



CITY OF

PARIS

**Popular
Annual
Financial
Report**



2023



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About the Popular Annual Financial Report (PAFR)

The Popular Annual Financial report presents the actions led by the services of the City of Paris in the past years and explains the priorities of the City.

This report, which contributes to every general direction of the city, gathers in one document the numbers and important events that happened in this year and our plans for the future, in terms of economic development and improvements for the citizens. You can find a lot of information about what the city provides to its inhabitants and also how the city of Paris is managed. It also introduces the main projects that are important for people, in a social approach, for the environment with more sustainable projects and for the Economy of the city too, with of course the arrival of the Olympic games in our city in 2024.

We can identify the PAFR as a tool of transparency and accountability, confirming the centrality of the citizen in the decision-making process linked to public spending.

to understand and identify the priority stakeholders

Investors and citizens are the two main stakeholders of interest to public groups. Reports on city's accounting are often too technical and complex to be available and accessible to citizens. Indeed, they are rather addressed to investors and professional stakeholders. But public information concerns both investors and citizens.

The concept of citizenship has evolved and considers him as a user and an active co-producer with decision-making power over the business choices made by the local administration. In recent years the significant step in the public sector has been to provide more understandable and easy information to a greater number of users. The creation of accessible and transparent financial documents is a starting point for the involvement of citizens, popular financial reporting has gained increasing attention from both scholars, managers and politicians and their various interests.

For those who want to go deeper in some matters of this report, they can always find more information on the links that are provided at the end of the report.

The Mayor's Letter

“Each year, the publication of this report gives us the opportunity to measure the progress made and to thank those who work for Paris.

After two difficult years, life returned to normal in 2022. Tourists returned in numbers, museums and theaters reconnected with their audiences, restaurants and cafes found their customers.

We continued to adapt our organization by strengthening the territorialization of our action, by making the district the reference level for the implementation of public policies and, in this regard, the establishment of the municipal police, in close link with the districts, is a real success.

We also have three new departments: the Solidarity department which has made it possible to unify the City's social action for better visibility and efficiency, the Public Health department to strengthen the promotion of health for all, at all times of life, and the direction of Ecological Transition and Climate, in conjunction with the Climate Academy to support the acceleration of our actions in favor of the environment, resilience and strive to be, ever more, an exemplary administration.

Public space will also have been at the heart of our concerns: cleaner, more green, more accessible, more peaceful, we have sought to encourage new practices among residents and in particular families with streets, schools and lessons. school open on weekends

The climate emergency is also at the heart of our action with the creation of the Climate Academy, within which young people, city officials and Parisians can come and learn about the challenges of social and climate upheaval.

The year 2022 ended with an essential moment of social democracy: the renewal of representatives in the bodies which should allow the continuation of constructive social dialogue in the service of the quality of life at work, of attractiveness, service of professional training, of equality between women and men...

Finally, naturally, the year 2022 will have been largely devoted to preparing for the Paris 2024 Olympic and Paralympic Games, a historic adventure which mobilizes all departments and which will be an opportunity to show the excellence of the Parisian public service.

Municipal agents are essential for the success of these transformations, I have not forgotten that.

I want to thank you for your work and salute your daily involvement in the service of Parisians citizens.”

About our city:

Paris is the capital of France. It has long been one of western Europe's major centers of culture and business. Some of the world's greatest artists, writers, scholars, fashion designers, and chefs have lived in Paris. The Seine River flows through the city center.

Paris began on an island in the Seine River. A people called the Parisii founded a town there more than 2,000 years ago.

In 987, Paris became the capital of France. The city and its economy grew. The major events of the French Revolution took place in the city in the late 1700s. Thanks to this part of our history, we acquired more rights and equality. In the 1800s (under Napoleon) construction projects made Paris more modern and beautiful. It was a real urbanistic revolution, drawn by Georges Eugène Haussmann.

Paris is divided into 20 arrondissements (districts or boroughs), each of which has a local council and a mayor, but most of the power is held by the mayor of the City of Paris who is chosen by the city's council. Their role is to be closer to parisian inhabitants. Paris and its suburbs together make up the eight departments of the Île-de-France administrative region, which is governed by an elected assembly, chairman (or president), and supervisor and overseen by a prefect appointed by the state.



Municipal election's system

Parisian citizens elect their local councilors/deputies for 6 years. Councilors are elected by direct universal suffrage by the French and European voters registered on the local electoral lists. Councilors will then elect the mayor and deputy mayors.

The mayor and the municipal council propose and implement the municipal budget and ensure the conservation and management of the commune's natural environment including issues over heritage and building permits. Mayors are also responsible for security and public health and have at their disposal the municipal administration.

Each mayor's deputy has a special mission, they try to find the best solutions to improve the answer to citizen needs and they also work on how to spend the public funds (in their respective subject and by collaborating). They have one meeting per week where they discuss all together in order to find agreements and to make decisions: the meetings of the municipal council, presided by the mayor.

The Mayor & its 27 deputies



Anne HIDALGO
Mayor of Paris



Hélène
BIDARD

Gender Equality
Fight against
discriminations and
for Human Rights



Célia
BLAUDEL

Environment
Sustainable
development



Patrick
BLOCHE

Education
Family and children
policies



Galla
BRIDIER

Elderly people and
autonomy



Jean-Bernard
BROS

Mixed economy
societies and Public
local societies



Ian
BROSSAT

Housing and
sustainability,
emergency hosting



Colombe
BROSSEL

Security, prevention,
working-class district
integration



Afaf
GABELOTAUD

Employment policy



Christophe
GIRARD

Culture



Emmanuel
GRÉGOIRE

First deputy- Budget,
Public Policy
implementation with
the districts



Antoinette
GUHL

Social and solidarity
economy, social
innovation and
circular economy



Frédéric
HOCQUARD

Nightlife, Economy
and cultural diversity



**Patrick
KLUGMAN**

International
Relations,
Francophony



**Pénélope
KOMITÉS**

Green spaces,
Biodiversity, urban
agriculture and
funeral business



**Marie-Christine
LEMARDELEY**

Superior teaching,
Student life and
Research



**Véronique
LEVIEUX**

Human Resources,
social dialogue and
Quality of public
service



**Jean-François
MARTINS**

Sport, Tourism,
Olympic games



**Jean-Louis
MISSIKA**

Urban Planning,
Grand Paris project,
economic
development and
attractivity



**Christophe
NAJDOVSKI**

Transports, roads and
Public spaces



**Nicolas
NORDMAN**

Disabled people and
accessibility



**Mao
PENINOÙ**

Cleanliness,
Sanitation,
Organization and
Management of the
Council of Paris



**Olivia
POLSKI**

Commerce, Crafts,
liberal and
independent
professions



**Anne
SOUYRIS**

Healthcare



**Karen
TAÏEB**

Heritage



**Pauline
VÉRON**

Local democracy,
Citizen participation,
community life and
youth



**Dominique
VERSINI**

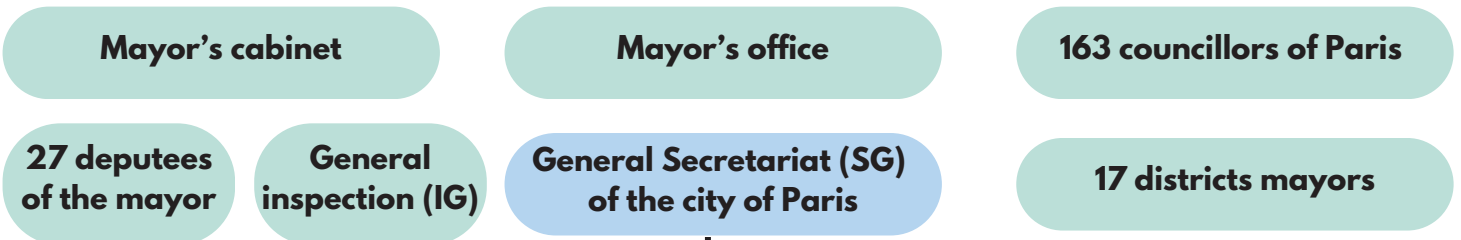
Solidarity, fight
against
exclusion, child
protection and
reception of refugees



**Catherine
VIEU-CHARIER**

Memory, fighting
world, defense
correspondent

Executive administration



Directions and institutions of the city depending from the SG

QUALITY OF PARISIAN SERVICES DEPARTMENT	QUALITY OF THE LIVING ENVIRONMENT DEPARTMENT	RELATION WITH TERRITORIES DEPARTMENT	QUALITY OF PUBLIC ACTION DEPARTMENT	
Culture	Attractiveness and employment	Democracy, citizen and territory	Legal affairs	General delegation to the olympic and paralympic games and Great Events General delegation to overseas french territories General delegation to international relations
Education	Green spaces and environment	Municipal police and prevention	Public building and Architecture	
Family	Housing	General delegation to "the grand Paris"	Finances and purchases	
Youth and Sport	Water and waste		Real estate, logistic and transports	
Solidarity	Urbanism		Human resources	
Public health	Roads and transportation		Online information system	
Paris Museums			Ecologic transition	

An executive power and an administration at the service of citizens

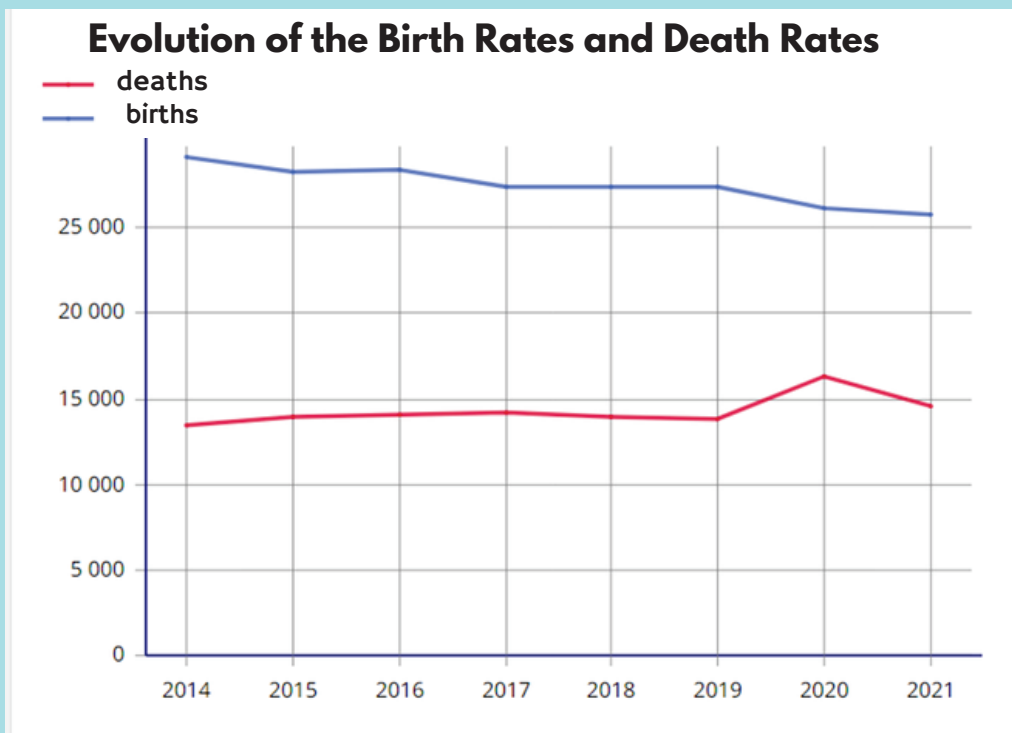
In the city, public policies are implemented in three times:



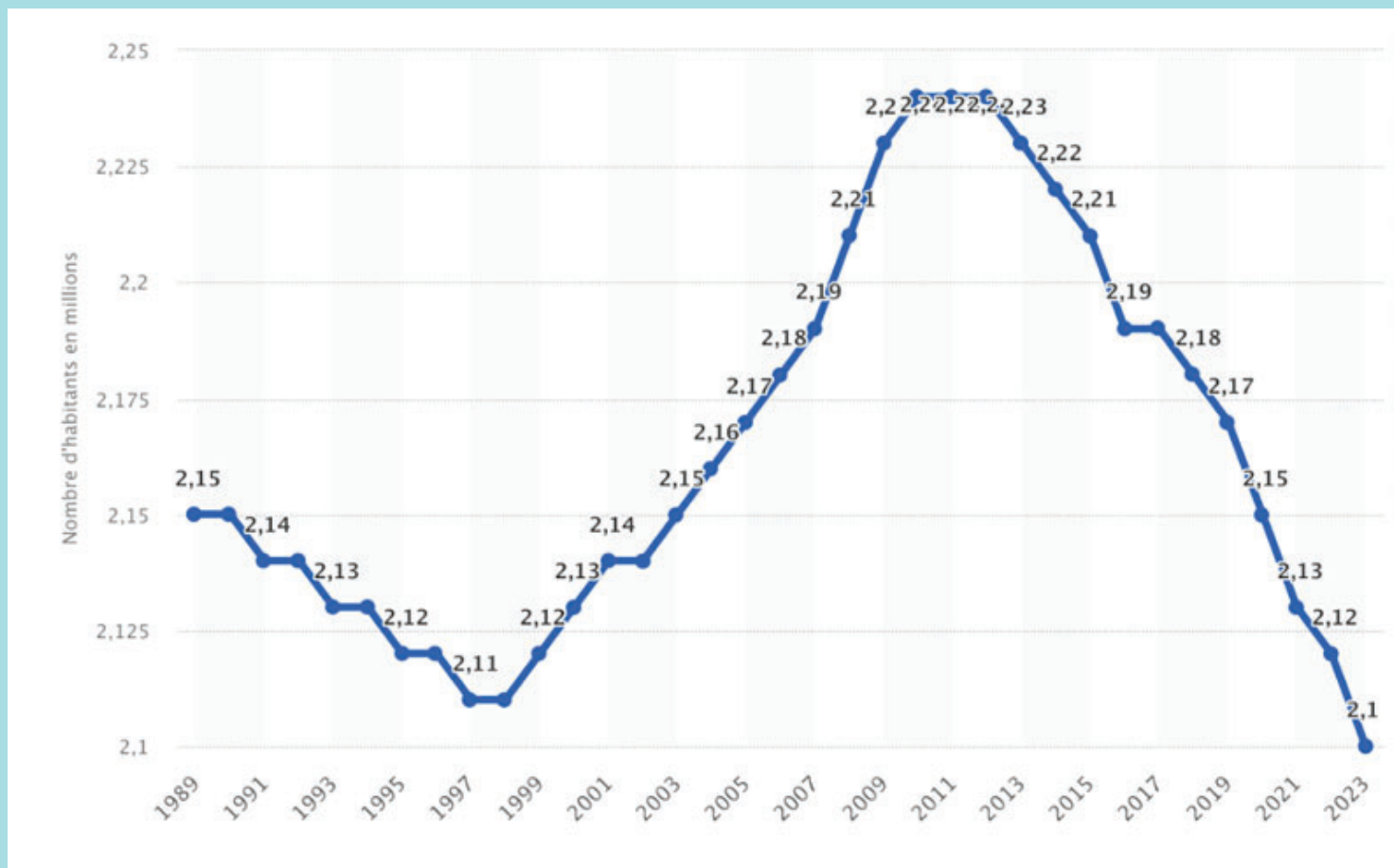
Paris by numbers...



Socio-demographic information

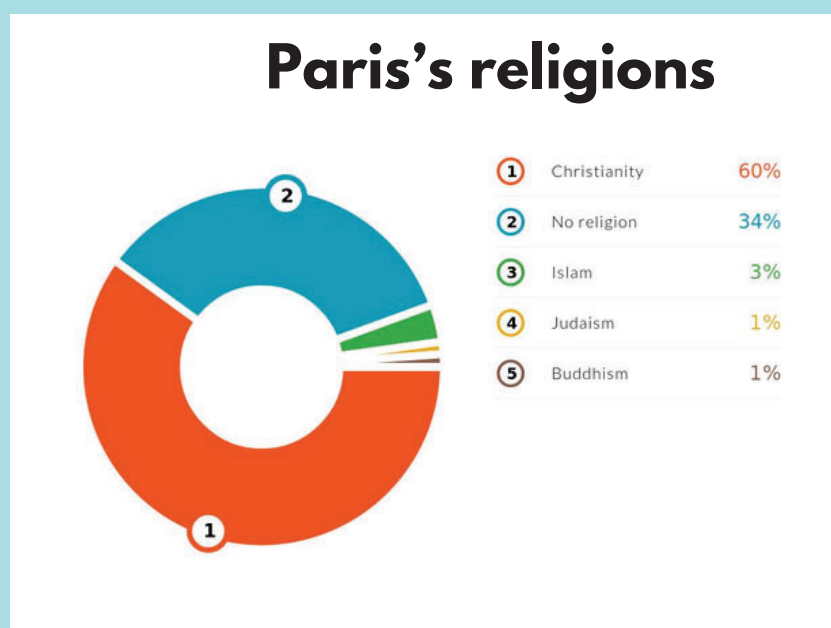


Parisian population growth



Population by age and sex

age	men	%	women	%
overall	1 007 897	100,0	1 138 009	100,0
0 à 14 ans	146 401	14,5	141 973	12,5
15 à 29 ans	237 839	23,6	275 730	24,2
30 à 44 ans	230 408	22,9	237 052	20,8
45 à 59 ans	191 075	19,0	205 485	18,1
60 à 74 ans	137 250	13,6	170 781	15,0
75 à 89 ans	58 227	5,8	88 563	7,8
90 ans ou plus	6 696	0,7	18 425	1,6
0 à 19 ans	201 498	20,0	201 391	17,7
20 à 64 ans	655 460	65,0	719 611	63,2
65 ans ou plus	150 940	15,0	217 007	19,1



Repartition of Italian people and foreigners in the City of Paris

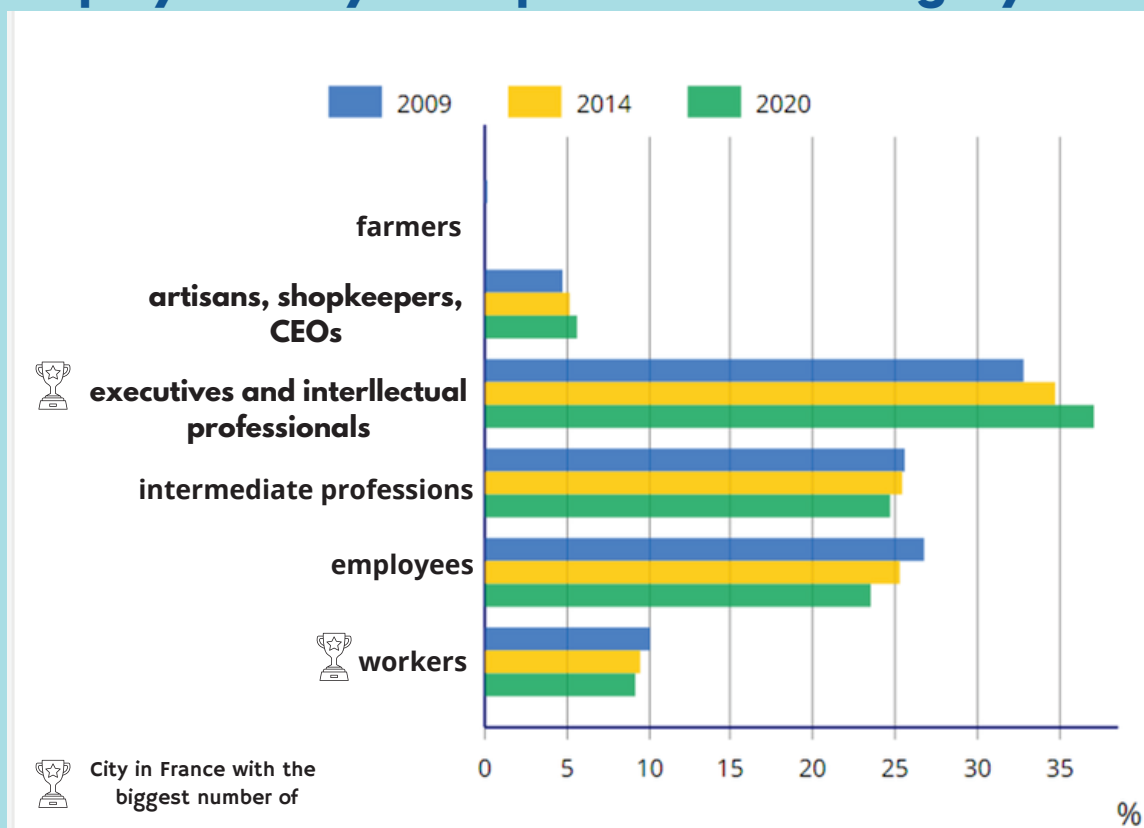
Home Country of Birth - Sex: ALL					
	Moins de 15 ans	15 à 24 ans	25 à 54 ans	55 ans ou plus	Ensemble
Portugal	527	918	13 066	11 533	26 045
Italie	706	1 416	10 829	4 755	17 706
Espagne	431	838	5 503	6 239	13 011
Autres pays de l'Union Européenne	1 471	4 499	28 363	16 314	50 647
Autres pays d'Europe	854	2 203	11 398	7 016	21 471
Algérie	1 130	3 107	24 751	16 862	45 850
Maroc	450	3 320	18 639	14 280	36 689
Tunisie	377	1 415	12 316	13 907	28 014
Autres pays d'Afrique	2 201	7 313	46 345	18 916	74 775
Turquie	72	280	2 671	1 869	4 891
Autres pays	4 448	11 939	77 001	33 060	126 448
Ensemble	12 666	37 246	250 883	144 751	445 546

Source : Insee, RP2016 exploitation principale, géographie au 01/01/2019.

Italian People represent (about all foreigners):

- **Minus 15 years old : 0,15%**
- **Between 15 and 24 : 0,32%**
- **Between 25 and 54 : 2,43%**
- **More Than 55 : 1,1%**

Employment by socio professional category



School enrolment by age and sex

age	overall	enrolled population	Part of enrolled population in %		
			overall	men	women
2 à 5 ans	75 685	54 346	71,8	70,8	72,8
6 à 10 ans	94 722	91 614	96,7	96,8	96,6
11 à 14 ans	76 885	75 376	98,0	98,0	98,0
15 à 17 ans	59 580	57 955	97,3	96,8	97,8
18 à 24 ans	229 662	166 919	72,7	69,8	75,0
25 à 29 ans	224 328	38 187	17,0	15,9	18,0
30 ans ou plus	1 343 963	31 296	2,3	2,1	2,5

City services

Paris provides to its inhabitants multiple services such as police and fire protection, transportation, energy, water, waste collection, school restaurant, school buildings, license and permits, construction, compliance and cleaning of the streets, human resources, culture access facilities, help with administrative issues, acts for the environment...

Transportation facilities

Situated in the center of the Paris basin (see Île-de-France), and only 90 mi (145 km) from the English Channel, the city handles a great volume of shipping. Orly and Charles de Gaulle airports (the latter opened in 1974) and many major railroad stations make Paris one of the great transportation centers of western Europe.

The Paris metro (subway), built in 1900, was modernized and extended during the 1970s. There are now 16 principal metro lines and a high-speed express subway system servicing the suburbs. The system's hub, Chatelet Les-Halles, is perhaps the largest, busiest underground station in the world. Paris is also the hub of the national rail system, with high-speed trains connecting it to most major European cities.

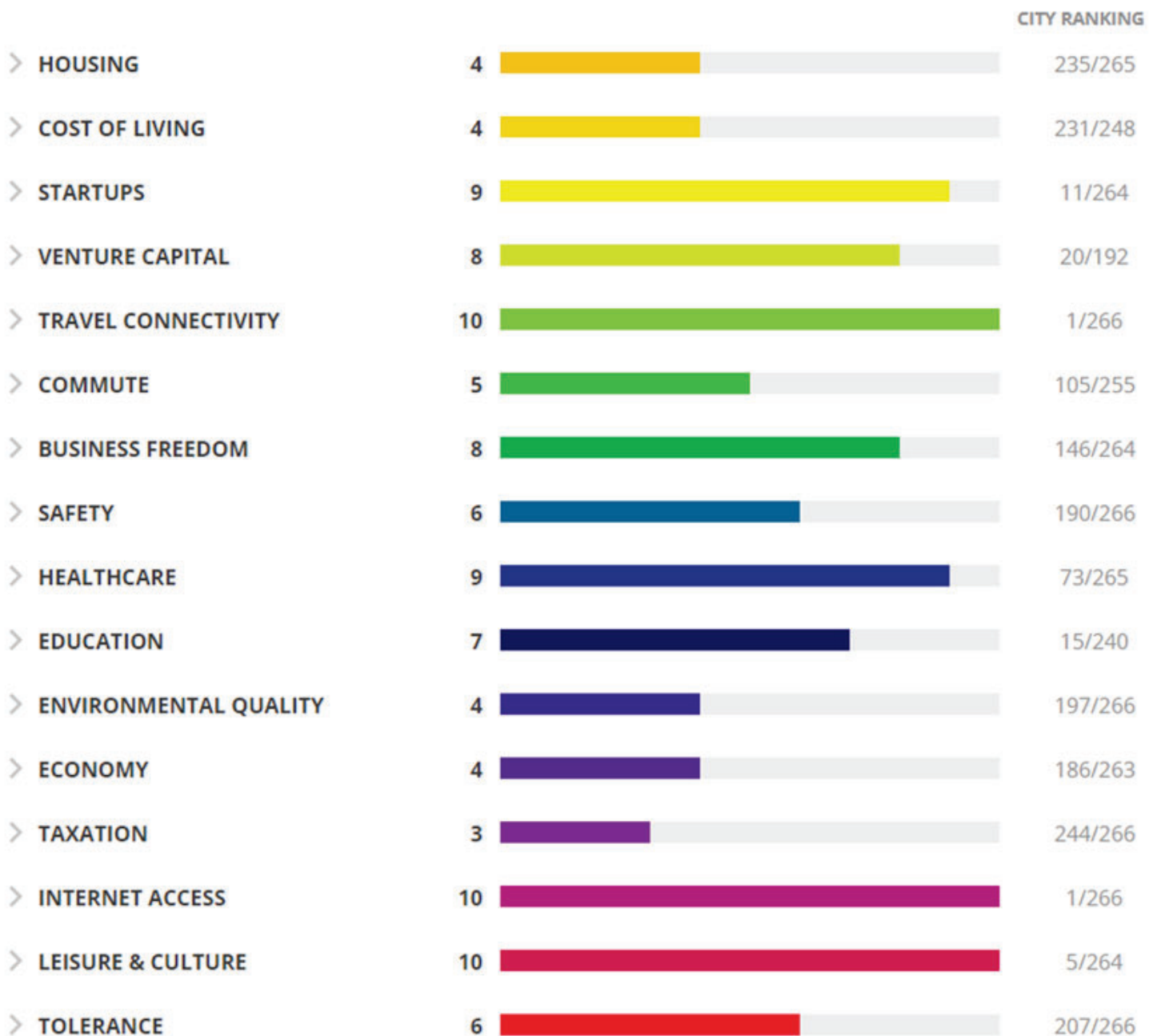
Paris's universities



Parisian universities are ranked quite well in the world top in various fields.

UNIVERSITIES						
	OVERALL	PHYSICAL SCIENCES	COMPUTER SCIENCE	ARTS & HUMANITIES	STUDENTS	INTERNATIONAL STUDENTS
ÉCOLE NORMALE SUPÉRIEURE	66th	20th	43rd	45th	2400	20%
ÉCOLE POLYTECHNIQUE	116th	26th	34th		2429	30%
PIERRE AND MARIE CURIE UNIVERSITY	121st	42nd			27862	18%
PARIS-SUD UNIVERSITY	179th	86th			27603	17%
PARIS DESCARTES UNIVERSITY	225th				34691	15%

Paris's life quality score



This study has been led by the topia company Teleport. It ranks, out of ten, the city of Paris among more hundreds other cities in various matters.

In imagination and in fact, Paris is a quintessential global city. It has been one of the world's most visited places for centuries, and its economy prospers today thanks to a well-educated workforce, modern infrastructure, and global niches in creative industries, business services, and tourism.

In order to better understand Paris's global economic position, we can benchmark the region against eight global peer regions based on economic size, wealth, productivity, industrial structure, and competitiveness.

The Paris regional economy, defined as a metropolitan labor market slightly larger than the Île-de-France region, housed 12.5 million people in 2015 (19 percent of France's population) and generated \$818 billion in output (31 percent of national gross domestic product, or GDP). Paris is the fourth-largest metro economy in the world and boasts the fifth-highest average wealth (GDP per capita) among the world's 120 largest global city-regions. Income gains from that growth have been more broadly shared than in major U.S. cities or in London.

A competitive region is one in which firms can compete successfully in the global economy while supporting high and rising living standards for local households. Globally competitive traded sectors, functioning innovation ecosystems, and skilled labor are the key drivers of overall productivity, employment creation, and income growth. Two enablers support these three drivers: well-connected, spatially efficient infrastructure and a reliable governance structure and business environment.

The Paris region contains notable strengths and significant opportunities to better deploy these five factors—trade, innovation, talent, infrastructure, and governance—to increase its global competitiveness:

trade

Paris specializes in a diverse set of tradable industries: from financial and business services to advanced manufacturing to creative industries.

Unlike some of its peers, Paris has a diversified global presence in financial services, multinational firm headquarters, advanced manufacturing, and international tourism, culture, fashion, and media. These industries tend to drive growth in jobs and value-added, exports, and foreign direct investment.

innovation

Paris accounts for significant shares of national research and development (R&D), patents, and venture capital, but it is not yet on par with other leading innovation hubs.

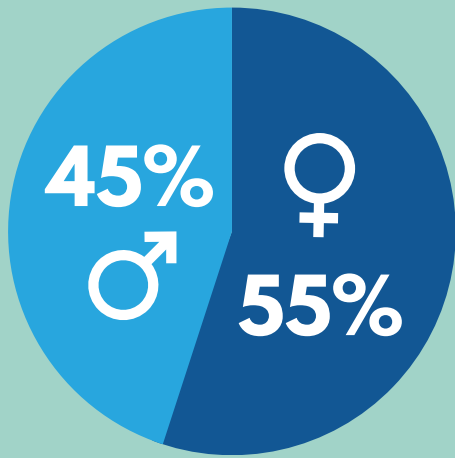
Paris is the center for innovation in France. It houses world-class research universities, agglomerations of high-tech employment, patent-intensive multinational companies, and high levels of R&D spending. Significant recent growth in the patenting output of local firms and research institutions bodes well for the Paris region's innovation potential.

talent

Paris is one of the most educated regions in the world.

The Paris region's high levels of human capital remain a critical asset. Sectors of the economy that employed high levels of professionals and university graduates accounted for most of the job growth in the region over the past decade. In fact, despite accounting for only 24 percent of the workforce, professional occupations accounted for nearly all net job growth during that time. As they demand more skilled labor, local firms are placing new demands on existing education and training systems. Continuing to produce more high-skill workers and attract talent from both domestic and international sources will prove necessary in order to jumpstart growth and counter high unemployment, particularly among youth.

City employees



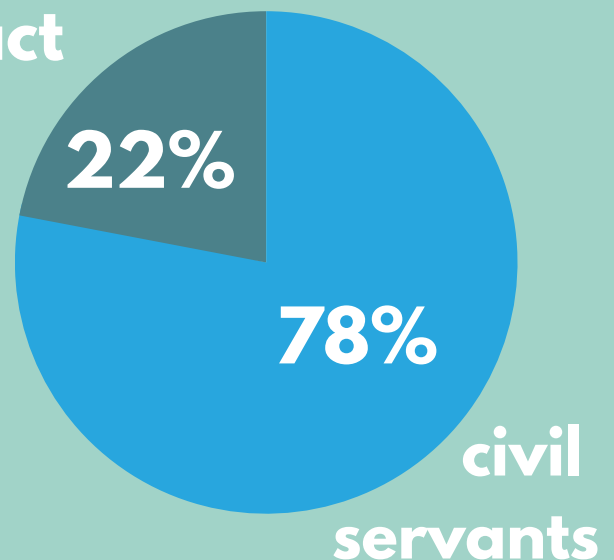
51 553
employees

4 725

new city employees
in 2023

45yo
median age

contract
workers



Unlike **civil servants**, who are mainly recruited by competition and governed by a statute, **contract workers** sign an employment contract with their public employer that sets out their rights and obligations.

BUDGET PROCESS

2

- From June to October: Political arbitration, first by the deputies to the Mayor of Paris, then by the Mayor herself.

4

- Then: Budgetary control by the public accountant and legality control by the Prefect.

1

- From January to April: Preparation in the City of Paris departments. In March-April, a framework is given by the Mayor to all her deputies.

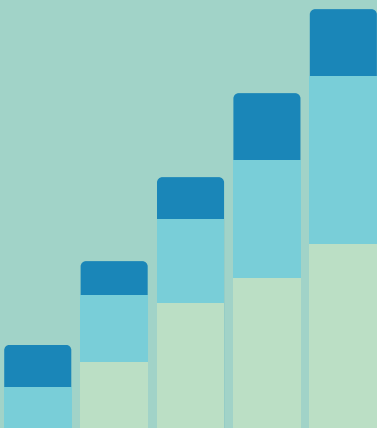
3

- December: The Paris Executive presents the budget to the Paris Council, which, after discussion, votes by chapter by a show of hands.

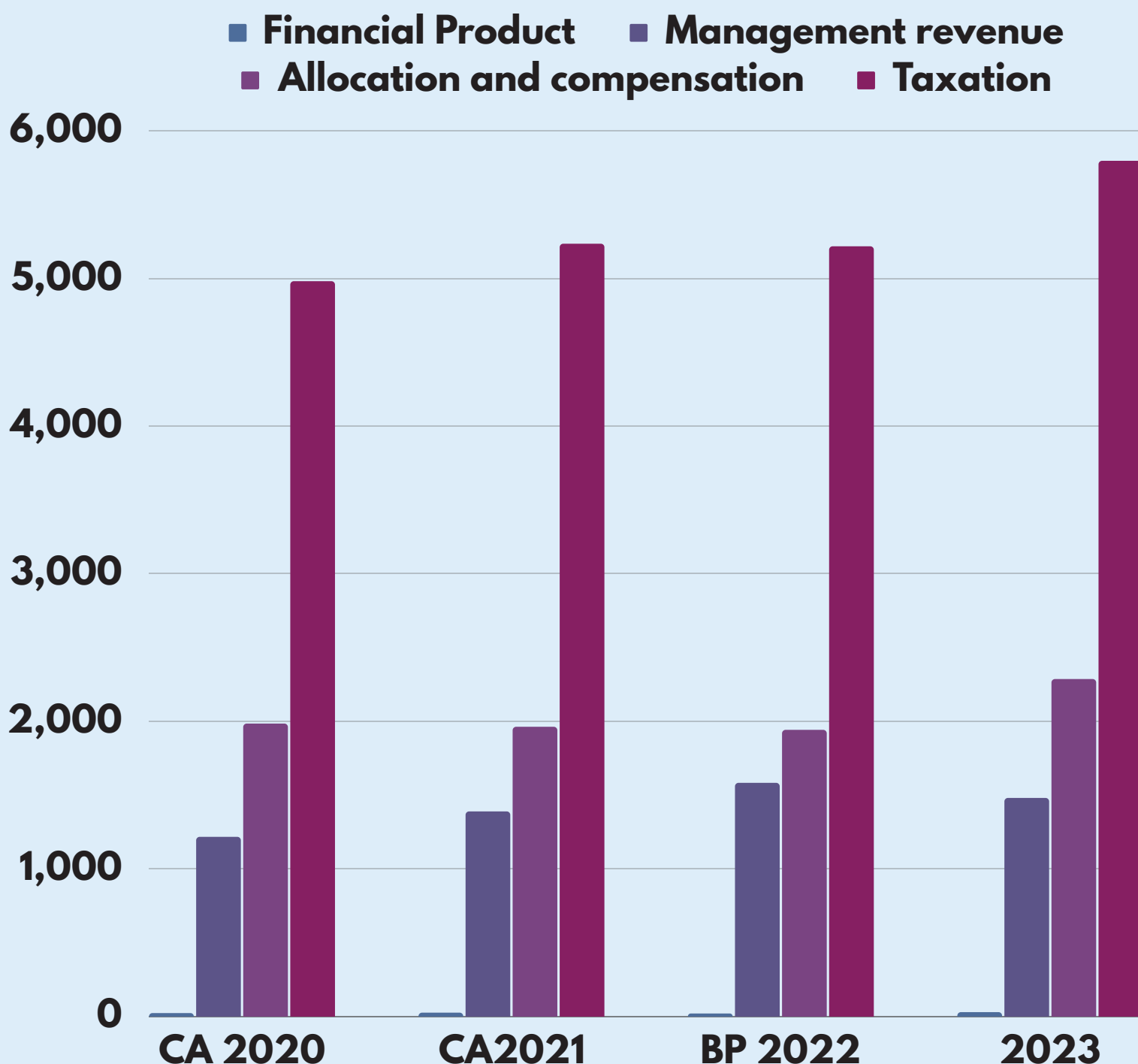
The annual budget is a fundamental act about administration because each year it defines all acts that will be initiative. The budget is estimated and used to have authorisations.

In the first case, the budget is estimated because it can categorize expenses and receipts.

In the second case the budget is here to have authorisations because projects are voted by the council according to the receipts from past year.



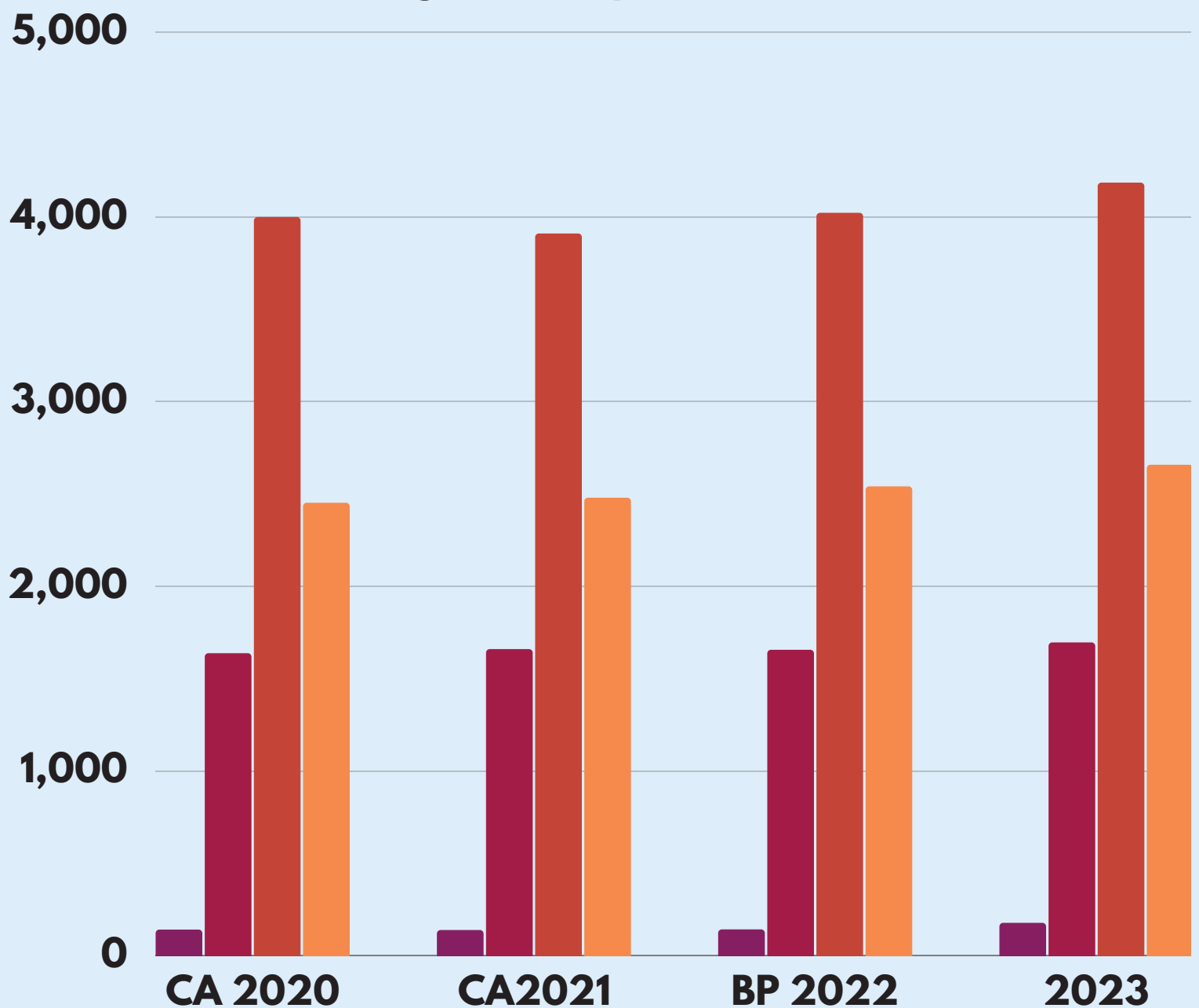
Evolution of the Paris local authority's real operating revenue



- Revenues from taxation, grants, compensations, and financial products increasing by €932.7 million compared to the 2022 budget, primarily due to the increase in local direct taxation (+€465.7 million at constant scope).
- Management revenues decrease by €102.2 million, related to the end of capitalised rent entries in the operating section.
- Tax revenues amount to €5,798.0 million, an increase of 11.1%.

Change in real operating expenditure of the Paris local authority

■ Financial charges ■ Tax equalisation and reversal
 ■ management expenditure ■ Staff costs

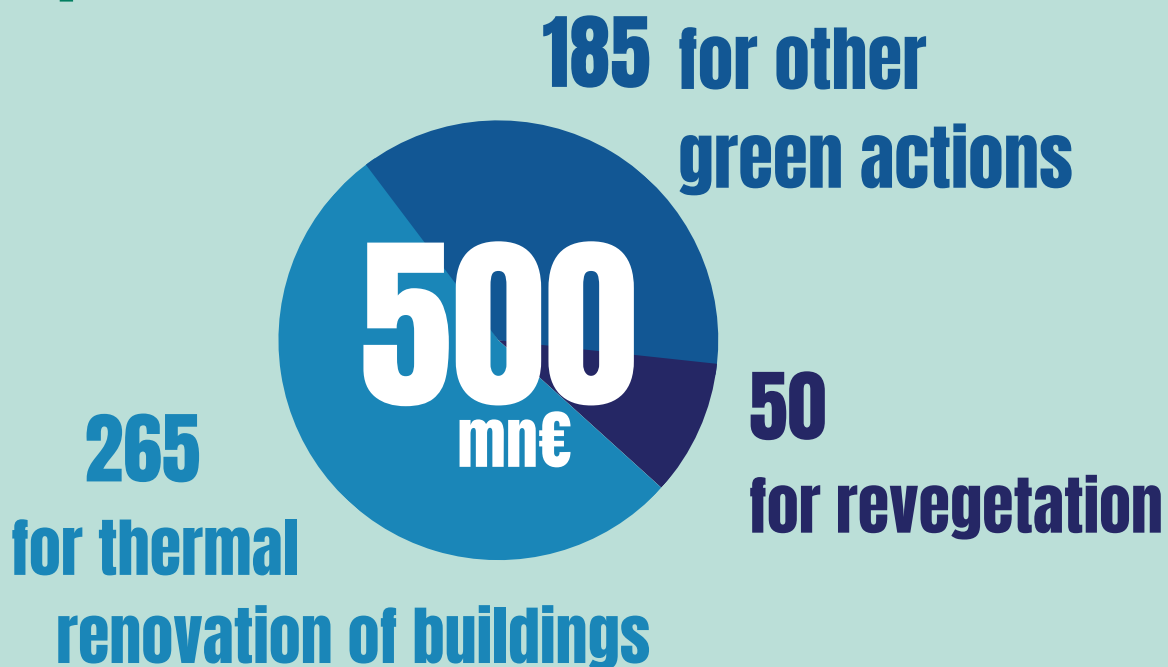


- Employee expenses have increased by 116.9 million euros, covering both the spontaneous growth of the payroll.
- Management expenses have risen by 163.5 million euros, notably due to a 62.4 million euro increase in healthcare and social action expenses, a 50.3 million euro increase in the "Environment" function, an 18.4 million euro increase in the "Transport" function, and a 14.9 million euro increase in the "Education" function.
- Equalization and fiscal redistribution expenses have increased by 39.9 million euros compared to the 2022 budget, due to the increase in the contribution of the Parisian community to equalization funds, excluding DMTO funds, which stands at +53.2 million euros compared to the 2022 budget.
- Financial charges have increased by 35.4 million euros, linked to the rise in interest rates, despite the control of the debt level.

Investment plans for the 2022-2025 period

500 mn€
invested in **green transportations**

Goal for 2025
25%
social housing



700 mn€
invested in **education**

200 mn€
invested in **Solidarity and Healthcare**

Main topics for expenditures

1. Safety

2. Education, vocational training and learning

3. Culture, social life, youth, sports and leisure

4. Healthcare and social action

5. Territorial development and housing

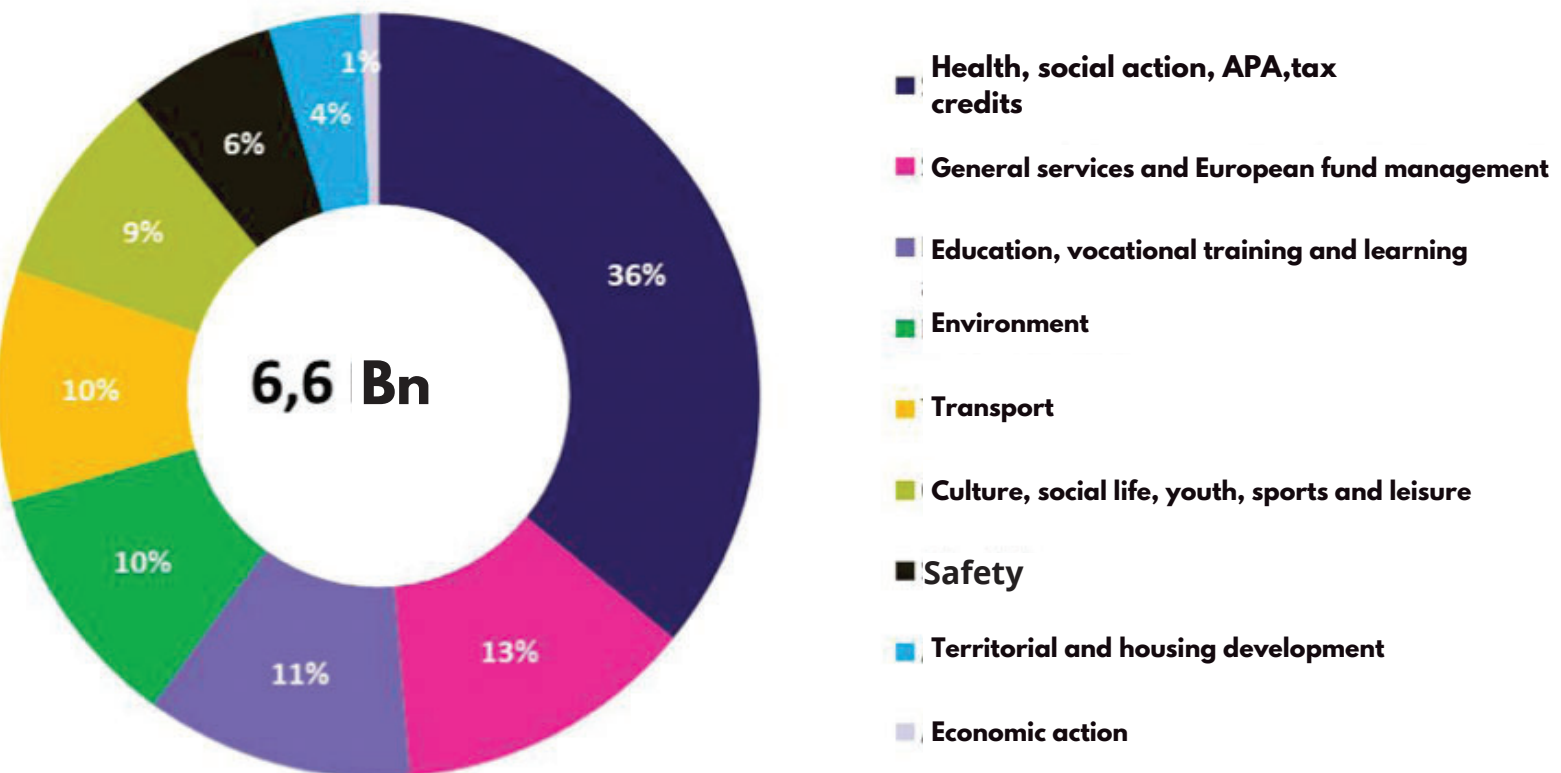
6. Economic action

7. Environment

8. Transport

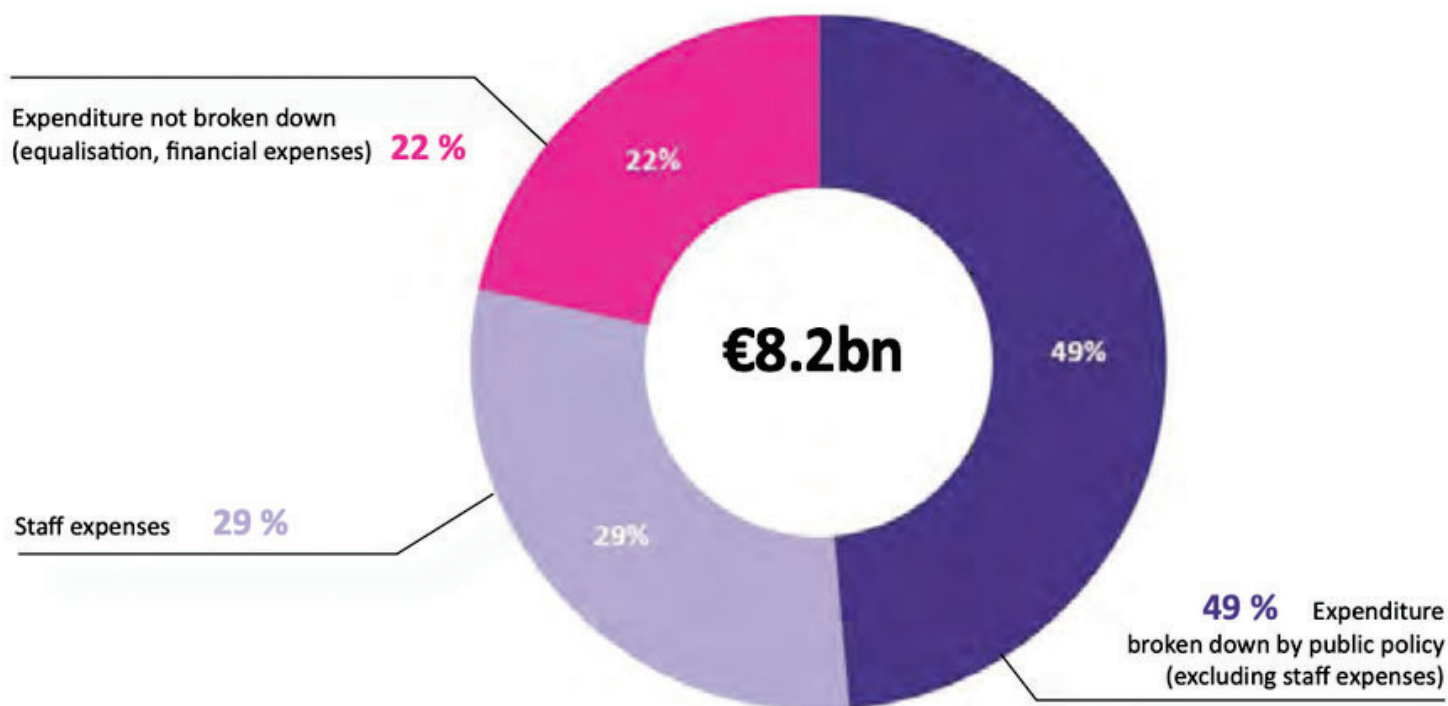
9. General services and European fund management

management



Functionary expenses

Functionary expenses



We can classify them into 4 categories:

Management expenses

Perequation expenses

Payroll

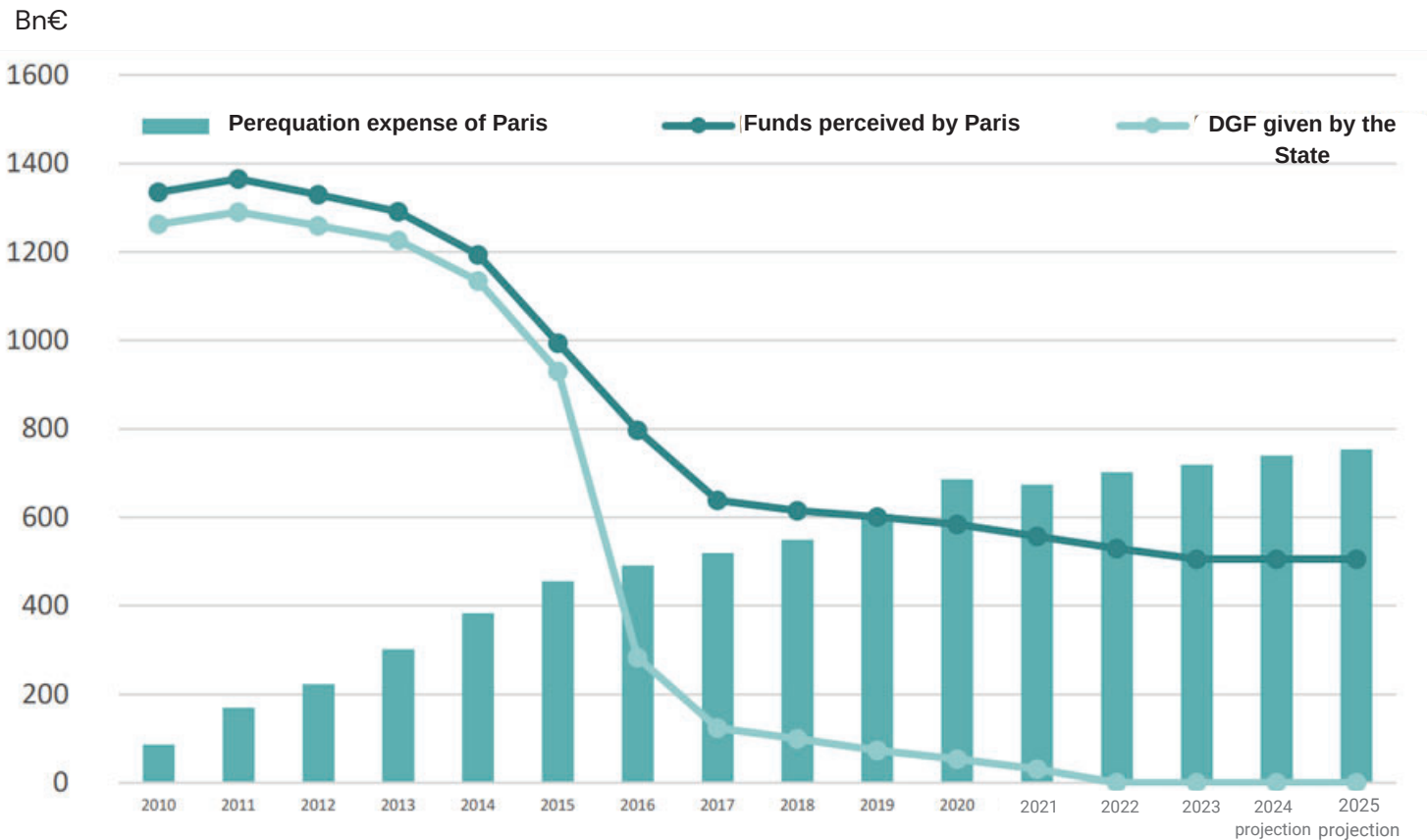
Financial expenses

21%
of national perequation
is financed by Paris

Perequation means equalization. It is a constitutional measure of redistribution between the french collectivities.

+100_{mn} €
on the city's energy bills,
due to the energy crisis

COMPARATIVE EVOLUTION OF GOVERNMENT GRANTS AND PEREQUATION EXPENDITURE



For the fourth year in a row, the balance of financial relations with the State is therefore in deficit for the City of Paris.

DGF means “Dotation Globale de Fonctionnement”, it is funds given by the State (voted by the french parliament) to every french collectivities (including cities). Other funds are given by regions or departments for example.

Paris's debt

7.9bn€

including 1bn€ of “covid debt”

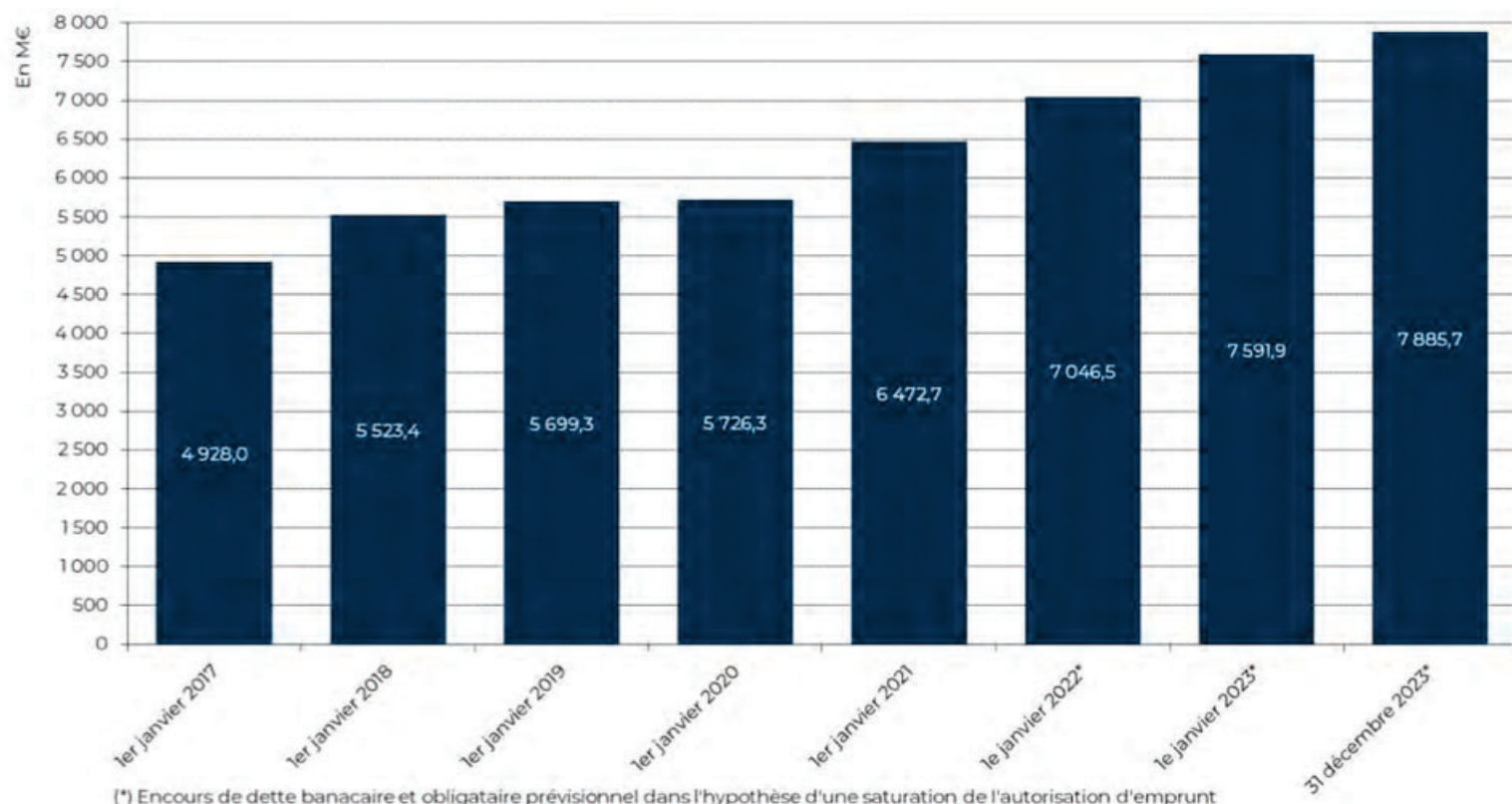
3551€/
debt per inhabitant

Fixed rate bond

A fixed-rate bond is a debt instrument with a level interest rate over its entire term, with regular interest payments known as coupons. It avoids the risk that a mortgage or loan payment increase over time.

Paris's debt

Evolution of the bank debt



The financing requirement for investments, covered by the borrowing authorization, amounts to €544.8 million in the 2023 budget. In the event of the authorization being fully utilized, the bank and bond debt would reach €7,833.7 million as of December 31, 2023. This figure is in addition to other debts incurred, particularly within the framework of the energy performance contract (€19.2 million) and the loan schedule for the Philharmonie (€66.5 million). Therefore, the total debt of the City would amount to €7,935.3 million.

Long-term obligations

City of Paris Bond Ratings



Aa2

AA

AA-

- A bond rating is a way to measure the creditworthiness of a bond, which corresponds to the cost of borrowing for an issuer. These ratings typically assign a letter grade to bonds that indicates their credit quality. Private independent rating services such as Standard & Poor's, Moody's Investors Service, and Fitch Ratings Inc. evaluate a bond issuer's financial strength, or its ability to pay a bond's principal and interest, in a timely fashion

Moody's		S&P		Fitch		Equivalent to SVO Designations	Rating description	
Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	NAIC		
Aaa	P-1	AAA	A-1+	AAA	F1+	1	Prime	Investment-grade
Aa1		AA+		AA+			High grade	
Aa2		AA		AA				
Aa3		AA-	AA-					
A1		A+	A-1	A+	F1		Upper medium grade	
A2		A		A				
A3	P-2	A-	A-2	A-	F2	2	Lower medium grade	
Baa1		BBB+		BBB+				
Baa2	P-3	BBB	A-3	BBB	F3	3		
Baa3		BBB-		BBB-				
Ba1	Not prime	BB+	B	BB+	B	4	Non-investment grade speculative	Non-investment grade AKA high-yield bonds AKA junk bonds
Ba2		BB		BB				
Ba3		BB-		BB-				
B1		B+		B+				
B2		B	B					
B3		B-	B-					
Caa1		CCC+	C	CCC	C	5	Substantial risks	
Caa2		CCC					Extremely speculative	
Caa3		CCC-					Default imminent with little prospect for recovery	
Ca	CC							
	C			6				
C		DDD	/					
/	D	/	DD		/	In default		
				D				

Tax level and distribution

<i>(en M€)</i>	BP 2021	BP 2022	ÉVOLUTION
Residence tax	189,9	184,5	-2,8 %
Property tax	1080,2	1079,8	0,0 %
Property contributions	0	327,2	N/D
Flat-rate	3,1	3,1	0,0 %
Contributions on value added	497,8	484,3	-2,7 %
Extra key role	17,8	12,8	-28,1 %
Direct taxation	1 788,8	2 091,7	16,9 %

Taxation in France is determined by the yearly budget vote by the French Parliament, which determines which kinds of taxes can be levied and which rates can be applied¹. In France, taxes are levied by the government, and collected by the public administrations.

The main taxes in France are the corporate income tax, the business tax, stamp duty, customs and excise duties, and environmental taxes.

VAT registration is required for companies in France.

Contact information

City's Mayor Office-----+33 1 42 76 40 40
Finance Office-----+33 1 44 50 46 50
Fraud Hot Line----- 0809 540 550
Budget Office-----+33 1 40 04 04 04
Health Line and Right-----+33 1 53 62 40 30
Notary Line-----+33 1 44 82 24 00
Health and Safety Inspection -----+33 1 70 96 20 00
Chamber Of Commerce -----+33 1 55 65 44 44



<https://twitter.com/Paris>



https://www.instagram.com/paris_maville



<https://www.facebook.com/paris>

Sources



Link Primary Budget of Paris:

- <https://www.paris.fr/pages/budget-2023-les-principaux-investissements-au-service-des-parisiens-22698#:~:text=Le%20budget%202023%20de%20la,les%2010%20milliards%20d%27euros.>

Link Statista about the City of Paris:

- <https://fr.statista.com/themes/7717/la-ville-de-paris-en-france/#topicOverview>

Link INSEE:

- <https://www.insee.fr/fr/statistiques/2011101?geo=DEP-75>



NGUYEN Kim-Charles
RATEAU-BOISSE Clément
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