Cour des comptes

Chambres régionales
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Tax and customs administrations

Executive summary

2022 Annual Public Report

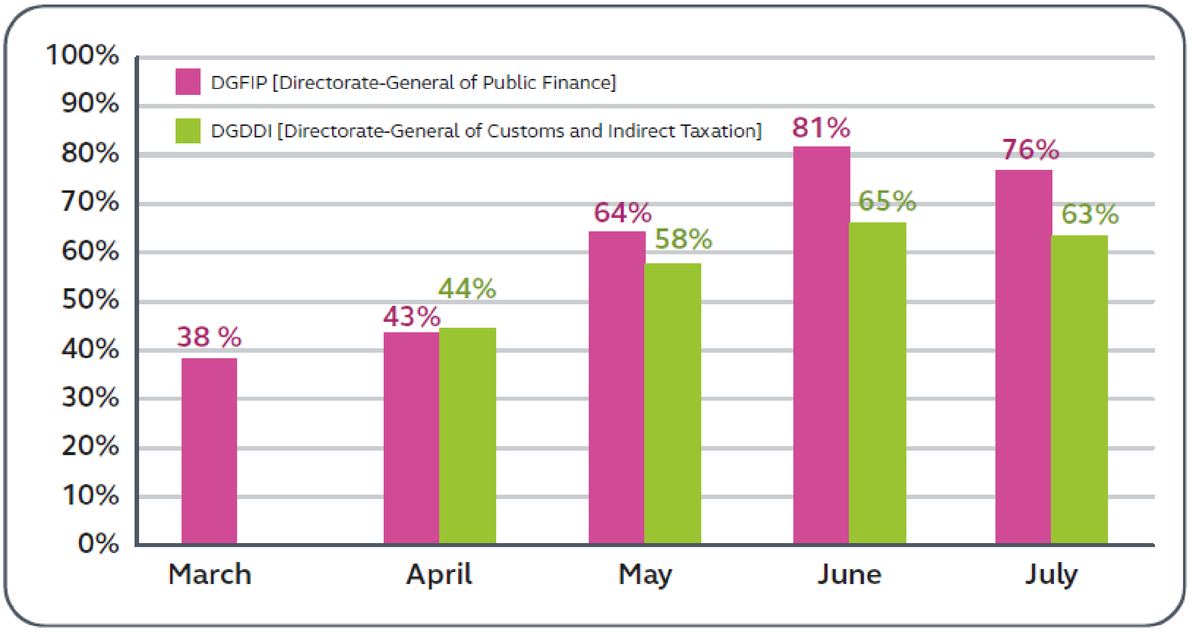
The Directorate-General of Public Finance (DGFiP) and the Directorate-General of Customs and Indirect Taxation (DGDDI) constitute the two main directorates with a territorial network of the Ministry of the Economy, Finance and Recovery, both in terms of their staff (nearly 100,000 employees for the DGFiP, 17,000 for the DGDDI, 90% of whom work within the local network) and in terms of their presence throughout national territory.

The resources of these two administrations were much called upon in 2020 to support the economy, both in respect of their traditional missions and new missions directly linked to the health crisis, such as the payment of grants to businesses (solidarity fund) and supplying the country with personal protective equipment (including masks) and with medical equipment.

Departments insufficiently prepared for a crisis of such magnitude

The DGFiP and the DGDDI were insufficiently prepared, both from the point of view of crisis management tools (lack of an updated business continuity plan) and capability to set a large number of their staff up to work remotely. In March 2020, only 27% of DGDDI staff (excluding the surveillance branch) and 17% of staff at the DGFiP were equipped with laptops. As a result, many staff were unable to work during the first lockdown. Also, the two directorates experienced a sharp drop in activity during this period (March to May 2020), a bigger drop than that observed in most countries of the Organisation for Economic Co-operation and Development (OECD).

Changes in the proportion of staff working (in the workplace and from home) at the DGFiP and the DGDDI, between March and July 2020



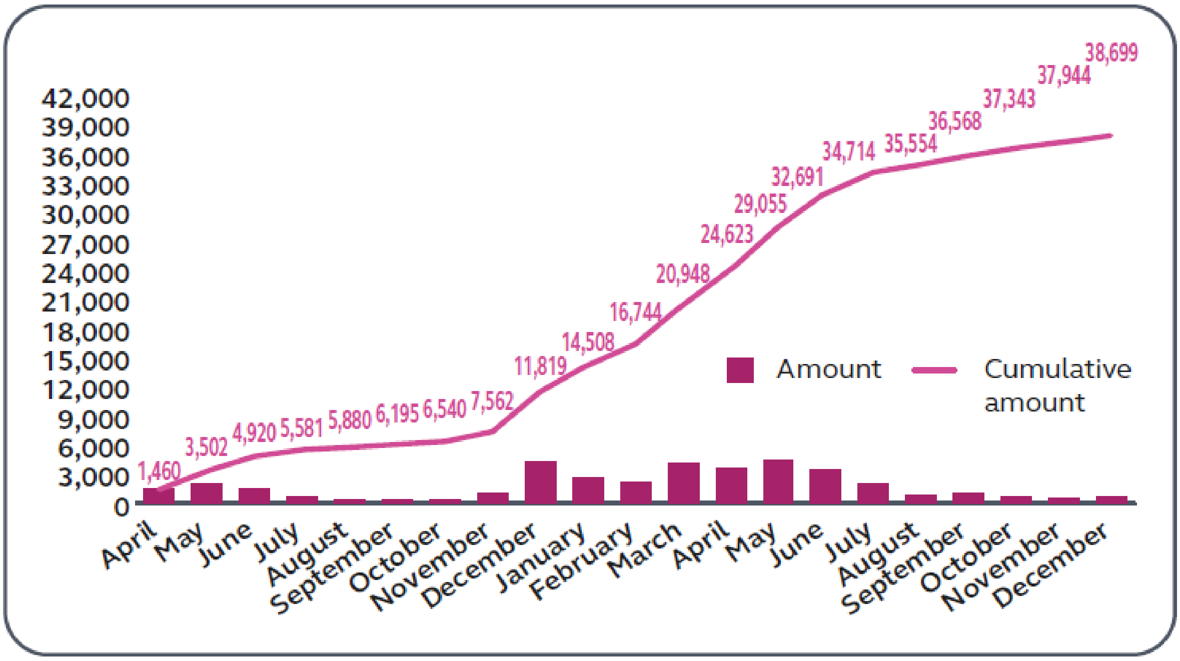
Source: Court of Accounts, according to data from the General Secretariat of the Ministry of the Economy, Finance and Recovery, MEFR
Notes: (1) Average of all data available for the days of the month concerned.
(2) Absence of DGDDI data for March 2020.

The two directorates have been able to gradually increase their workforce, in particular thanks to the acquisition of laptops (54,000 computers were purchased by the DGFiP between March 2020 and June 2021, bringing the number of employees with computer equipment to 81%). However, remote working is still being penalised by the insufficient digitisation of processes, particularly concerning payroll or stamp duty (successions, gifts, articles of association).

Two departments that have demonstrated significant adaptability

Despite their initial lack of preparation and equipment, the DGDDI and the DGFiP demonstrated their responsiveness in fulfilling their traditional missions and implementing new missions linked to the crisis. Thus, 2.6 billion protective masks were cleared through customs between the end of March and the end of June 2020 at Roissy-Charles de Gaulle airport. In addition, between April 2020 and December 2021, the DGFiP paid out 10.8 million grants for an amount of €38.7 billion under the solidarity fund. However, retrospective verifications on these grants still need to be fully implemented. In fact, more than a year after being identified, sums unduly received have still not formed the subject of a request for reimbursement.

Grants from the solidarity fund paid out between April 2020 and December 2021 (in €m)



Source: Court of Accounts, according to DGFiP data

The lessons to be learned in order to cope with potential new crises relate mainly to crisis management tools and culture, remote working capabilities and the verification of new activities (solidarity fund).

Recommendations

The Court makes the following recommendations:

1. update business continuity plans once a year, carry out a crisis simulation exercise involving operational departments at least every two years within each directorate, and collect feedback (*DGFiP, DGDDI*);

2. in order to ensure business continuity, develop remote working capabilities whilst ensuring an appropriate level of security (*DGFiP, DGDDI*).

The Court also repeats the recommendation it had already made in the 2021 Annual Public Report and in the report produced at the request of the National Assembly Finance Committee on public spending during the crisis:

3. effectively implement retrospective verification plans concerning grants from the solidarity fund paid out since March 2020; in the event of wrongful payment, initiate measures to recover undue payments and, where applicable, criminal proceedings (*DGFiP*).