A strategy to meet our commitments over time

STABILITY PROGRAMME

13 April 2016

Presented by
Michel Sapin,
Minister for Finance and Public Accounts

Christian Eckert,
Minister of State with responsibility for the Budget

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Staying the course

Support the economic recovery

- Through the continued implementation of the **Responsibility and Solidarity Pact**
- Through **further reforms** (National Reform Programme)

Consolidate our public accounts

- By **control over spending, while funding our priorities**
- And **lowering the tax burden**

Maintaining objectives

Our economic and fiscal policy is paying off and will be pursued:

- **A better-than-expected deficit in 2015** (-3.5%) on the back of faster growth (+1.2%)
- **Growth** (+1.5%) **and deficit targets maintained in 2016 and 2017**

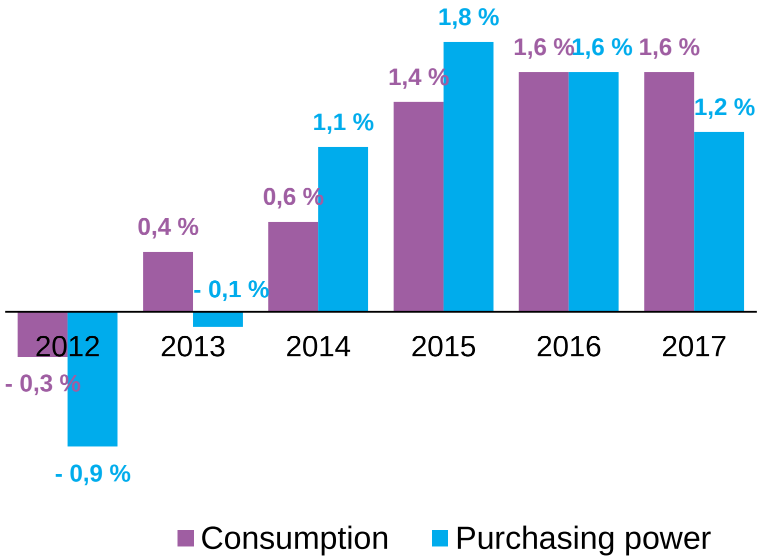
Responsiveness

Like last year, further efforts will be required to:

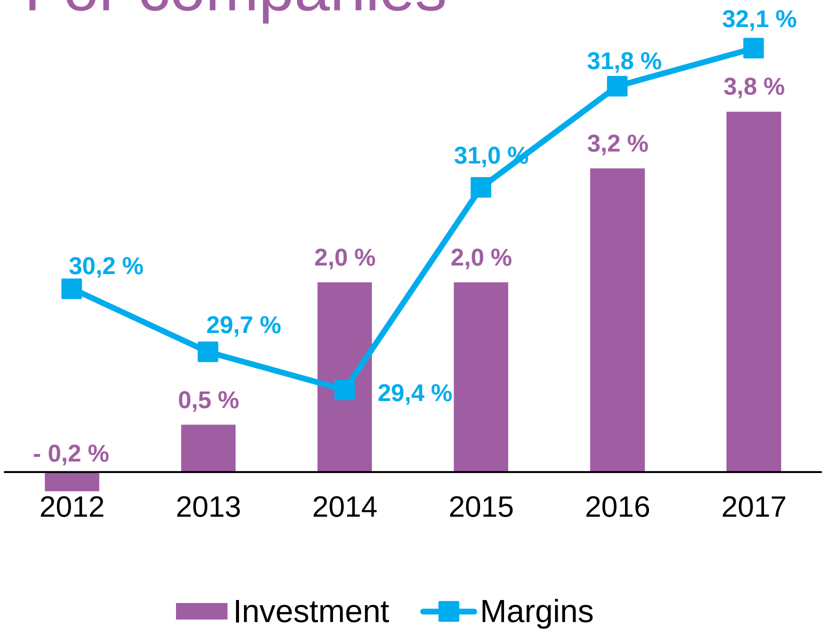
- **Fund our new priorities** (emergency job creation plan, support to agricultural sector, etc.)
- **Make up for the impact of the slower-than-expected resumption of inflation** (+0.1% in 2016, +1% in 2017)

The economic recovery is on a firm footing

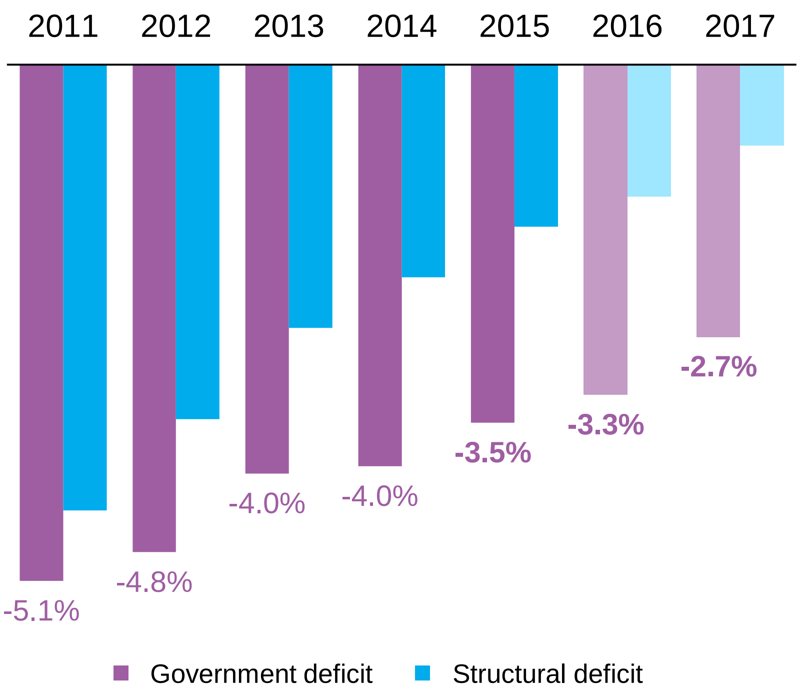
For households



For companies



Our deficit targets are unchanged



- **Better-than-expected budget outturn in 2015**
- **A return below 3% in 2017** as projected
- **An adjustment path in line with our commitments**

Additional measures

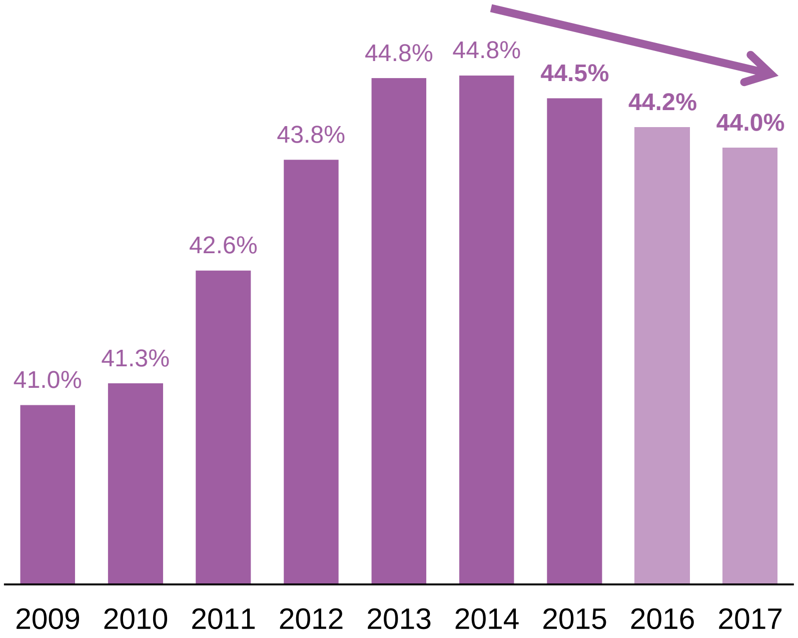
In 2016:

- Funding discretionary measures
- Compensation for inflation:
  - €1bn on central government
  - €1bn on social security
  - €1.8 billion on debt servicing (interest rate)

In 2017:

- Funding discretionary measures
- Impact of inflation: €5bn in spending reductions, split between all general government sub-sectors

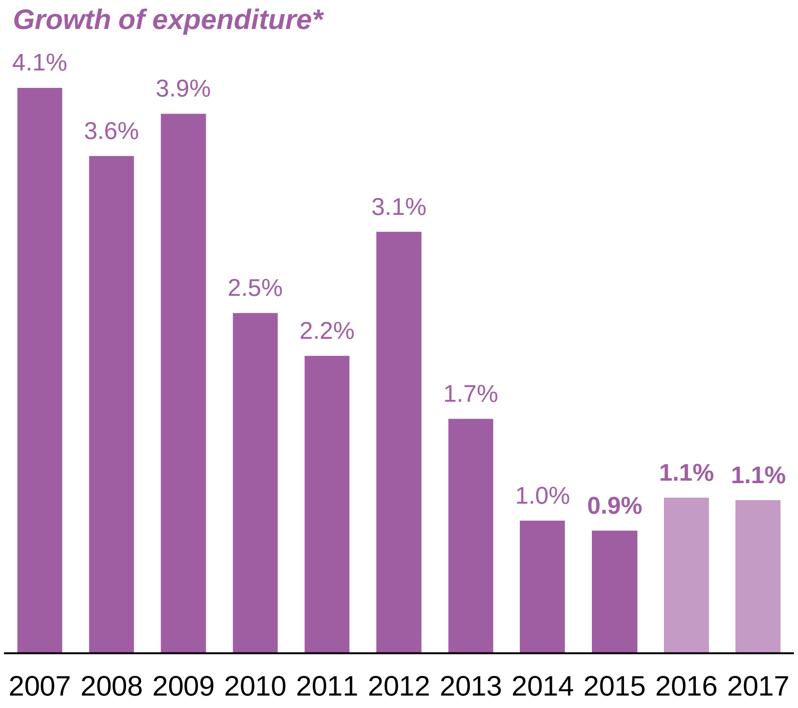
Tax burden down for the first time since 2009

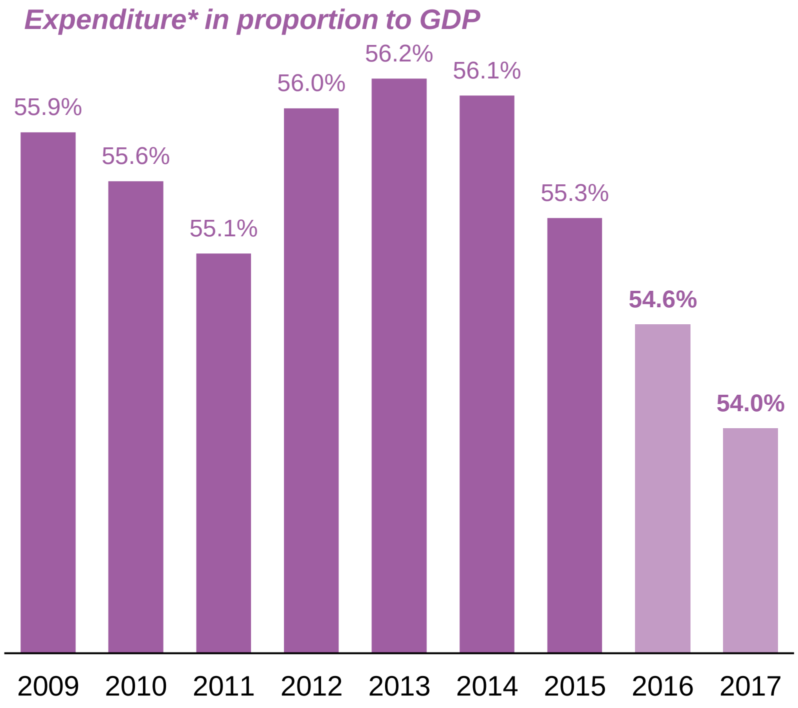


Aggregate taxes and social security contributions to GDP

- **Further decline in aggregate taxes and social security contributions**
- **Implementation of the Competitiveness and Employment Tax Credit and the Responsibility and Solidarity Pact**
- **Three successive years of personal income tax cuts** (benefitting 12 million households)

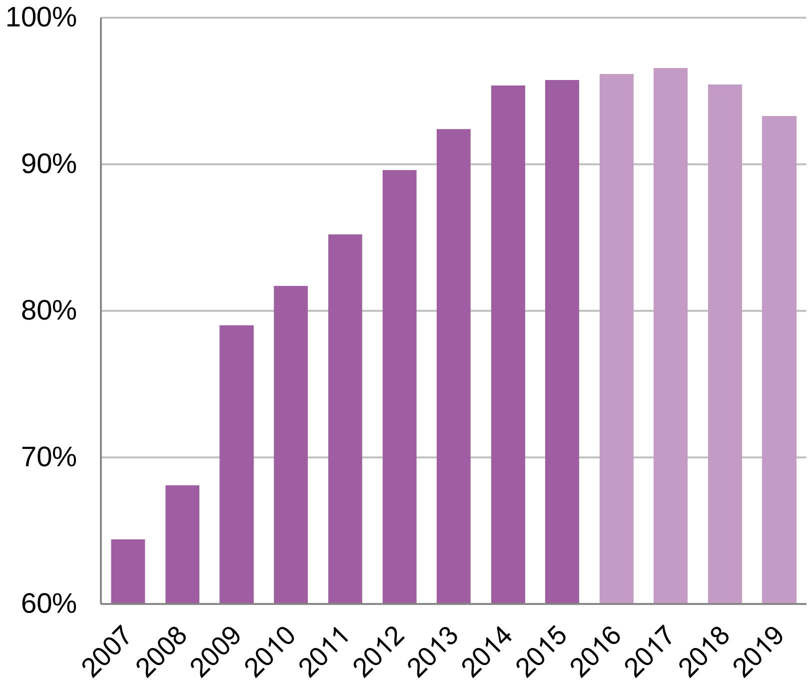
Public spending on a tight rein





* excluding tax credits

Debt under control



- Stabilised well below 100%
- Thanks to the reduced deficit
- Thanks to the quality of France's name in bond markets

(at the end of the year)	**2015**	**2016**	**2017**
10-year yield	0.9	1.3	2.0