation professionnelle hors jeune			0.106		
Research	0.286				
Increased funding for ANR			0.286	0.142	
Support to health research and vaccine development	0.050		0.050		
Territorial cohesion	0.413				
High-speed internet and digital inclusion			0.125	0.365	
Support to local development initiatives			0.045	0.205	
Renovation of urban commercial establishments			0.150		
Support for development of sustainable tourism			0.005	0.045	
Modernization of roads and bridges			0.088	0.262	
Support to vulnerable people	0.087				
Support for associations fighting against poverty			0.050	0.050	
Support to charity organizations and homeless shelters			0.037	0.063	
STATE BUDGET: PROGRAMME D'INVESTISSEMENTS D'AVENIR	2.062				The PIA 4 programme (total € 20bn) will spend € 11bn as part of the recovery plan in 2021-2022. However the PLF 2021 only mentions €16.6bn in AE in 2021 and €6bn in CP for 2021 and 2022. Perhaps more AE and CP will be opened in 2022?
Financements des investissements strategiques			1.500	3.000	These are the programmes created for PIA4. The other programmes under this mission are part of the older PIA3 and not part of France Relance.
Financement structurel des ecosystemes d'innovation			0.562	0.938	

STATE BUDGET: MEASURES INCLUDED IN OTHER BUDGET LINES						€ 1.7bn, but I only found info on €1.418 bn of France Relance spending that does not fall under the 'plan de relance' mission.
Support to civil aeronautical industry			0.111	0.159		Programme 190, action 14
Military orders			0.231	0.055	0.314	The LFR3 opened €600 million AE under programme 146, to be disbursed over several years
Gendarmerie			0.020			The LFR3 opened €200 million AE under programme 152 and €20 million CP.
Civil security			0.028			The LFR3 opened €32 million AE and €28.2 million CP under programme 161.
Digitalisation et transformation de la formation professionel			0.5			Under 'travail et emploi'
Insertion par l'activite economique (travail et emploi, programme 102)			1.150			The PLF implies that this is not stimulus spending (additionality) but a regular budget provision.
Missions locales and PACEA (travail et emploi, programme 102)			0.453			The PLF implies that this is not stimulus spending (additionality) but a regular budget provision.
Garantie jeunes (travail et emploi, programme 102)			0.421			The PLF implies that this is not stimulus spending (additionality) but a regular budget provision.
<b>STATE BUDGET: TAX CUTS</b>						
Corporate production tax cut	10.000		10.000	10.000		This is a permanent tax cut, but the plan only counts the first two years (€20bn) as part of the stimulus package.
<b>GUARANTEES</b>						
€ 2 billion, but no further info found						
<b>SEGUR DE LA SANTE</b>						
Ségur de la santé public investments			1.200	1.200	1.200	€ 6bn over the next five years, assumed to be spread evenly.
<b>UNEDIC</b>						
Partial unemployment			2.200			€ 4.4bn from the state budget, € 2.2bn from Unedic
<b>CNAF</b>						
Exceptional increase in financial support for disadvantaged school children			0.533			
<b>BANQUE DES TERRITOIRES</b>						
€ 3bn according to overview, but no further info found.						
<b>BPIFRANCE</b>						
New Climate products of Bpifrance			0.357	1.071	1.071	€ 2.5bn over 2020-2022 in loans and investments in (quasi)equity, assumed to be spread proportionately (2020 counts for 4 months).
TOTAL IMMEDIATE FISCAL IMPULSE			5.281	39.711	35.029	1.278
TOTAL OTHER LIQUIDITY PROVISIONS AND GUARANTEES			0.457	22.438	2.248	0.000
TOT:	106.441					

## Notes

\* The overview in PLF 2021 states that € 15bn of the France Relance plan was already committed in 2020, most of which under the LFR3. We find €5.3 bn of CP for that year that falls under France Relance. Our number is lower because the €15bn refers to AE that were opened in 2020, which is indeed much higher than actual spending. Moreover, we only register measures that have yet to be added to our database . Some of the measures included under France Relance for 2020 were in fact announced earlier (marked with \*). They have as such already been registered in our database and will therefore not be added again. We leave them here for accounting purposes.

\*\* Unless other information is given in the PLF 2021, we assume that this is the difference between the autorisations d'engagements and the credits de paiements for 2021, in other words, that the entire foreseen budget is spent by 2022. Overall, France Relance is focused on 2021-2022.

\*\*\* Only if explicitly mentioned in sources. The budget cut in production tax is permanent but is considered part of the recovery plan for 2021-2022 only.

Item	Budget for	Budget for	Estimate	Estimate	Estimate	Comments
	2020 (€ bn)	2021 (€ bn)	for 2022 (€ bn)	for 2023 (€ bn)	beyond 2023 (€bn)	
STATE BUDGET: PLAN DE RELANCE ECOLOGICAL TRANSITION	0.545	6.586	6.242	3.401	2.546	
STATE BUDGET: PLAN DE RELANCE COMPETITIVENESS	3.5913	3.846	2.01	0.346	0.083	
	0.1	20.827	0.637			
STATE BUDGET: PLAN DE RELANCE COHESION	0.332	11.351	1.98	0.684	0.148	
		0.54	0.54			
STATE BUDGET: PROGRAMME D'INVESTISSEMENTS D'AVENIR		2.063	3.938			
STATE BUDGET: MEASURES INCLUDED IN OTHER BUDGET LINES	0.2792	0.766	0.473			
STATE BUDGET: TAX CUTS		10	10			
GUARANTEES						
SEGUR DE LA SANTE		1.2	1.2	1.2		
UNEDIC		2.2				
CNAF	0.533					
BANQUE DES TERRITOIRES						
BPIFRANCE	0.357	1.071	1.071			
TOTAL IMMEDIATE FISCAL IMPULSE	5.281	38.012	25.843	5.631	2.777	
TOTAL OTHER LIQUIDITY PROVISIONS AND GUARANTEES	0.457	22.438	2.248	0.000	0.000	
TOT:	102.687					
<b>Note</b>	<p>competitiveness, cohesion and PIA) are based on the 'depenses pluriannuelles' sections in the budget documents . The other categories are the same as before. This is because the 'depenses pluriannuelles' only provide an overview of whole programmes (which the first 4 categories represent) rather than of individual actions. The results are different from those on before because they do not rely on the assumption that all spending is done by 2022 unless stated otherwise. There are also sometimes differences in accounting. For example, we included the equity support to the SNCF in our numbers on before, which is not done here. Finally, these numbers may also be subject to small rounding errors.</p>					