

France's Industrial and Technological Sovereignty

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Amid the COVID-19 sanitary crisis and the current tense geopolitical situation in Europe due to the war in Ukraine, France is seeking to achieve industrial and technological sovereignty. As references to « sovereignty » grow on the national stage, the scope of the use of this term has been extended to different areas. Talks on that topic can go from defence and security matters to water, health, energy, transport, space or even communications. We will be addressing more specifically within the frameworks of this Info Flash one aspect of this issue, which is related to French sovereignty in the fields of technology and industry.

Supply chains: A challenge for French Sovereignty

As Louis Gallois, the former CEO of Airbus, emphasised during a conference in April 2021, sovereignty remains an important feature. According to him, it constitutes a key element to « the creation of a balance of power that allows France to speak as an equal to others » (Comité Rochefort, 2022). However, the COVID-19 pandemic and the current war in Ukraine highlighted a lack of independence in some sectors where there is a need to diversify supply chains. In fact, many finished goods and raw materials necessary for the good functioning of the economy are imported from abroad. This dependence constitutes a challenge to France's sovereignty and its internal stability (Comité Rochefort, 2022).

What Response to Fill the Gaps?

Different strategies are on the table for the French authorities to tackle the lack of sovereignty in technological and industrial fields. To this end, the government, back in 2006, already adopted a specific approach which identified 12 vital sectors and designed approximately 250 organizations as "vitally important operators" (OIV). These organizations were then asked to implement special protection and disaster recovery plans.

Another solution to this issue lies in the vertical integration of the most vital components of the supply chains. For instance, the French companies Airbus and Safran acquired Aubert & Duval, allowing them to avoid the main threats linked to the importation of various components from abroad and, by extension, to guarantee access to nickel. In addition to the vertical integration, diversification and multiplication of sourcing strategies can also be mobilised. This is an essential step toward industrial and technological independence. However, it should be noted that this diversification in short term could be sometimes challenging, as the case of Airbus is showing, with the difficulties of replacing titanium coming from Russia, for example. Hence, international cooperation and strategic partnerships are necessary to have a more diversified and stable economy and security (Comité Rochefort, 2022).

From that perspective of sovereignty, France announced its willingness to revive its national industries by 2030. On 12 October 2021, the authorities revealed their plan « France 2030 », which intends to invest 30 billion euros in various industrial and technological sectors such as semiconductors, robotics, electric vehicles, nuclear and renewable energy sources. Six billion euros are planned to be invested in semiconductors since there is a high dependence in the EU on these devices, mainly coming from abroad. The French President, Emmanuel Macron, insists on the need « to return to a virtuous cycle of innovation, production, and export through massive investments in this innovation and industrialization strategy » (Pelé, 2021). The «France 2030 » investment plan consists hence of ten objectives: « to develop small, innovative nuclear reactors in France with better waste management; to become the leader in green hydrogen; to decarbonize industry; to produce nearly 2 million electric and hybrid vehicles; to produce the first low-carbon aircraft; to invest in healthy, sustainable and traceable food; to produce 20 biomedicines against cancers, chronic diseases including those related to age and create the medical devices of tomorrow; to place France once again at the forefront of the production of cultural and creative content; to take our full part in the new space adventure; to invest in the seabed field » (Élysée, 2021).

Sovereignty at the European Level

Paris is also pushing the EU and its Member States toward industrial and technological sovereignty. Holding the EU presidency, France made digital regulation and tech sovereignty one of its digital priorities. The French Minister of the Economy, Finance and Recovery, Bruno Le Maire, emphasised that there cannot be political sovereignty without a technological one. To face competition from the United States and China, Paris is ready to invest up to 8 billion euros in the Important Projects of Common European Interest (IPCEI). 1.7 billion euros of this amount are already planned to be spent on semiconductors and another 500 million euros on cloud infrastructures (Pollet, 2021).

Alongside France, the European Commission is also playing a specific role at the EU level in the quest for industrial and technological sovereignty. Indeed, in February 2022, it proposed the Chips Act to overcome semiconductor shortages and boost the EU's technological leadership. The Act's proposal comes as the pandemic highlighted the EU's dependence on imported semiconductors. Their global shortages triggered the closure of many factories in various areas. For instance, some EU Member States even registered in the car sector a decrease in the production by one third in 2021. Planning the mobilisation of more than 43 billion euros of public and private investments, the European Chips Act aims to prevent future supply chain disruption. It will support the EU in becoming a leader in this field through three main components: The Chips for Europe Initiative; a new framework to ensure the security of supply; a coordination mechanism between the Member States and the Commission (European Commission, 2022).

Conclusion

To conclude, this Info Flash explored French authorities' objectives of technological and industrial sovereignty. Diversification, innovation, and industrialisation strategies remain essential to maintain internal and external stability control. To this end, the Élysée is very active both on the national stage and the European one.

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