Thomas Courbe – General Director, DGE, France



France is becoming the pro-business model in Europe. France has concrete and clear plans about how to move forward in a modern and dynamic way

22.11.2018

Tags: France, Investment, DGE

Thomas Courbe, general director of the

DGE (Direction Générale des Entreprises – General Directorate for Enterprises), speaks about the role of the DGE and the implementation of new policies oriented towards France's new pro-business direction, specifically in the life sciences industry.

What does the role of General Director of DGE entail?

As the Director of the DGE, my role is to promote business development within all economic sectors. The main pillars of our strategy include deploying industrial policy, innovation policy as well as digital policy with a view to increasing France's economic competitiveness. These strategies directly tie into the government's overarching economic strategy for dismantling barriers to economic growth and stimulating the development of high-performance, homegrown enterprises that can hold their own on the world stage.

I have held this role since August 2018 and my main priority is to revitalize France's industrial fabric. This includes fostering strong ties between the state and industrial partners in order to encourage the formation of robust reciprocal relationships around concrete objectives. We strive to formulate policies, which are business oriented and which allow for the emergence of high-value-added, competitive products.

The promotion of cutting-edge technological innovation is also one of our priorities and a key aspiration for the President. France is, right now, unfortunately lagging behind some of its peers in technological development and our aim is to rectify this situation.

There is also an increasing push towards promotion of data sharing and open partnerships in order to become shapers and leaders of the new era of digitalized healthcare which is unfolding. We have already launched many calls for project proposals. One example of this is *The Innovation Breakthrough Challeng*e. The objective is to connect projects identified through this competition, with the Health Data Hub, which is set to become one of the biggest databases of health data in the world. We want to create strong links between technological companies and the Health Data Hub by giving data access to technological startups and developers. These connections will be beneficial for both the public and the private sectors.

Can we discuss more specifically the main areas of interest that the DGE is focusing on, specifically regarding technological innovation?

The government is very keen that we set about implementing an ambitious program to position France right at the vanguard of new developments in Artificial Intelligence (AI). Our logic is that this is the sort of transversal disruption that will eventually impact all industries in some manner or form. Whatever line of business you are operating in, you will likely, at some stage encounter this technology. The choice will, therefore, be between reacting to it, or actively shaping its development and mastering it.

We are simultaneously developing projects related to blockchain. Here, the strategy is very much to identify specific industries that will benefit from the selective use of this technology. The motivation behind this is again quite simple: we want to assist the industries that have fallen behind to catch up and leapfrog forward by mastering game-changing innovation and deploying it to their advantage.

What are some current projects you are working on?

Along with the Innovation Council, we selected two main themes to start with: namely medical diagnostics and algorithm certification. We recruit a manager, hand them an appropriate budget and then they act, alongside any relevant partners such as laboratories, start-ups or large enterprises. The appointed manager, along with the various partners chosen for the projects, will

be testing various solutions in order to find the best outcomes.

An example of what we are doing in medical diagnostics is identifying managers that have competence in medical diagnostic technologies as well as in AI and we fund them for 3 years. Projects such as these allow for great autonomy for all involved.

How strategically important is the life science industry to the national economy and what role does it have to play in advancing disruptive technologies like blockchain and AI?

The life science industry is extremely important for the French economy because it is one of the leading export industries. It accounts for 5% of the workforce industry and it is the number one industry in terms of private R&D. Our goal with the Strategic Council of Health Industries (CSIS) is to harness disruptive innovations within the healthcare industry, such as digital technologies, new innovative treatments and then create conditions, where we are able to adapt our healthcare system in order to meet ever changing challenges. Innovation is inherent to the life sciences sector so this is a great conduit to gain exposure to the sort of breakthrough technologies that French industry will need to master if it is to ensure its future competitiveness.

What are some of the ways the CSIS is working to improve trust between industry and the public sector?

One thing we are working on is increasing the visibility of our activities by simplifying the regulation of pharmaceuticals as well as the work of the Economic Committee for Health Products (CEPS) and price negotiations. We want to demonstrate confidence and visibility by promoting the image that France has the right environment for economic development. The second is accelerating market access. France has one of the highest performing health industries in the world, but market access is difficult, which limits the development of the sector.

We are also focusing on how to better facilitate the systematic transfer of resources between the public and private sectors. We have excellent research in the public sphere, however the exchange between the public and private sphere is lacking. There are concrete measures being put in place to improve the public/private relationship. This is facilitated by various legislative procedures, such as the decision we made with the Action Plan for Business Growth and Transformation (PACTE). The PACTE is facilitating relationships between public researchers and private industry. This is aligning

with a cultural shift that is happening now. The heads of big research departments are interested in allowing public researchers to work within and along with the private sector.

How will the PACTE affect life science companies?

PACTE is focused on small and medium-sized enterprises for the health industry. The first goal is to lift many barriers, which were limiting the growth of many enterprises with less than 50 employees. This will simplify things and also encourage the recruitment of workers. In particular, the PACTE will allow streamlining workforce thresholds for SMEs.

There are also measures regarding retirement savings which is in line with the overall goals of the government to orient retirement savings towards investing in private industry. This will give more returns for the retirement fund because in the current system the returns are below average. We are also working on streamlining the process of setting up these companies. There are a lot of start-ups and small businesses in the healthcare industry which will greatly benefit from these changes.

Promises have been made at previous editions of the CSIS. What is different this time around? Did we not hear the same sorts of sentiments a decade ago during the Sarkozy presidency?

The government is very focused on developing France’s financial and business sectors to create new jobs and reduce unemployment. We are highly results orientated and sensitive to the fact that the administration needs to generate very concrete, visible results that businesses will feel on a day-to-day business. What has been very distinctive about this year’s CSIS has been its sheer pragmatism. Many of the items discussed will have an immediate impact.

We are going into this with our eyes wide open and are aware there will be challenges along the way. We are acutely aware of the need to manage expectations and the importance of, right from the start, aiming for the low hanging fruit and quick wins which will earn the trust of the business community. Other initiatives, meanwhile, will take time to reach fruition and show results and there will be no overnight fix. Getting the sequencing and timing right will, therefore, be of great importance if we are to maintain the confidence of industry. We will need to continue to demonstrate that we remain committed to delivering the main objectives of CSIS.

A particularity of this year's CSIS is that this time around, the administration is partnering with captains of industry who will be able to determine if we are correctly implementing our policies and to establish whether or not we are on track. There is a now a dedicated function within the CSIS presided over by Jean-Luc Bélingard and industry actors tasked with overseeing the performance of the implementation phase.

Competitiveness clusters have played a very important part in the past. What is the status of these at the moment?

We are currently seeking to refocus the competitiveness clusters so as to make them even more impactful. We do not want to fundamentally change the cluster system, but rather to reinforce it to generate even better results. Firstly we want to ensure that they attain critical mass. Having a multitude of mini-clusters all competing amongst themselves is perhaps not the best way to reach the tipping point in terms of critical size so as to be able to produce heavyweight R&D projects, so we are looking at making some adjustments with a view to scaling up and consolidation. Secondly, we are keen to ensure the capacity to produce projects that have a European dimension and are well networked into international R&D efforts. What you can expect is essentially re-grouping and fusion of clusters and the alignment of their work programs with the international research agenda. The logic is to render them more efficient and homogenous.

What would you like to emphasize to foreign investors to consider France as a good place for future investment?

France is undertaking unprecedented reforms that will considerably increase the attractiveness of the country for foreign investors. These measures include new fiscal policies and reforming the labour market. We have fundamentally changed the environment for investors and enterprises. There is development in all areas – research, production and commercialization. There is also the important cultural shift towards encouraging entrepreneurship which will attract more talent.

Finally, with all that is happening in the European Union (EU) and with Brexit, do you think this is a positive time for France?

Considering the current circumstances, France is becoming the pro-business model in Europe. France has concrete and clear plans about how to move forward in a modern and dynamic way. We

are not slowing down, and investors are attracted to that.

See more interviews