Regional Development Policy in France

General policy approach

The 2003 constitutional amendment made France a decentralised republic, and according to the “principle of subsidiarity”, local authorities are intended to exercise competences that can best be implemented at the level of their jurisdiction. Therefore (and as a result of several decades of regional planning), France does not have a unique and overarching regional development strategy. It territorialises its public policies through state-region contracts over seven-year cycles. The bulk of funding in the latest round (2014-20) went to multi-modal transport and the environmental/energy transition, followed by higher education and research. Contracts also contribute to the implementation of European Structural and Investment Funds in rural and urban areas.

Urban policy has generally been focused on renewal in deprived neighbourhoods in cities of all sizes. It is formalised through city contracts concerning urban, social and economic development. These are annexed to state-region contracts and mainly passed between the state and the agglomerations, which allows pooling the actions of different communes.

Rural development, as well as that of small and medium towns, are also the focus of important programmes, including specific contracts on revitalisation and development in the face of different megatrends.

Recent policy changes

• Territorial reforms of regions and metropolitan reforms have been implemented. In 2015, the number of regions was reduced from 22 to 13. In addition, the 22 largest urban areas have the status of "metropolis", with distinct competencies. The competencies of the local authorities have been clarified along with the ways in which they are articulated.

• The government has implemented the State-Metropolises Pact to reinforce metropolises’ innovation and relations with their hinterlands.

• Two hundred twenty-two cities in all regions will benefit from a five-year revitalisation agreement to revitalise their city centre. This is part of the Town Centre Plan (Action coeur de ville), which has the dual ambition of improving the living conditions of inhabitants of medium-sized cities and consolidating their role as a driving force for territorial development.

• One hundred twenty-four “industrial territories” will benefit from state support to accelerate the development of their industrial potential.

• Four hundred eighty-five contracts for rural development were signed between 2016 and 2018 in order to revitalise rural areas through actions promoting social cohesion, economic attractiveness, access to public services, mobility solutions, access to digital technologies, and the ecological and energy transition.

• The National Conference of the Territories has been created. It is presided over by the Prime Minister and is made up of members of the government, representatives of local authorities, presidents of consultative bodies and representatives of parliament.
Institutional arrangements to prepare for global megatrends

The General Commission for Territorial Equality (CGET) is a centre-of-government, long-term planning unit under the authority of the Minister of Territorial Cohesion and Relations with Local Authorities. It assists the government in reducing territorial inequalities and in the support to territorial development. To do that, the unit monitors government policies, mobilises networks and citizens, analyses relevant trends, adapts public policies to territories, and develops and implements new city and regional planning policies with local actors and citizens. Its areas of intervention are inter-ministerial: access to employment, healthcare and services to the public; social cohesion; digital inclusion; assistance to mobility; economic attractiveness; ecological and digital transitions; and revitalisation of fragile territories and deprived city centres. Recently, a bill was introduced in the Senate with the aim of shifting a large part of the CGET and some of its partners to a National Agency for Territorial Cohesion.

At the national level, the government also develops several sector-specific actions. For example, the Industry Territories programme aims to revitalise industrial territories by supporting local employment, strengthening their international competitiveness and promoting innovation. Inter-municipalities and regions are at the heart of its implementation. The National Food Programme (PNA) aims to support initiatives for safer, healthier and sustainable food, accessible to all. Furthermore, a national programme aims to connect 100% of the population to high-speed broadband by 2022.

At the regional level, each region develops a regional plan for spatial planning, sustainable development and territorial equality (SRADDET). This plan typically summarises the regional spatial and territorial situation, produces an environmental impact report, and sets out the regional strategy and objectives. In addition, each region also develops a regional plan for economic development, innovation and internationalisation (SRDEII), which defines the five-year strategy of each region in terms of support for businesses, innovation and the attractiveness of the area.

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the OECD Regional Outlook examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles online: https://oe.cd/pub/2vq.