

SYSTEM OF GOVERNMENT: Dual Executive

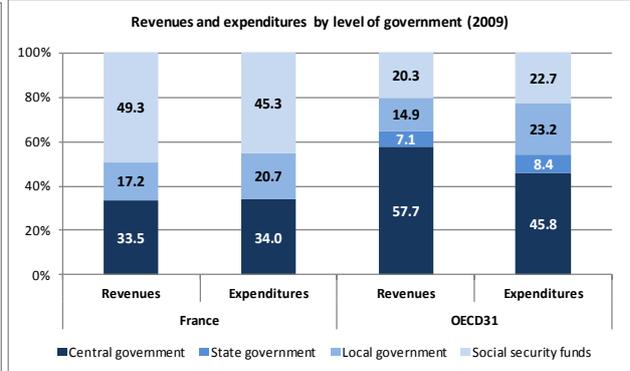
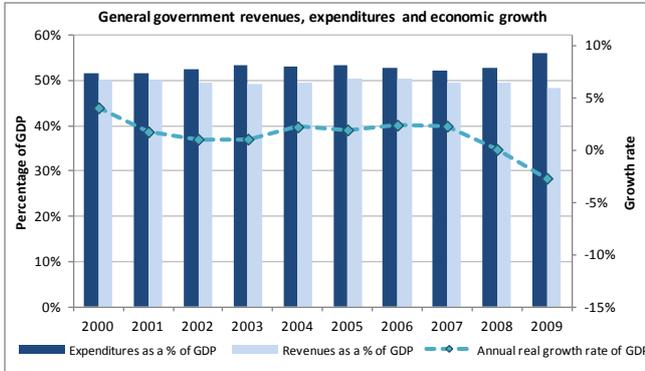
- No. of ministries: 16 (2010)
- No. of governments over last 20 years: 10
- No. of coalitions over last 20 years: 3 (periods of cohabitation)

STATE STRUCTURE: Unitary

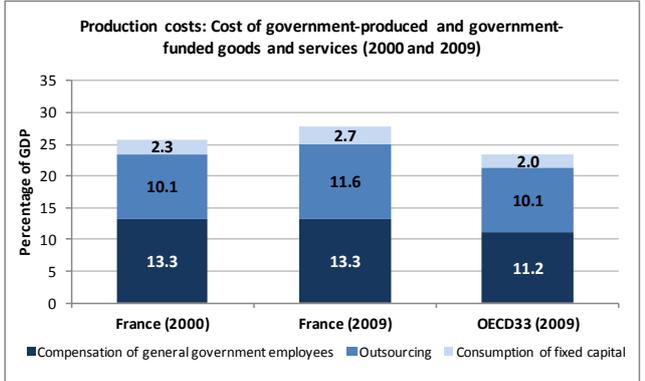
LEGISLATURE: Bicameral

- Upper house: elected
- Lower house: elected using Two Rounds

Expenditures have been over 50% and revenues near 50% of GDP for the past decade, although in 2009 expenditures jumped to over 55% of GDP due to fiscal stimulus and declining GDP. Among OECD countries, French social security funds account for the largest proportion of total revenues and expenditures. In recent years, the French central government has progressively delegated more responsibility for implementing, and in some cases formulating, a significant part of policy on poverty, education and population ageing (among other areas) to local levels of government.

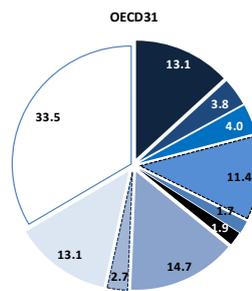
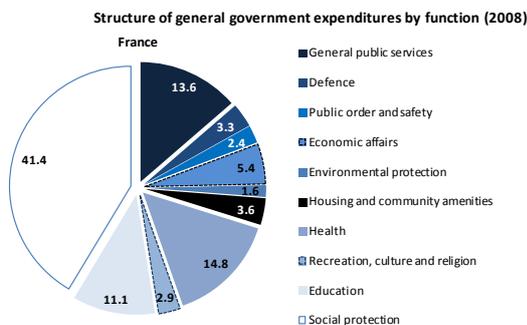


Source: OECD National Accounts and Economic Outlook 89. [Revenues] [Expenditures] [Revenues by level of government] [Expenditures by level of government]



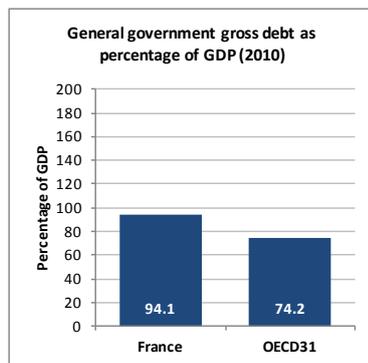
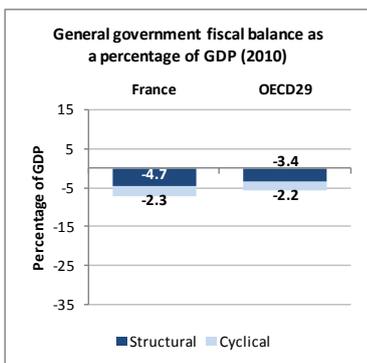
Source: OECD National Accounts. [Production costs]

About 27.7% of the economy was devoted to producing public goods and services in 2009, above the OECD33 average of 23.3%. Production costs as a share of GDP increased in France from 2000 to 2009, mainly due to increases in outsourcing. However, compared to other OECD countries, France relies less on outsourcing and more on capital and its own employees in the production process.



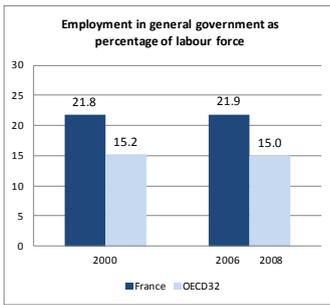
Source: OECD National Accounts. [Expenditures by function]

The French government devotes a similar share of resources to health and general public services as in other OECD countries but spends a much larger proportion on social protection programmes (41.4% of expenditures compared to 33.5%). This is balanced by devoting fewer resources to economic affairs, which includes expenditures on transport, communications, mining and agriculture.



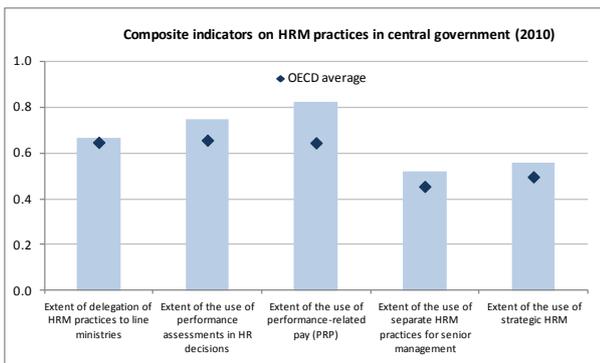
Source: OECD Economic Outlook 89. OECD average refers to the unweighted average [Fiscal balance] [Debt]

France has not recorded a positive fiscal balance in more than 25 years and the deficit reached 7.0% of GDP in 2010 according to OECD calculations. The debt ratio rose to 94.1% of GDP in 2010 due to the crisis (OECD definition of gross debt differs from Maastricht criteria, which places debt at 81.7% of GDP). The government has pledged to engage in fiscal consolidation, bringing the deficit down to 3.0% of GDP by 2013, largely by pursuing structural reforms that target growth and control spending rather than raising taxes. The multi-annual budget framework law intends to contain spending by central government, the social security system, and to some extent local government.



In 2006, 21.9% of the total labour force in France was employed in general government. This share has remained basically stable since 2000 (21.8%), and is at the upper end of the OECD range, which runs from 6.7% to 29.3%, with an average of 15%. France aims to reduce this share by replacing only 50% of staff leaving on retirement.

Source: International Labour Organisation. [\[General government employment\]](#) [\[Distribution by level\]](#)



The French central government's HRM system is changing, with increasing delegation of authority to line ministries and managers to determine HRM policies. The central government is also placing increased emphasis on performance-based management both in terms of performance assessments and the extensive use of performance-related pay. The French central government is also characterised by a cadre of senior civil servants that are managed separately. While workplace planning is an integral part of the HRM strategic function, there is room for improvement in the accountability framework for top and middle managers, in particular the integration of HRM targets into this framework.

Source: OECD 2010 Strategic HRM Survey. [\[Delegation\]](#) [\[Performance assessment\]](#) [\[PRP\]](#) [\[Senior management\]](#) [\[Strategic HRM\]](#)

Transparency in public procurement, 2010

	Central proc. website	Contracting entity website	Domestic printed or electronic journal	Other website	Pct. OECD countries that publish info
Information for potential bidders	Yes	Yes	Yes	No	97%
Selection & evaluation criteria	Yes	Yes	Yes	No	97%
Tender documents	Yes	Yes	Yes	No	82%
Contract award	Yes	Yes	Yes	No	100%
Justification for award	No	No	No	No	59%
Tracking procurement spending	No	No	No	No	32%

Percentages refer to the share of OECD countries that reported publishing information "always" or "sometimes".

Achieving greater transparency in public procurement is important, especially given that the French Government spent an estimated 14% of GDP through public procurement in 2008.

France has, like the majority of OECD countries, a central procurement website: <https://www.marches-publics.gouv.fr> to publish most public procurement information. France is the only country that publishes the same information on line through the central procurement website, the contracting entity website and the domestic/electronic journal (e.g. special bulletin).

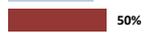
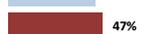
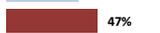
Currently, France does not publish information on justifications for awarding a contract to a selected contractor nor does it allow tracking public procurement spending on line. This is done by 59% and 32% of OECD member countries, respectively.

Providing an adequate degree of transparency throughout the entire public procurement cycle is critical to minimise risk of fraud, corruption and mismanagement of public funds in order to ensure fairness and equitable treatment of potential suppliers. Additionally, it allows for effective oversight by concerned institutions and the general public.

Source: OECD 2010 Survey on Public Procurement. [\[Transparency in public procurement\]](#)

REGULATORY GOVERNANCE

Regulatory governance mechanisms, 2008

Functions of the oversight body	Percentage of OECD countries responding "yes"		FRANCE
Consulted as part of process of developing new regulation	2005	 73%	No
	2008	 82%	Yes
Reports on progress made on reform by individual ministries	2005	 43%	No
	2008	 56%	No
Authority of reviewing and monitoring regulatory impacts conducted in individual ministries	2005	 43%	No
	2008	 50%	Yes
Conducts its own regulatory impact analysis	2005	 43%	No
	2008	 47%	No
Anticipating compliance and enforcement			
Regulatory policies require that issue of securing compliance and enforcement be anticipated when developing new legislation	2005	 57%	No
	2008	 70%	No
Guidance for regulators on compliance and enforcement	2005	 37%	No
	2008	 47%	No
Existence of policy on risk-based enforcement	2005	N.A.	N.A.
	2008	 30%	No

This table presents two elements drawn from the wide range of activities for managing regulatory quality.

The government of France has developed an institutional structure for regulatory management, which relies on a network of specialised units, rather than a single central oversight body. Important changes have been made since the 2008 OECD questionnaire on regulatory management (see table opposite), in particular in the area of impact assessment.

Within the Secretariat General of the Government (SGG) in the Prime Minister's Office, the department for legislation and quality of the law is responsible for developing a policy for regulatory quality besides its daily management of the rule-making process and its role as legal advisor to the government. The SGG plays a key role in the new arrangements under which impact assessments have become mandatory since September 2009. It cooperates with ministries at an early stage of the bill preparation, and checks the quality of impact assessments. Still in the Prime Minister's Office, the Secretariat General for European Affairs covers the transposition of EU directives. Another key unit is DGME, a division of the Ministry of Budget, Public Accounts and State Reform, in charge of administrative simplification. Inter-ministerial cooperation is ensured through a network of senior officials in charge of regulatory quality across ministries. The Council of State is another major player for regulatory management, both upstream (control of legal quality) and downstream (administrative judge of last resort). The impact assessment process when preparing laws integrates compliance and enforcement issues and a monitoring process has been developed to follow up the production of decrees needed for the implementation of laws.

Source: OECD 2008 Survey on Regulatory Management; OECD (2010), Better Regulation in Europe - France, OECD Publishing, Paris. [\[Oversight bodies\]](#) [\[Compliance and enforcement\]](#)

OPEN GOVERNMENT

Disclosure of public sector information, 2010

Types of information disclosed	Proactive disclosure		
	France	OECD32	Publication channels
Budget documents	●	94%	MA
Audit reports	○	72%	Not published
List of public servants and their salaries	○	28%	Not published
Sharing of administrative data			
Administrative data sets	○	66%	Not published
Requirements on publishing in open data formats	Yes	53%	-
<ul style="list-style-type: none"> ● Required to be proactively published by FOI laws ○ Not required by FOI laws, but routinely proactively published ○ Neither required nor routinely published <p>CP= central portal; MA= ministry or agency website; OW=other website OECD percentages refer to the percentage of the 32 responding OECD countries that either require that information be published by law or do not require it but routinely publish information.</p>			

The French government proactively publishes budget documents on ministry or agency websites, as do the majority of OECD member countries. However, the government is not required to, nor does it routinely publish, audit reports or lists of public servants and their salaries. France has requirements on publishing information in open data formats, but contrary to over half of OECD countries, it is not required to make administrative data sets available to the public.

Source: OECD 2010 Survey on Access to Information. [\[Disclosure of information\]](#) [\[Publication channels\]](#)

E-GOVERNMENT

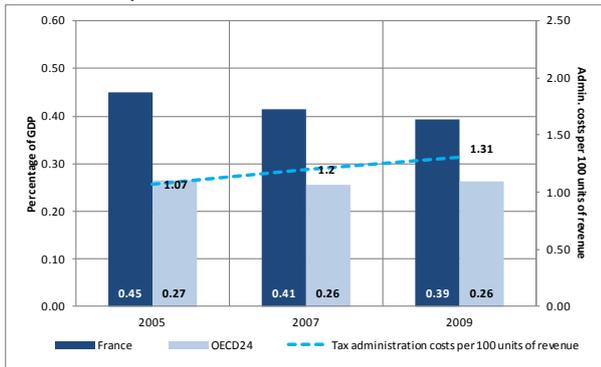
E-Government building blocks and e-procurement, 2010

e-enabling laws and policies	France	OECD25
Recognition & use of digital signature	●	100%
Electronic filing within the public sector	●	88%
Administering PPPs for e-government projects	●	64%
Services offered on single-entry procurement website		
Tender searches	●	62%
Tracking of outcomes of contracts	●	32%
OECD percentages refer to percentage of responding countries answering in the affirmative. ● Yes ○ No .. Data unavailable		

Similar to most OECD countries, France has put laws and/or policies in place to promote the use of digital signatures and electronic filing in the public sector. Digital signatures for example, are a key enabler of secure interactions with citizens and businesses and promote the development and take-up of e-government/online services. France's single-entry procurement website allows businesses to perform tender searches, and France is among a small group of OECD countries that allows businesses to track the outcomes of contracts on the government's single-entry procurement website, helping to make the procurement process more transparent.

Source: OECD 2010 e-Government Survey and OECD 2010 Public Procurement Survey. [\[E-enabling laws\]](#) [\[E-procurement\]](#)

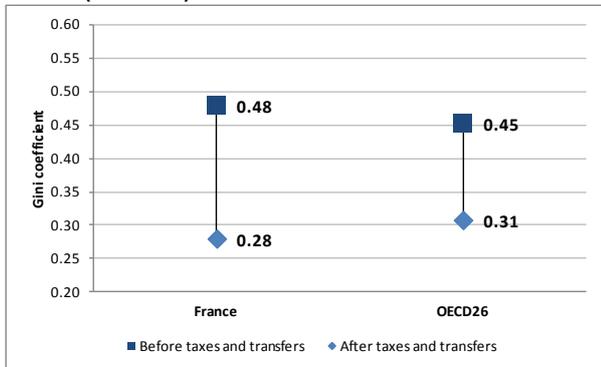
Tax efficiency: Total revenue body expenditures as a percentage of GDP and tax administration costs per 100 units of revenue (2005, 2007 and 2009)



Growing fiscal constraints have led to increased attention on improving the efficiency of tax administrations. The “cost of collection ratio,” for instance, is one efficiency measure which compares the annual administration costs incurred by a revenue body with the total revenue collected over the course of a fiscal year. Over time, a decreasing trend could reflect greater efficiency in terms of lowered costs and/or improved tax compliance. In France, the administration costs of collecting 100 units of revenue have increased steadily between 2005 and 2009. Total revenue body expenditure has decreased (albeit slightly) during this period, suggesting this change in the ratio could be due to reduced revenue collections as a result of the crisis. Total revenue body expenditure in France is about 1.5 times greater than the OECD average.

Source: OECD (2011), Tax Administration in OECD and Selected Non-OECD countries: 2010 Comparative Information Series, OECD Publishing, Paris. [\[Total revenue body expenditures\]](#) [\[Tax administration costs per 100 units of revenue\]](#)

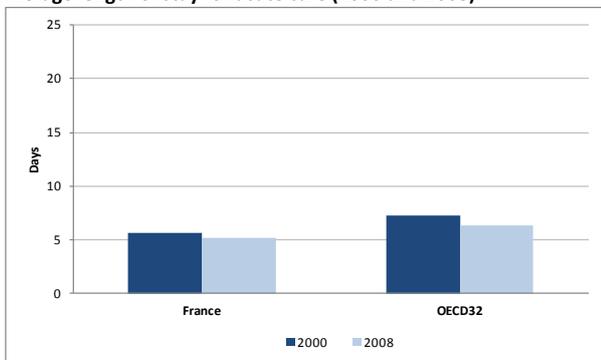
Differences in income inequality pre- and post-tax and government transfers (mid-2000s)



One method of evaluating the effect of government tax and transfer policies on income inequality is by assessing a country’s Gini coefficient before and after taxes and transfers. The effect of government redistributive policies on income inequality is slightly higher in France than the OECD average. For instance, France achieved a 0.20 point reduction in the Gini coefficient following its tax and transfer policies, compared to an average 0.14 point reduction in OECD countries. Spending on benefits such as unemployment and family benefits is high, accounting for one third of household income in France, compared with an OECD average of just 22%. France is one of only five OECD countries where income inequality has declined over the past 20 years.

Source: OECD (2008), Growing Unequal? Income Distribution and Poverty in OECD Countries, OECD Publishing, Paris. [\[Differences in inequality\]](#)

Average length of stay for acute care (2000 and 2008)



The average length of stay (ALOS) for acute care indicates the average number of days that patients spend in the hospital for curative care. Similar to other OECD countries, the ALOS decreased from 5.6 days in 2000 to 5.2 days in 2008 in France. This decrease however is less than that of the OECD average, where the reduction was about one day over roughly the same period. Over time, reductions in the ALOS could reflect efficiency gains, as it could signal that hospitals are expanding early discharge programmes, shifting to day-case surgery for suitable procedures, utilising less invasive procedures, and/or improving pre-admission assessment, all of which can help reduce costs. Too short a length of stay however could cause an adverse effect on health outcomes.

Source: OECD Health Data 2010. [\[ALOS for acute care\]](#)

Production costs are a subset of total government expenditures, excluding government investment (other than depreciation costs), interest paid on government debt and payments made to citizens and others not in exchange for the production of goods and services (such as subsidies or social benefits). Production costs include compensation costs of general government employees, outsourcing (intermediate consumption and social transfers in kind via market producers), and the consumption of fixed capital (indicating the level of depreciation of capital).

Structure of government expenditures: Data on expenditures are disaggregated according to the Classification of the Functions of Government (COFOG), which divides government spending into 10 functions. More information about the types of expenditures included in each function can be found in Annex B of *Government at a Glance 2011*.

“Gross general government debt” refers to general government gross financial liabilities that require payments of principal and interest. For the European Union countries, gross public debt according to the Maastricht criteria is not presented here (see Annex Table 62 of OECD Economic Outlook No. 89). These data are not always comparable across countries due to different definitions or treatment of debt components. Gross debt is used rather than net debt due to the difficulties in making cross-country comparisons of the value of government-held assets, and because it is more relevant in the context of debt interest payments.

HRM Composites: The indexes range between 0 (low level) and 1 (high level). Details about the theoretical framework, construction, variables and weighting for each composite are available in Annex E at: www.oecd.org/gov/indicators/govataglance.

- The **delegation index** gathers data on the delegation of determining: the number and types of posts needed in an organisation, the allocation of the budget envelope, compensation levels, position classification, recruitment and dismissals, and conditions of employment. This index summarises the relative level of authority provided to line ministries to make HRM decisions. It does not evaluate how well line ministries are using this authority.
- The **performance assessment index** indicates the types of performance assessment tools and criteria used, and the extent to which assessments are used in career advancement, remuneration and contract renewal decisions, based on the views of survey respondents. This index provides information on the formal use of performance assessments in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **performance-related pay (PRP) index** looks at the range of employees to whom PRP applies and the maximum proportion of base pay that PRP may represent. This index provides information on the formal use of performance related pay in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **senior management index** looks at the extent to which separate management rules and practices (such as recruitment, performance management and PRP) are applied to senior civil servants, including the identification of potential senior civil servants early in their careers. The index is not an indicator of how well senior civil servants are managed or how they perform.
- The **strategic HRM index** looks at the extent to which centralised HRM bodies use performance assessments, capacity reviews and other tools to engage in and promote strategic workforce planning, including the use of HRM targets in the assessments of middle and top managers. The index does not reflect situations where strategic workforce planning has been delegated to the ministry/department/agency level.

Regulatory governance: The OECD average refers to the following number of countries:

- Functions of oversight bodies 2005: OECD30. Data are not available for Chile, Estonia, Israel and Slovenia.
- Functions of oversight bodies 2008: OECD34. Data for Chile, Estonia, Israel and Slovenia are for 2009.
- Anticipating compliance and enforcement 2005 and 2008: OECD30. Data are not available for Chile, Estonia, Israel and Slovenia.

Tax efficiency: Tax administration efficiency ratios are influenced by differences in tax rates and the overall legislated tax burden; variations in the range and in the nature of taxes collected (including social contributions); macroeconomic conditions affecting tax receipts; and differences in the underlying cost structures resulting from institutional arrangements and/or the conduct of non-tax functions.

Differences in income inequality pre- and post-tax and government transfers: The values of the Gini coefficient range between 0 in the case of “perfect equality” (*i.e.* each share of the population gets the same share of income) and 1 in the case of “perfect inequality” (*i.e.* all income goes to the individual with the highest income). Redistribution is measured by comparing Gini coefficients for market income (*i.e.* gross of public cash transfers and household taxes) and for disposable income (*i.e.* net of transfers and taxes).