CATELLA

# OVERVIEW: The SDRIF-E 2040 and its impact on the Ile de France region’s economic and urban development

**MARKET SUMMARY**

NOVEMBER - 2025


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# INTRODUCTION

**In July 2025, the Council of State approved the new Master Plan for the Ile de France region, the SDRIF-E 2040, ("Le schéma directeur de la Région Iledе-France"), which defines the region's major planning guidelines for the next 15 years**. This authoritative reference document imposes constraints on both local authorities and private stakeholders, as well as **providing a comprehensive picture of the prospects for economic and urban development in the Ile de France region over the next 15 to 20 years**.

The SDRIF E-2040 was developed following a series of **consultations** with a historic number of stakeholders and was therefore a **highly consensual creation**. This level of unanimity around a major planning document is very significant, because while the SDRIF can prohibit construction on, or otherwise define, how specific plots of land can be exploited, the majority of the guidelines set out in the document are non-binding. The **wider environment** in which the SDRIF was adopted should also be emphasised: **a period of significant changes, and sometimes crises, having a profound impact on the Paris region**. This has involved climate change, many new economic challenges, international upheaval and, more generally, the questioning of certain long-established models, particularly as they affect the work environment. **The SDRIF E-2040 has declared a goal of Zero Net Artificialisation (ZAN). This further strengthens objectives put forward in the SDRIF 2013, while promoting the creation of housing. It also addresses issues such as the worsening regional vacancy rates for office buildings in recent years, the reindustrialisation of the Ile de France region, and the regeneration and densification of certain urban areas**.

Over the next two years, local municipal authorities will be obliged to follow these directives to ensure that their urban planning documents are compatible with the Master Plan. **This study is intended to help provide essential information in order to "decipher" the complex major development initiatives for the Ile de France region over the next fifteen years**. We have focused on announced economic and urban development schemes up to 2040, as well as on economic data related to non-residential real estate that we believe are relevant to illustrating the many challenges needing to be addressed by both public and private stakeholders.

## Ile de France:

- 12,000 km²
- A population density of over 1,000 inhabitants/km²
- Heavily urbanized, but also many semi-urban and rural areas
- 12.4 million inhabitants – 18% of France's total population
- 5.183 million private-sector employees
- 26% of national private-sector employment
- 30% of national GDP and 5% of European Union GDP

In the Ile de France region, which accounts for 30% of the national GDP across eight départements, urban development and planning have long been tightly regulated; the first Master Plan dates back to 1965, and Ile de France is the only region in mainland France still subject to regional planning restrictions under the SRU law, through the Ile de France Regional Master Plan (SDRIF).

The SDRIF is a regulatory document developed by the Ile de France Region in collaboration with the French government, based on extensive consultations with local authorities, economic stakeholders, and residents. Its objectives are:
- To regulate urban growth, land usage, and the preservation of rural and natural areas,
- To determine the location of major transportation infrastructure and facilities,
- To promote the region's international reputation.

The two previous SDRIFs date from 1994 and 2013. The new master plan was therefore drawn up only 12 years after the previous one, with Ile de France authorities considering it essential to accentuate land sustainability and rebalance development policies.
The SDRIF must comply with the Urban Planning Code, as well as with projects considered in the interests of the French state. Conversely, many urban planning documents must be compatible with the SDRIF, in particular the Ile de France Urban Travel Plan (PDU), the Territorial Coherence Plan (SCOT) and the Local Urban Plans (PLU).

Dates of compliance will vary according to specific municipal planning documents but must not exceed 2028. Moreover, approval decisions (ie., for office buildings, manufacturing sites, etc.) must also be compatible with the SDRIF.

# I. MAIN POLICY GUIDELINES OF THE SDRIF-E 2040

**The main policy guidelines of the SDRIF-E 2040 are based on environmental, economic, and social considerations. They also take into account the enormous asset that the opening of the Grand Paris Express network will represent.**

### Land sustainability

The 2013 SDRIF was already a major milestone in reducing urbanisation, leading to a more than 50% reduction in land artificialisation between 2014 and today. The SDRIF-E 2040 is characterized by the prioritisation of even greater **land sustainability** in the Ile de France region, with the aim of achieving Zero Net Artificialisation (ZAN) by 2050. The main procedural steps are a reduction in land use, and subsequent artificialisation, by 23% from 2021 to 2031, then by 29% from 2031 to 2040. These objectives are to be fulfilled concurrently with the construction of **70,000 housing units per year**, in accordance with the "Greater Paris Law". Similarly, one of the main objectives of the SDRIF is to strengthen the economic dynamism of Ile de France, while simultaneously **limiting the types of sprawl typically created by urban and suburban activity and commercial area development**.

Future economic development, as well as the construction of housing or public facilities, must therefore primarily take place in already urbanized areas, and must **prioritise renovation, refurbishing, and space repurposing wherever necessary**. If such development necessitates space expansion, this must be limited, served by public transportation, dense, and with the reversibility of buildings also prioritised.

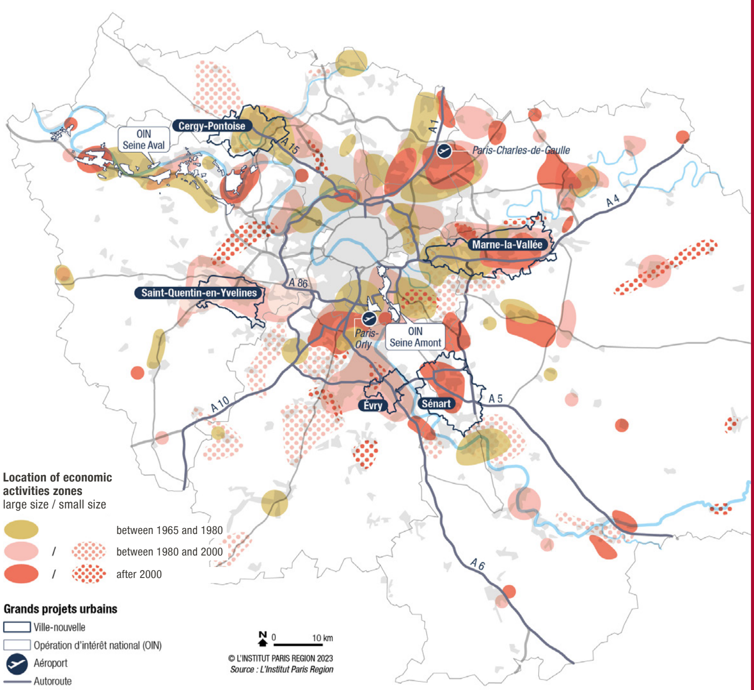
### Reindustrialisation

Already a major national challenge, reindustrialisation is also a central regional concern, with Ile de France aiming to become the country's leading industrial centre. We will consider economic development issues in more detail in the second part of this study, but one of the major priority shifts in the SDRIF-E 2040 compared to the two previous SDRIFs **is the protection of certain industrial areas**. More than 50 existing or brownfield sites in Ile de France have been identified, covering 14,500 hectares, and will be reserved exclusively for industrial activities considered of strategic importance. Again, there is a desire to preserve and densify existing industrial sites, but a further 835 hectares of potential industrial development sites have also been identified.

### "Polycentrism" and Mixed Usage

One of the most ambitious objectives of the SDRIF-E 2040 is to be instrumental in a transition from overall economic development being concentrated in the present "hypercentre" of the wider Paris metropolitan area, to one with **multiple hubs throughout Ile de France, served by extensive, multifunctional public transportation links**. This "polycentrism" will rely heavily on the Grand Paris Express network, as well as on extending existing transportation networks and the creation of new lines as listed in the SDRIF.
In total, **the SDRIF-E intends to create 144 autonomous yet interconnected hubs**. These hubs will aim to rebalance present employment and housing discrepancies in the Paris region's primary catchment areas, as well as to provide residents with "easy access to employment, a comprehensive range of amenities, shops and services, and to nature."

## 50 years of economic activities zones




The growth of residential and commercial development, and the resulting increase in land prices, have largely contributed to the reduction of space dedicated to light industrial activity in the heart of the Paris metropolitan area. Between 2012 and 2021, nearly 400 hectares of business space, (out of a total of nearly 8,000 hectares), disappeared. As a result, related economic activities have largely moved to the outer suburbs. With such developments subject to land sustainability restrictions, these expansions will be increasingly limited as exploitable economic land becomes scarcer. Grand Paris Aménagement estimates that the consumption of economic land in the Paris region over the last 20 to 30 years has averaged 250 to 270 hectares per year. The SDRIF-E 2040 has identified 835 hectares dedicated to new industrial development and aims to preserve 14,500 hectares of either already developed land or brownfield sites, which can be densified and remain orientated towards industrial use. However, the repurposing of already developed land faces multiple complications: activity zones are typically occupied by numerous companies, (whether owners or not), whose needs and financial capacities are varied and difficult to reconcile within any global project.

# II. ECONOMIC GUIDELINES AND POTENTIAL IMPACTS ON NON-RESIDENTIAL REAL ESTATE

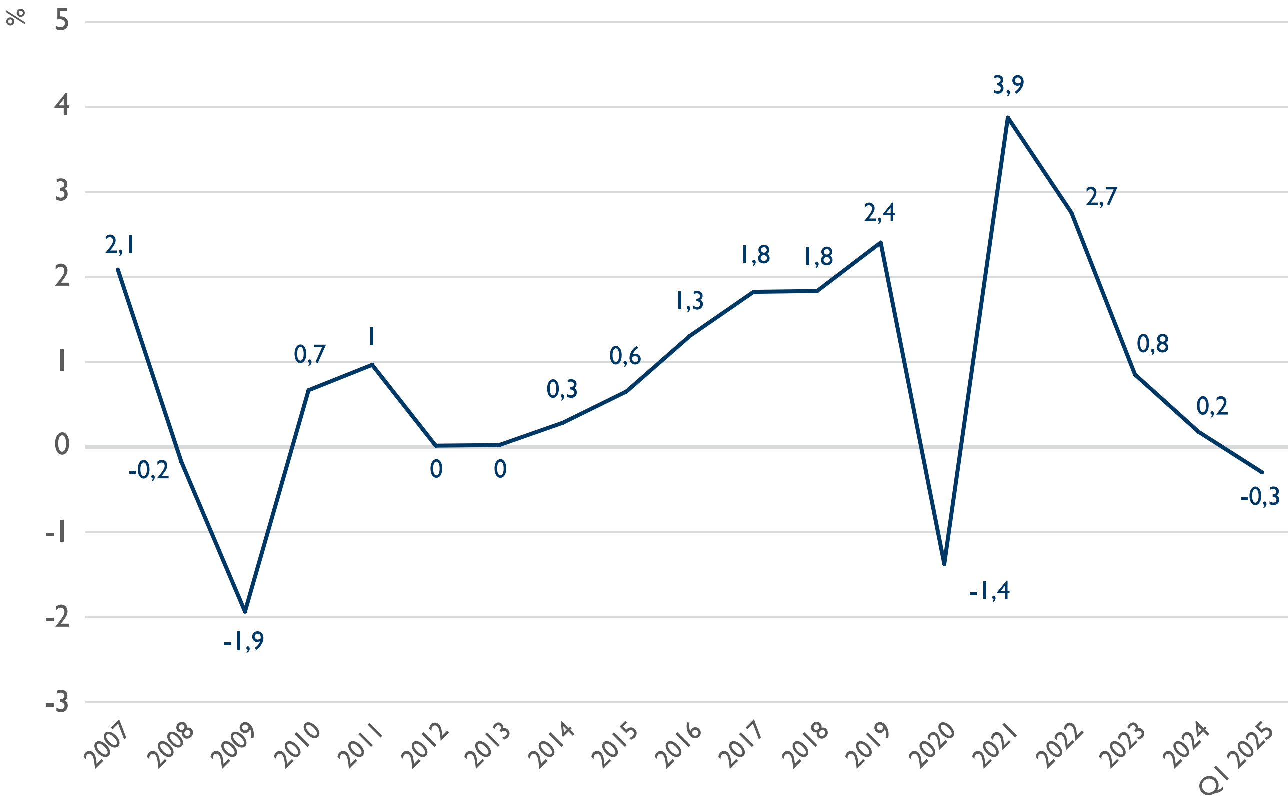
## II-1: THE CURRENT CONTEXT

Before presenting the main set of guidelines of the SDRIF by property asset type in more detail, we believe it is important to highlight the economic and real estate market context in which the SDRIF-E was adopted — as well as any changes that may have occurred since. (We have based our analysis mainly on private employment statistics obtained from URSSAF and on Immostat data, both of which are very recent.)

### First signs of negative growth in private sector employment in the Ile-de-France region

**The 2020 Covid crisis put a sudden end to employment growth in Ile de France:** for the first time since the 2008-2009 economic crisis, the number of private sector jobs declined in the region (-1.4%). The exceptional depth of this crisis explains the rebound that followed in 2021 (+3.9%) and 2022 (+2.7%). But this recovery has run out of steam, and while growth in the workforce was still slightly positive at the end of 2024 (+0.2%), the first figures published by URSSAF in 2025 showed a **decline in the first quarter of 2025**: 5.183 million jobs: -0.3% year-on-year. (It should be noted, however, that the average year-on-year decline in Q1 2025 was -0.5% nationally.)

Ile de France Employment growth: 2007 - Q1 2025




— Source: URSSAF

**A strong shift to the service sector for the Ile de France economy, (which does not necessarily always translate into office jobs)**

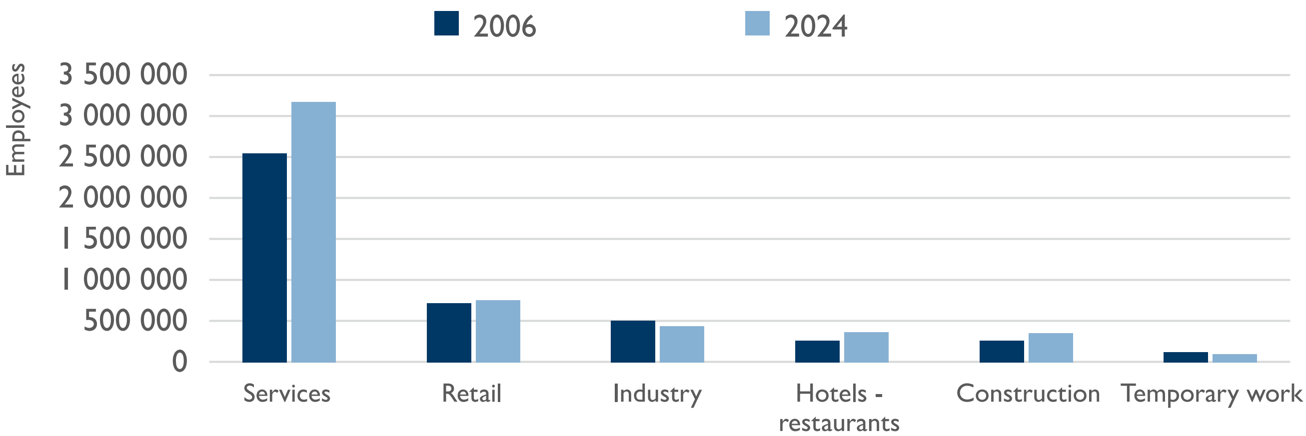
Ile-de-France is a highly tertiarised region: in 2024, 61% of private sector jobs were in the services sector (3.167 million employees: +25% between 2006 and 2024), including 21.6% in the retail and in the hotel and restaurant sectors (1.12 million employees).

**Manufacturing, which still accounted for 12% of employment in 2006, has declined proportionally, to only 8% of private-sector employment in Ile de France in 2024 (437,500).** It should be noted that not all of these jobs are necessarily in the productive sector and may be linked to the headquarters of industrial companies: 37% of regional manufacturing jobs are located in Paris or in the Hauts-de-Seine département.

The two largest manufacturing sectors in Ile de France region are transportation equipment manufacturing (65,300 employees, a 25% decrease compared to 2006) and the agri-food industry (64,300, a 33% increase).

It should be noted that land **pressure on economic activity** is very severe in the Ile de France region, and new industrial activity development is very limited, if not virtually impossible, in the inner suburbs of Paris. Over the past 15 years, the area located within the A-86 secondary ring road surrounding Paris has lost approximately 30 hectares of land dedicated to economic development (excluding office buildings) per year and will lose 50% of such remaining land in the next 10-15 years, to the benefit of new urban projects either already approved or underway. While development in recent years has often taken place in the outer suburbs, available land has also become increasingly rare in most of these areas.

## Private-sector employment by sector: 2006 vs. 2024



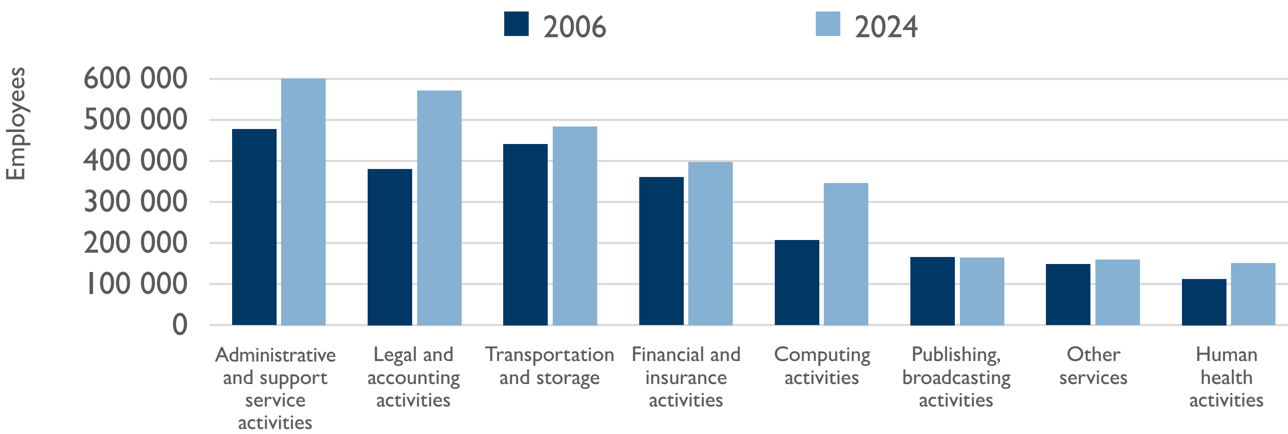

— Source: URSSAF

It should be noted that, while not all industrial jobs involve manufacturing, likewise not all **service-sector** jobs are office-based: among the most dynamic service sectors are transportation and warehousing, along with administrative and support services, which include cleaning and security activities.

Ile de France remains **a prime location for major service-sector industries**. The sectors that have seen the strongest recent growth in the number of employees are legal services, consulting and engineering activities (477,400 employees in 2024 / +50% compared to 2006), and IT services (289,200 / +67%).

The financial services and insurance sectors are also major and long-established players within the Ile de France economy, with 332,300 employees (+10% between 2006 and 2024). However, there has been a sharp decline in the number of employees in the telecommunications sector (55,000 employees in 2024: a decline of 23% compared to 2006).

## Leading private-sector services in Ile de France: 2006 vs. 2024

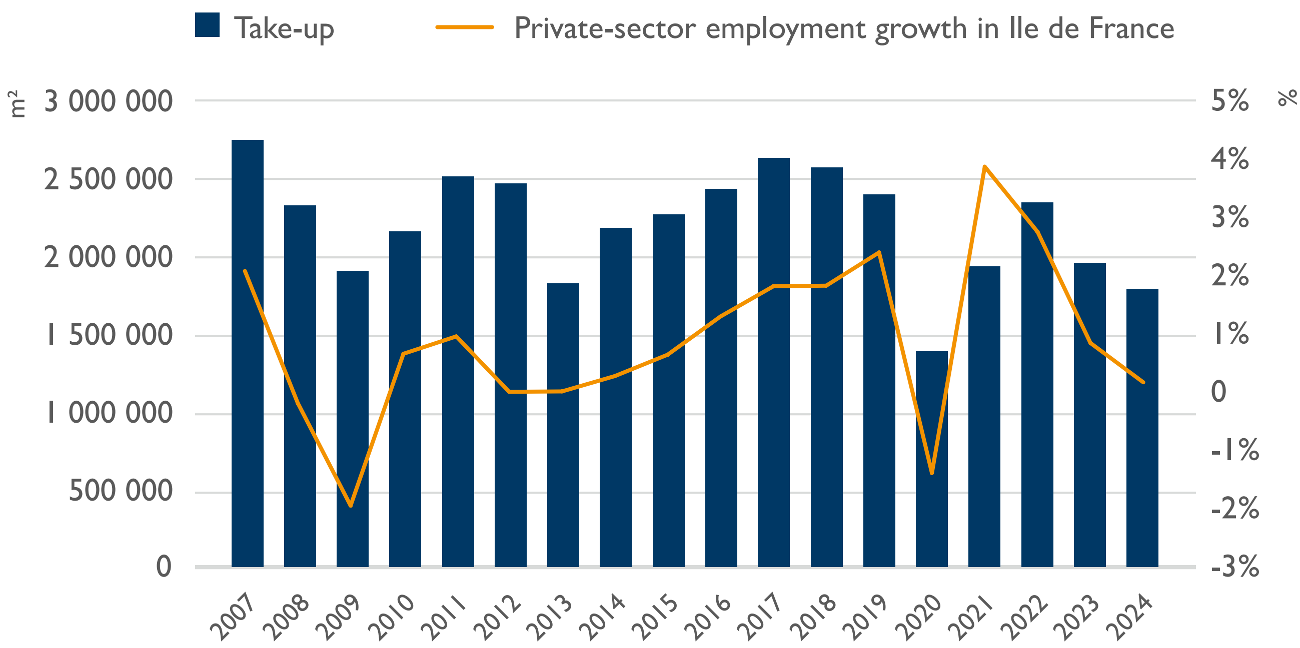



— Source: URSSAF

### A very turbulent office market

In close correlation to regional employment trends, office take-up has been declining sharply since 2023.

## Private-sector employment growth and office take-up in Ile de France: 2007 - 2024



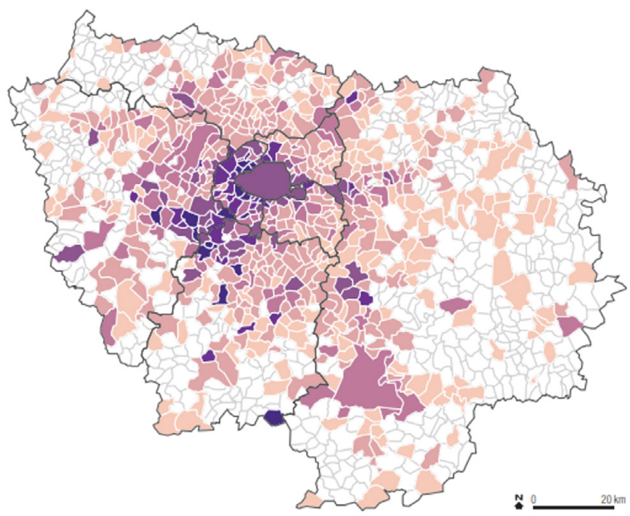

— Source: Immostat / URSSAF

In addition to employment growth fluctuations, other factors have also played a large role in the decline in take-up:

- The widespread adoption of remote working policies in the region: **in July 2024, a study by l'Institut Paris Région estimated that 43% of employees regularly worked from home, averaging 2.1 days per work week.**
  The average number of remote working days varies, mainly depending on the size and sector of activity of companies. But at the regional level, the decline in office occupancy in established business districts is now very evident. Space requirements may therefore decrease, especially since many companies have switched to "flex office" arrangements. As a result, we may see a trend of higher vacancies, with office workers being reorganised on a more limited number of locations, as well as smaller offices being leased.

  During and after the Covid health crisis, remote working became more widespread and was employed proactively for easing traffic congestion during the Paris Summer Olympics. However, some companies now seem to want to reverse their remote working policies and bring their employees back to the office. Société Générale and Free, for example, have recently made announcements to this effect. However, it is still too early to truly anticipate a widespread "back to the office" trend, especially since a majority of employees seem satisfied with flexible working arrangements, to the point that it has often become a recruitment enhancement tool.

## Job polarization and remote work are connected




Share of jobs with remote work on a regular basis
Ile de France average: 41%

20 30 35 40 45 50 60%

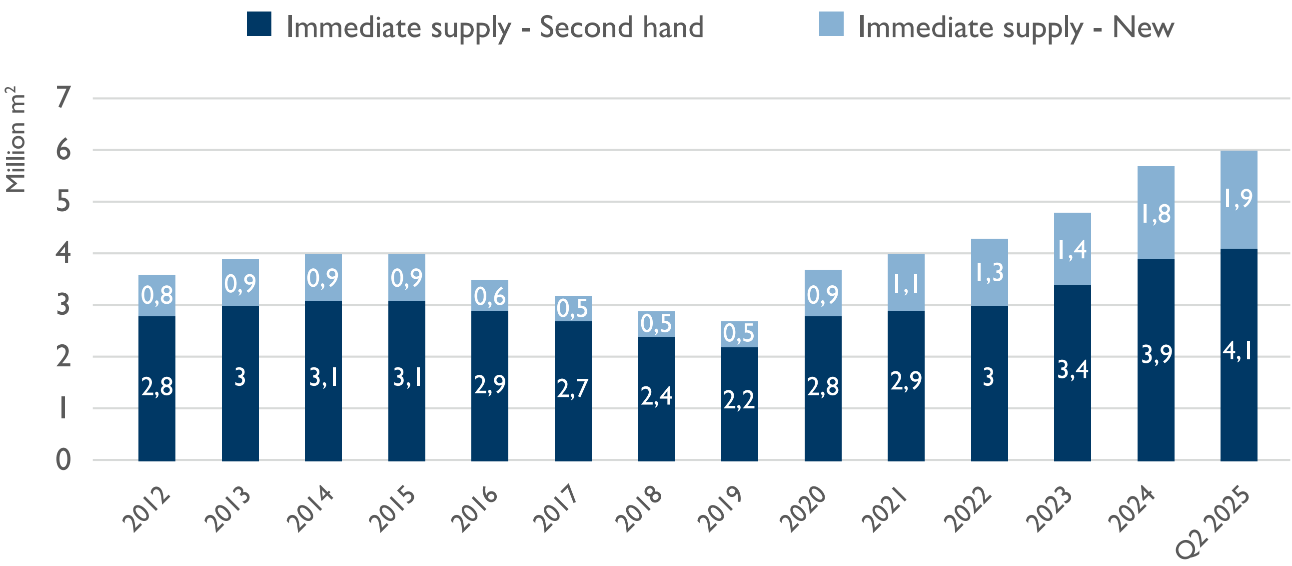
Cities with 200 and more jobs

— Source: Institut Paris Région

- Another major factor in the decline in take-up is the fact that many businesses are **retaining their current office premises**. Tenants are frequently **renegotiating** their leases and, while office supply is growing - and, somewhat paradoxically, asking rents are higher in certain markets, many tenants are choosing to renegotiate both the surface areas and leases for their present locations, under conditions that are often very advantageous to them, rather than opting to move. These new rental deals sometimes also involve a reduction in space requiremets: a phenomenon that is unfortunately impossible to quantify.

A direct consequence of this decline in office space needs has **been a very sharp increase in supply in the Ile de France region, where more than 6 million m² of vacant surfaces** are now immediately available. **This record-high level is far from consisting entirely of obsolete office buildings; it also includes nearly 2 million m² of new and refurbished offices**, most of which were under construction before or during the Covid crisis. Some of these surfaces are very large, which has often delayed their times to market. At present, 18 buildings with surfaces of over 20,000 m² are available, totalling 700,000 m²).

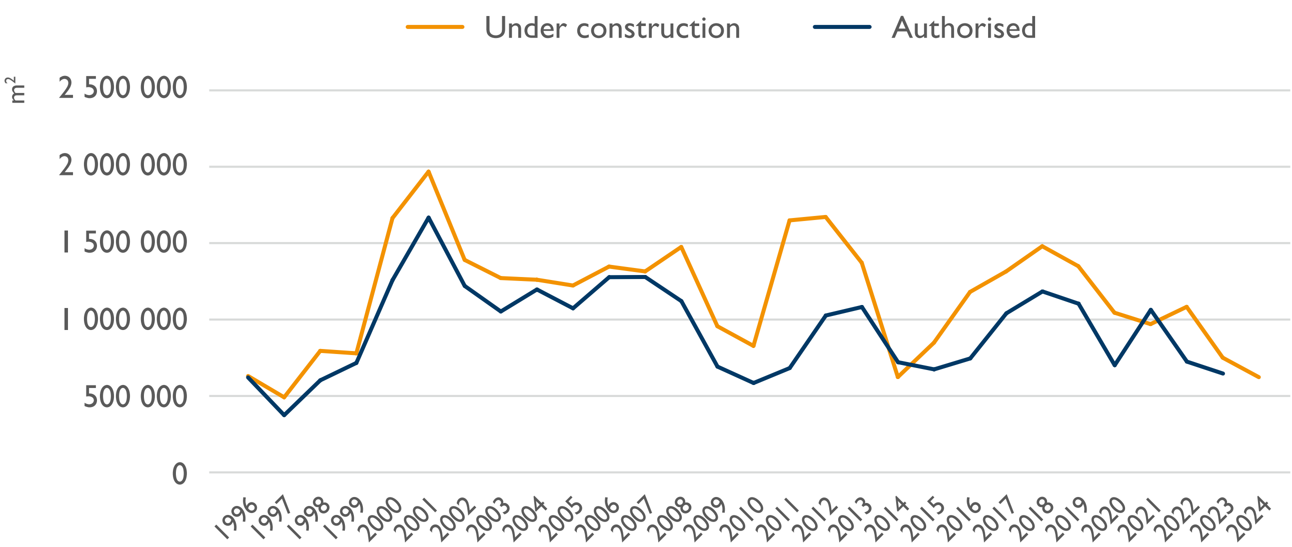
## Immediate supply by building status: 2012 - Q2 2025




— Source: Immostat

While new supply is currently at a historic high, **there has been a significant regional slowdown in projects being developed outside of Paris**. Construction and redevelopment projects are in sharp decline overall, as are speculative acquisitions of buildings by investors.

## Office building projects authorised and under construction in Ile de France: 1996 – 2024

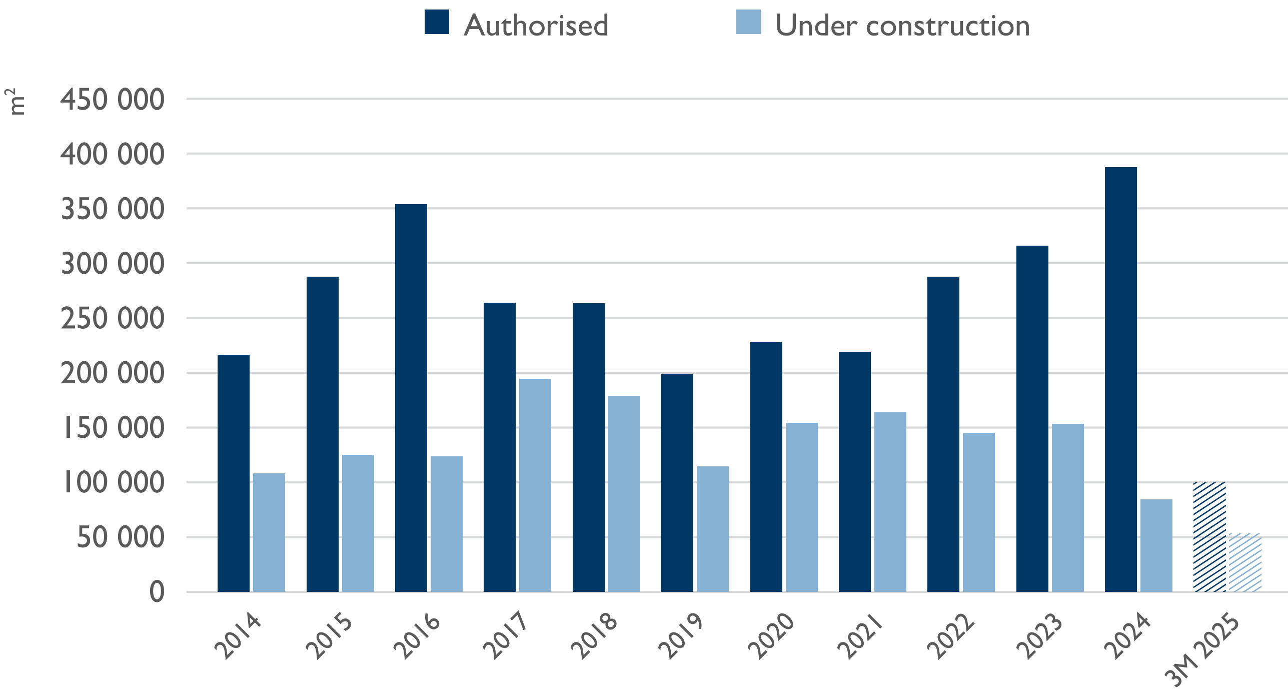



— Source: Sitadel

A major negative market factor at present is the extent to which the obsolescence and/or unattractive location of certain office assets is weighing on supply in the Paris region, even threatening to create market "wastelands. In 2023, we discussed the issue of **asset transformation***. This has increasingly become a timely issue, and new regulatory instruments should facilitate overall related processes in the near future.

Since 2014, between 200,000 m² and nearly 400,000 m² of office space has been granted change-of-use authorisation each year. However, construction starts have been lower: between 108,000 and 194,000 m² by 2023, and only 84,500 m² in 2024.

## Repurposed office surfaces in Ile de France: 2014 – Q1 2025




— Source: Sitadel

*https://www.marketsummarybycatella.com/en/office-building-conversion-in-ile-de-france-an-overview/

### Growth in retail, leisure, and tourism-related activities

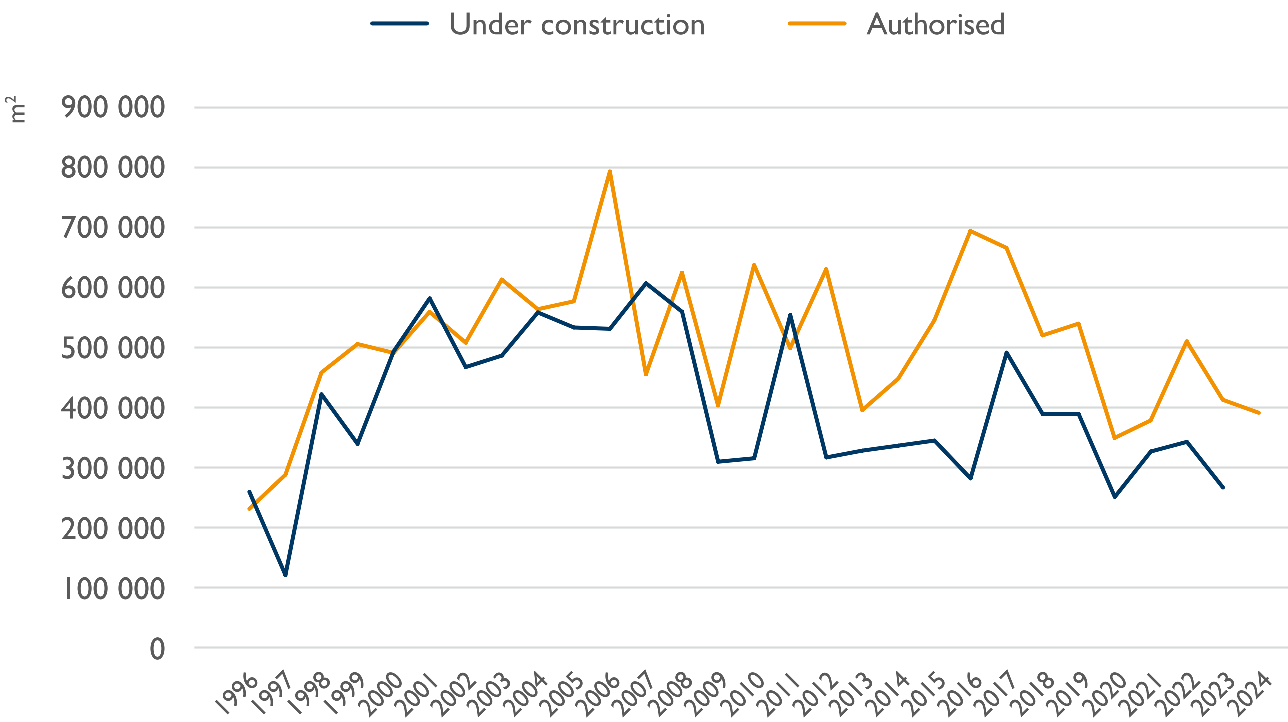
The Ile de France region is a major population centre and is also the world's top tourist destination, with nearly 49 million visitors in 2024. As a result, retail shopping, leisure, and tourism-related activities have demonstrated significant resilience following the Covid crisis.

The number of employees working in retail (ie., wholesale and shops) has grown by 5% between 2006 and 2024, a rise linked to employment in retail shops: 385,300 employees in 2024 (+16%).

However, as also seen at the national level, the retail sector in Ile de France is suffering from a decline in consumption in certain areas, with many city centres being faced with rising vacancies.

It should be noted that large retail-related projects are now very limited in the Ile de France region: expansions of sales areas of more than 10,000 m² are prohibited, and new area creations or expansions of between 1,000 and 10,000 m² are subject to strict oversight.

Retail projects authorised and under construction in Ile de France: 1996 – 2024




— Source: Sitadel

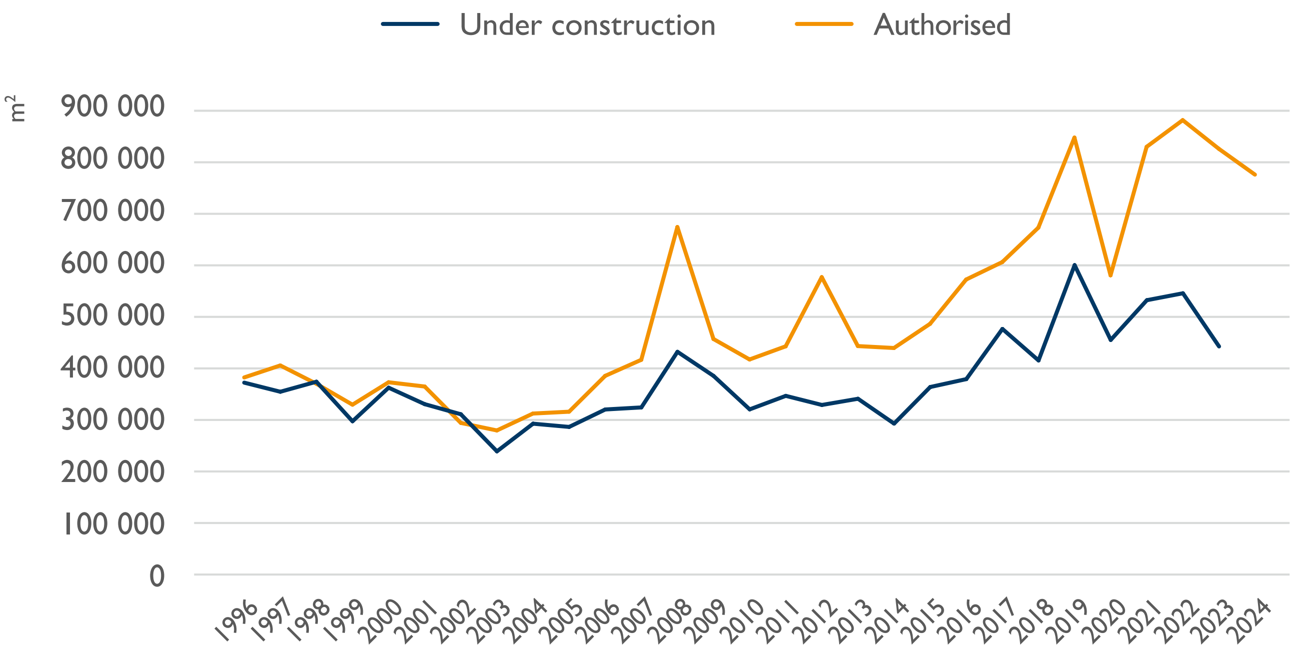
However, the accommodation and restaurant/ catering sectors are experiencing strong growth, with the number of jobs reaching 297,400 in restaurants and catering (+44%) and 69,200 in accommodation (+22%). Also worth mentioning are the sports, recreation, and leisure activity sectors, which employed 65,300 people in 2024, a figure up by 60% compared to 2006.

**Logistics, an essential economic sector for the region**

The increase in employment in transportation and warehouses (404,000 employees: +10%) illustrates the dynamism of the sectors in Ile de France in recent years.

Often criticized for its impact on environment and traffic, the logistics sector is nevertheless a major feature of the local economy. Its importance has naturally grown due to the rise in online shopping and, with regard to the region's reindustrialisation goal, this is expected to become even more substantial.

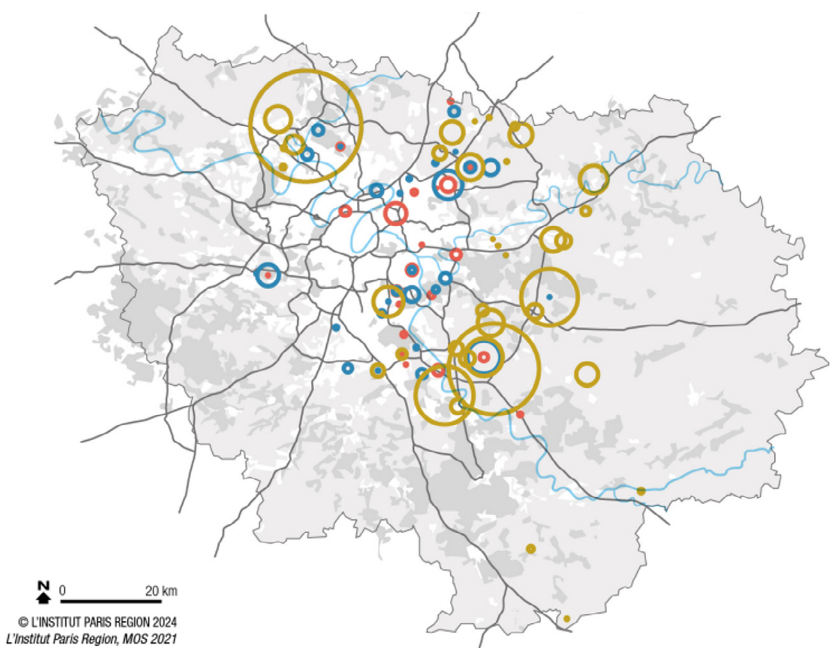
## Warehouses projects authorised and under construction in Ile de France: 1996 – 2024




— Source: Sitadel

A 2024 Institut Paris Region study shows that a third of the warehouse stock in the Paris region (20 million m²) was built between 2012 and 2020, and that the vast majority of these projects were carried out in less centralised areas of the agglomeration, due both to the scarcity and prices of available land.

## Logistics sites in Ile de France and their evolution: 2012- 2021



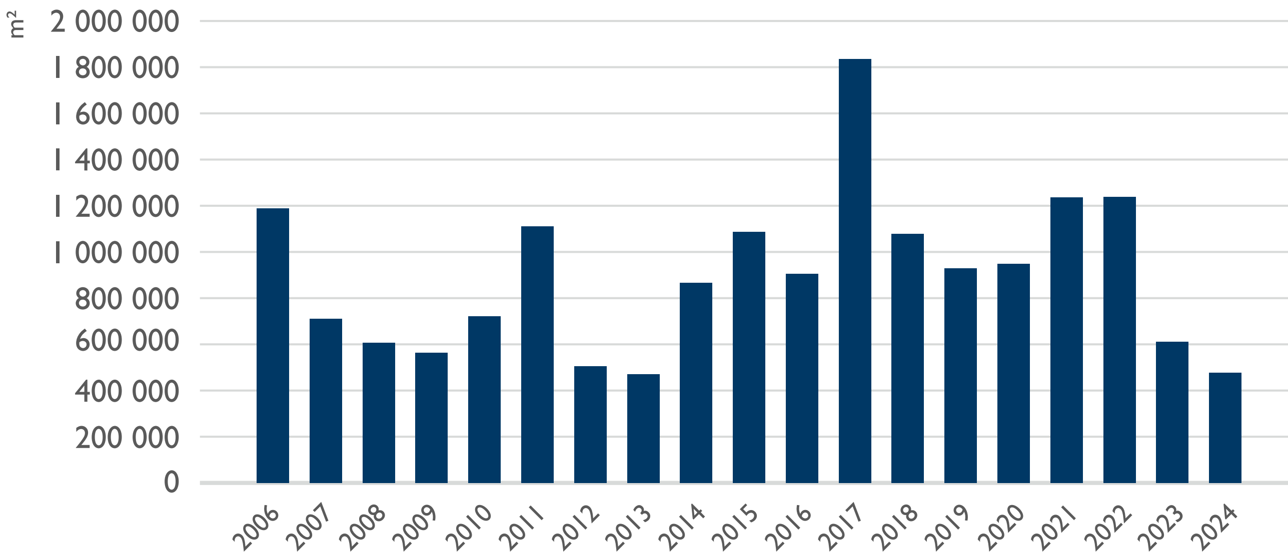

New in extension: 280 ha

New in renewal projects: 100 ha

Loss of land: 55 ha

However, the ongoing fragile economic situation has not spared the warehouse sector. As with the office market, it has seen supply increase, while take-up is lower.

## Take up in warehouses over 5,000 m² in Ile de France: 2006 - 2024




— Source: Immostat

**In summary:**

The Ile de France economy is dynamic and diversified but has not proven itself immune to the ongoing economic downturn. This has intensified since the start of 2025 and is having considerable impact on regional employment. As a result, take-up activity both for office space and for warehouses has fallen sharply. Meanwhile, supply in both sectors has been increasing, including for new buildings.

## II-2 : THE ECONOMIC COMPONENT OF THE SDRIF-E 2040

The stated overall objective of the SDRIF-E 2040 is to "strengthen a competitive and sovereign economy, committed to major transitions." It addresses each major commercial real estate sector separately in its project and regulatory guidelines. However, with the exception of industrial development sectors considered of regional importance, **functional diversity** is considered an objective in other economic sectors. This economic component is mapped in the SDRIF-E 2040 under the title "Developing Regional Productive Independence." This map, which covers the entire Ile de France region, is, however, only indicative, and local planning documents will specify the boundaries of the sectors affected by regulatory guidelines. It should be kept in mind that some of the SDRIF's recommendations are intended to provide guidance, rather than constraints.

**Nevertheless, the SDRIF-E 2040 should be considered innovative in its intentions, not only in limiting urban sprawl, but also by reserving certain land areas for economic development.**

### Manufacturing and light industrial sites:

Reindustrialisation remains at the heart of the SDRIF-E 2040 economic plan. As a result, **certain manufacturing areas in the Ile de France region have been designated as protected zones and as such, urban planning documents must align with their stated purpose**. In particular, warehouses will be permitted if they are considered in support of manufacturing activities. Residential projects are not completely prohibited, but they will only be permitted if they do not compromise the primary economic orientation of the sites concerned. (It should be noted that these protected sites are not all located in the outer suburbs: some relatively large plots are, for example, in Nanterre, Gennevilliers, Pantin, and Vitry.)

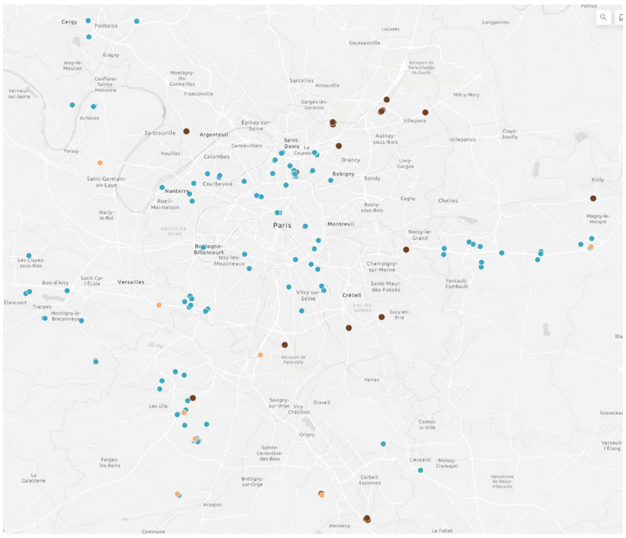
With maintaining **economic activity in established sites still the priority**, once identified, these will be renovated or modernised, with documents having to provide specific details regarding how their accessibility will be maintained. If maintaining all or part of the economic activity on these sites is impossible, the local authority will have either to create a site with equivalent capacity or upgrade an existing site to the same level.

Land usage sustainability is the guiding principle of development guidelines. For economic activity zones, the regional development project suggests other enabling vehicles for economic development, centered on the exploitation of existing properties: "**The objective of sustainable land use is to put an end to the race for land expansion, to bring private investment back to existing sites, and to reinvest in brownfield sites**."
In the same spirit, if economic development takes place through urban expansion, such urbanisation must prioritise **construction density** (ie., "small footprint" and high-rise buildings).

### Logistics:

As we have stated, regional warehouse volume has grown significantly over the past ten years, mostly through expansion. With a view to land conservation, the SDRIF-E 2040 aims primarily to **develop existing sites**: 211 sites currently benefiting from multimodal transport have been designated as protected sites and will need to be redeveloped and densified to accommodate new warehousing needs."

### Data centers in Ile de France



Building status

Delivered   Under construction   Project

— Source: Institut Paris Région

However, the warehousing infrastructure of the region will also include new sites. These should preferably be integrated into multimodal sites, which should be developed at the intersections of major road, rail, and river routes. The issue of **urban logistics** is also addressed by the SDRIF-E 2040, which emphasises the need to anticipate warehousing needs in development projects, including urban renewal projects and those in the centre of the Paris metropolitan area. This differentiates between urban distribution centers, logistics hotels, (whose network must be strengthened), and local small warehouse spaces, which can be integrated alongside or beneath buildings, for example.

### Data centres

As with other real estate products, data centers will need to prioritize their locations in existing business sites. They will only be permitted to expand in area if there is no existing urbanized alternative, and they must be compact. Moreover, the environmental impact of new data center development programmes must be limited and must also take into account the capacity of the local electricity grid and utilise their waste heat.

It should be noted that, according to some data centre specialists, operating on urban "brownfield" areas is not necessarily more expensive than relocating to urbanised locations, provided that the future data centre can benefit from existing network infrastructure and/or connection to a high-voltage grid.

## Retail

Unsurprisingly, the redevelopment and densification of existing retail sites will be prioritised over expansion projects. City centre retail outlets will have to be protected, and changing the use of commercial premises in central areas will be impossible.

The creation of retail spaces as part of any urban expansion programmes will be highly controlled: they will have to "justify their suitability with regard to existing supply in city centres, and the impossibility of finding another location." Projects for new retail facilities with sales areas greater than 2,000 m² in urban expansion will also have to compensate for the environmental impact of the project by enacting at least equivalent soil de-artificialisation measures.

Some commercial sites are also identified:
- Some are to be redeveloped, renatured and densified.
- Others are designated as "areas with high potential for change that must not be compromised." They may be repurposed into mixed-use zones in which residential or light industrial development projects will have to be dense.

## Offices:

Only three of the SDRIF's regulatory guidelines directly address office real estate. However, they call for **drastically limiting the construction of new office buildings in the Ile de France region, while promoting the transformation of obsolete assets:**

- **Renovation and transformation of existing buildings:**

Regulatory Guidance 106 is clearly stated: **"Office property renewal and renovation operations must be prioritised over the creation** of new offices, so as not to create or maintain vacancies in commercial buildings. To prevent the potential for long-term vacancy in these buildings, **urban planning documents must not hinder the conversion of offices** for other uses, particularly to meet housing needs."

Again, this directive is not fundamentally binding with regard to local authorities. **However, the legal context surrounding the issue was clarified per the law of June 16, 2025. This is aimed at facilitating the conversion of offices and other buildings into housing**. Among its provisions are possible exemptions from certain regulations under the Local Urban Masterplan (PLU) to authorise changes of property usage, constructability bonuses for student residences, and multi-destination building permits.

- **Functional diversity:**

The objective of the SDRIF-E 2040 is to increase functional diversity, particularly in areas presently having large office clusters, still potentially relying on transformation of vacant buildings, while also promoting the establishment of services and amenities for residents.

Two established business districts are highlighted in the SDRIF-E: **the Paris CBD and La Défense.** However, the guidelines are limited to the need to renovate existing stock to meet environmental requirements and to "encourage" mixed usage development in La Défense.

With regard to remote working, the SDRIF-E also mentions possibilities for developing third locations, whether already existing or yet to be created, which could be an alternative to working from home.

- **Office construction authorised primarily in areas adjacent to train stations:**

New office construction will be authorised almost exclusively in areas near train stations, and in city centres in the regional hub areas as defined in the Master Plan. **The SDRIF-E's stated ambition is to rebalance discrepancies in employment levels in Ile de France, as well as to promote locations outside the central metropolitan area, within a polycentric organisational framework.**

**In summary:**

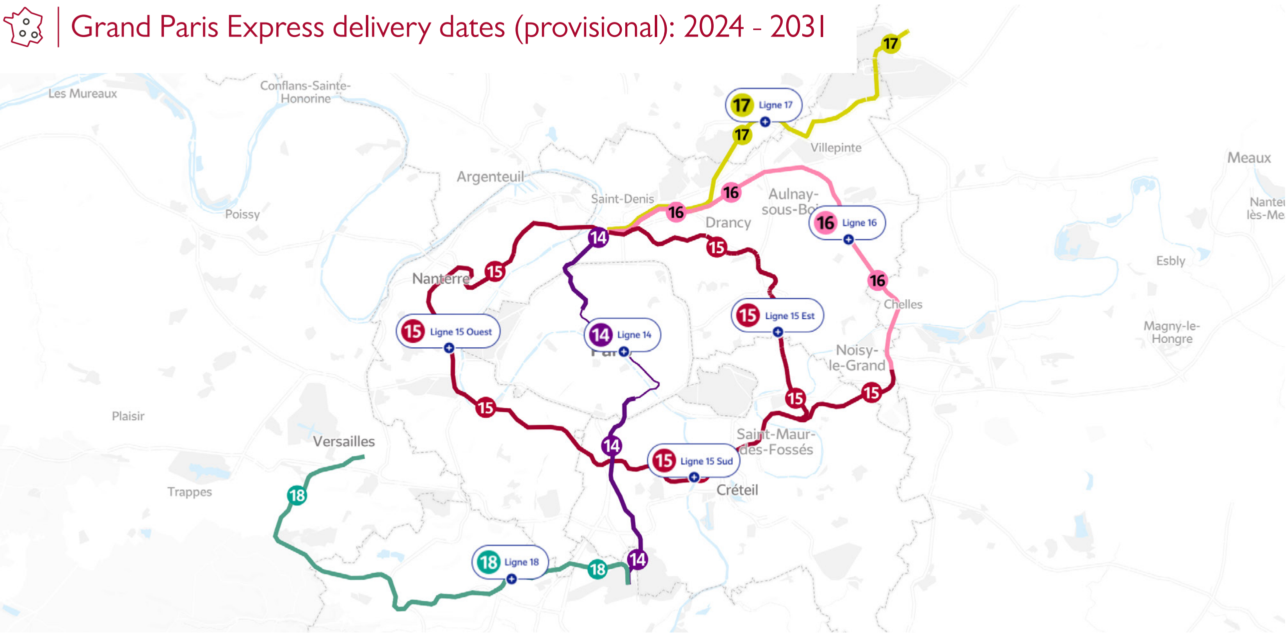
New construction involving non-residential real estate in Ile de France will be very limited, with policies heavily promoting renovation and other forms of redevelopment in already densified areas. Repurposing will be encouraged, particularly in transforming offices into housing. Economic land will be used sparingly, with manufacturing and warehouses taking priority, in multimodal hubs. Areas adjacent to train stations are sectors where construction opportunities, including for offices, will be a little more favourable.

## II-3 : POLYCENTRISM: AN AMBITIOUS GOAL, SUPPORTED BY THE COMPLETION OF THE GRAND PARIS EXPRESS

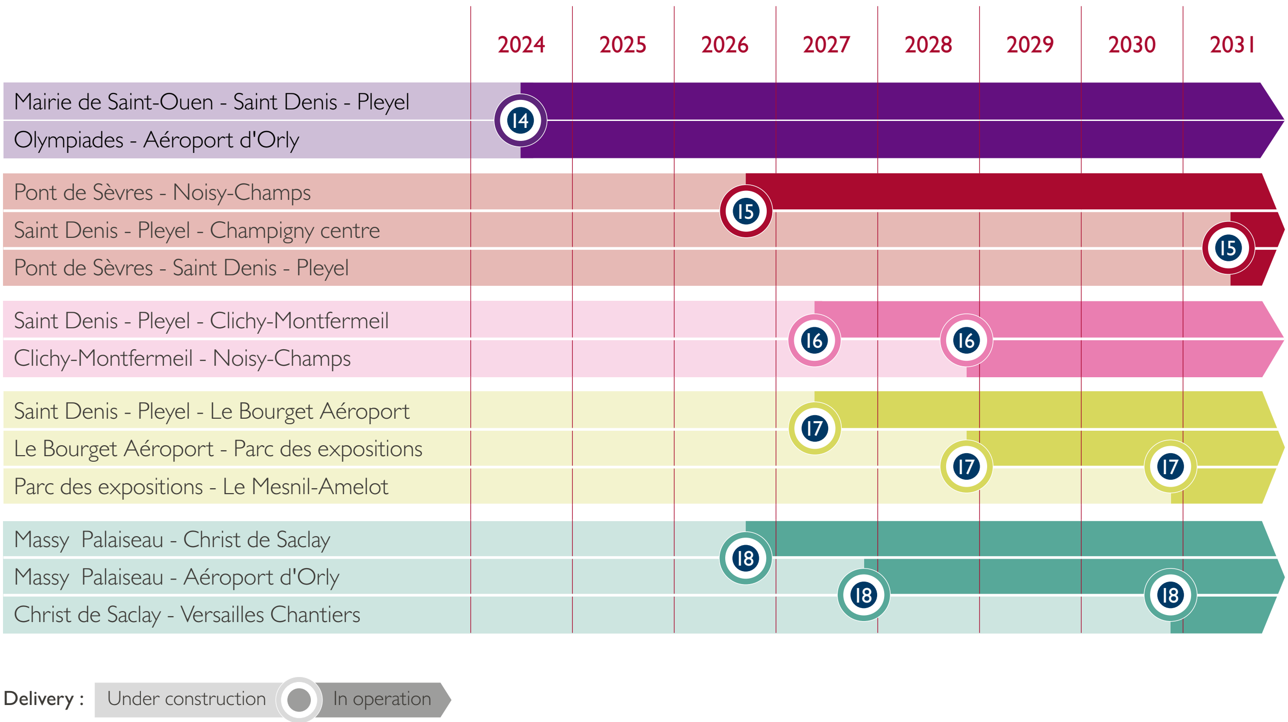
Although it was met with considerable media attention when it was announced in 2011, the **Grand Paris Express**, a very extensive public transportation network that will surround Paris, has been met with numerous delays, and no new lines have yet been delivered in the Ile de France region. The only major projects delivered in 2024 were the extension of Metro Line 14 north to Saint-Denis-Pleyel and south to Orly, and the extension of the RER E (Eole) to Nanterre.

Metro line 15 South of the Grand Paris Express will, however, open at the end of 2026, with the inaugurations of new lines set to progress until 2030. **The SDRIF-E 2040 therefore comes at a time of major transformation within Ile de France, which explains the ambitious polycentrism project led by regional authorities.**

### Grand Paris Express delivery dates (provisional): 2024 - 2031




### Grand Paris Express delivery dates (provisional): 2024 - 2031



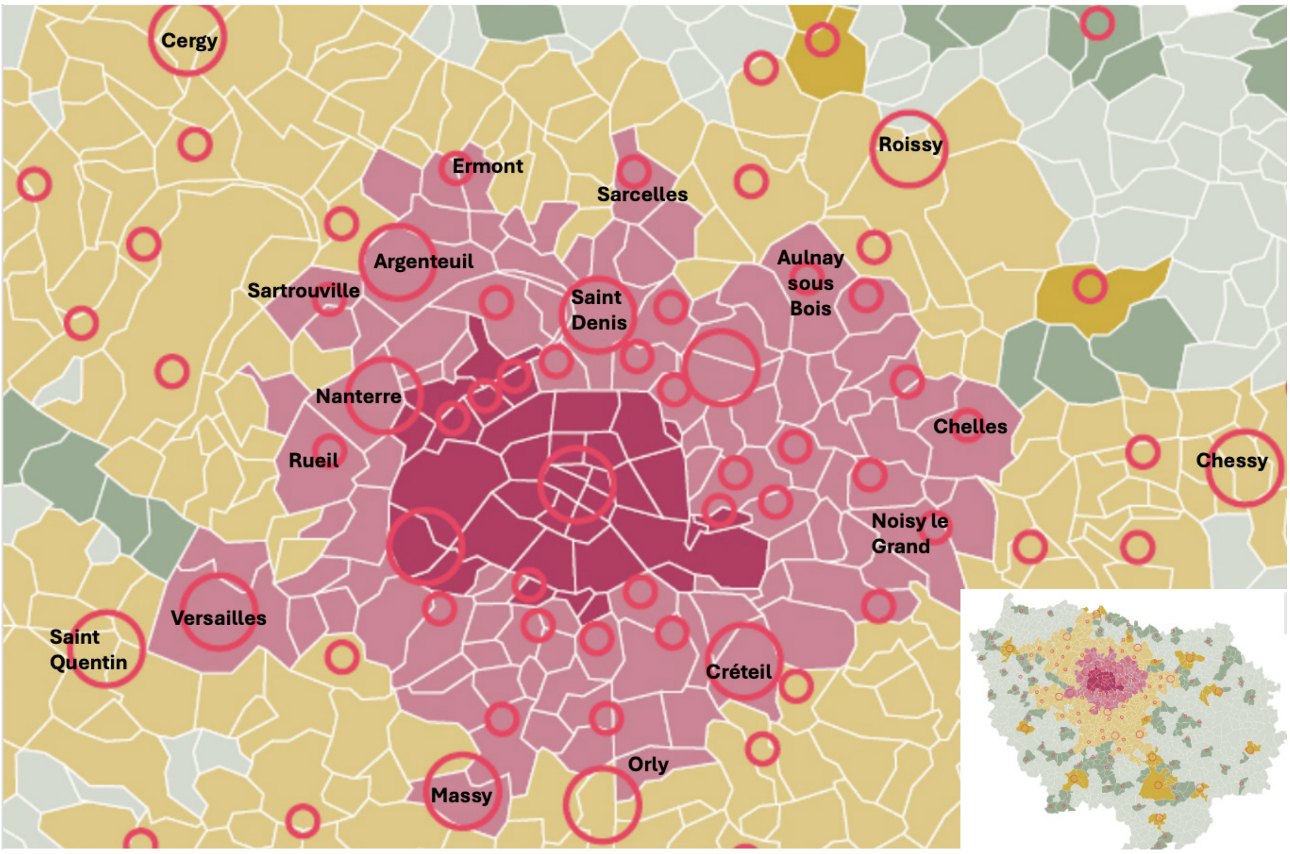
**The Grand Paris Express transport network will be supplemented by other public transport lines, listed in the SDRIF-E 2040**. While it is rather unrealistic to imagine that these 75 public transport projects will all be completed within the next 15 years, they reflect a strong desire to create a transport network that can replace the current heavy reliance on cars in many areas of Ile de France. Among the lines currently under construction are the extension of the RER E (Eole) to Mantes la Jolie, scheduled to open in 2027, and the CDG Express airport line due for delivery the same year. Other major projects include several metro line extensions (M1, M10, M5, etc.), and the Paris-to-Normandy railway line.

**Strengthening business hubs while also developing mixed-usage professional and residential areas is not a new idea. However, the presence of an extensive transport network connecting the cities of the Ile de France region to each other, without having to go through Paris, will definitely be a major transformation of the urban dynamic.** The SDRIF-E 2040 has identified six territories in Ile de France, corresponding to differentiated development objectives, and where the hubs have been located, either in one municipality or across several municipalities. In these dense hubs, the urban planning authorisations associated with metropolitan hubs will be distributed among several municipalities.

The general objective stated by the project is that "employment opportunities should be developed in areas that are today essentially residential, (and in particular within the hubs identified by the SDRIF-E to connect residential areas), and at the same time that housing creation initatives should be increased in the areas that currently provide the most employment, like the office hubs."

**The primary tools for developing this polycentric model will be the improved and expanded public transport network, as well as the highly regulated land usage policies oriented towards reindustrialisation and, conversely, the restrictions imposed on urban sprawl, which will favour urban densification.**

## Developmental hub areas identified by the SDRIF-E 2040 in the most central areas of Ile de France



**The hypercentre** (in dark pink on the map above): consisting of Paris and the 15 most dense nearby cities, **must have moderate future development objectives**. This sector includes the cities within the West CBD: Levallois, Neuilly, Boulogne, Issy, Courbevoie and Puteaux, as well as Asnières sur Seine, Clichy, Montrouge, Gentilly, Le Kremlin Bicêtre, Charenton le Pont, Saint Mandé, Vincennes and Pré Saint Gervais. In the hypercentre, the main objective is to **exploit existing facilities to meet larger needs in terms of housing, amenities, leisure activities, etc., while preserving productive activity (including urban logistics)**. However, hubs (red circles on the map) have been identified, mainly around the Grand Paris Express stations.

**The Core Area** (in light pink on the map): is also very dense, totalling 102 municipalities, most of which will see their public transport network significantly improved by the Grand Paris Express and whose hubs are identified by the SDRIF-E 2040 as **"privileged areas for economic and residential development,** especially in areas near train stations". A balanced development of offices and housing will be favoured in these areas.

**In summary:**

The central areas of the Hypercentre and Core zones are for the most part already densely urbanised and artificialised. The impacts of the SDRIF's stated land sustainability objectives are therefore relatively limited, and the declared objectives associated with redevelopment (and sometimes repurposing) in these areas have often already been in effect for several years.

**The Agglomeration Belt** (in light yellow on the map): 277 municipalities located beyond the Hypercentre and the Core areas. In these semi-urban areas, **economic development must be undertaken mainly as part of urban renewal projects, with space expansions reserved for strategic activities, particularly with regard to manufacturing.** As in the Core zone, economic and residential development in the Agglomeration Belt will need to be concentrated around the main train stations and existing centralised areas. In addition to the major hubs (red circles) shown on the map, there are other hubs in areas like Évry-Courcouronnes and Lieusaint, located south of Paris.

In rural areas, the SDRIF-E has identified **59 medium-sized towns** (in dark yellow on the map). These are characterised as having experienced significant residential development, but not robust economically. To support economic development, **the mobilisation of brownfield sites and the selective development of new plots of land will be key aspects of reindustrialisation projects**. At the same time, policies to revitalise city centres will be required. Also, in rural areas, the SDRIF-E has selected small cities (dark green on the map) and rural towns (light green).
The developmental requirements of the different hubs differ according to their individual economic circumstances. The SDRIF-E identifies, for example, **scientific and industrial hubs of national and international importance**, such as Paris, Saclay, Saint Quentin en Yvelines, Vélizy, Cergy Pontoise, the Gustave Roussy Institute in Villejuif, the Genopole d'Evry Courcouronnes, the Cité Descartes in Marne la Vallée, Les Mureaux – Flins and the Campus Condorcet. **These hubs must be supported by the creation of key equipments** (ie., education, research, technology, culture, etc.). Similarly, **industrial development areas considered of regional importance will be integral in enhancing economic development in regional hubs located outside the Core zone** (eg., Cergy-Pontoise, Mantes la Jolie, Meaux, Nemours, Provins, etc.).


**In summary:**

The business hubs located in the Agglomeration Belt are undoubtedly the areas in Ile de France that will be most impacted by the SDRIF-E 2040. These are subject to limitations regarding urban expansion and preserved lands for industrial and logistics operations are mostly located in these areas. The creation of multifunctional secondary hubs in the Paris region will take place in this area, with limited possibilities for building more densely in the public transportation sector areas.

# CONCLUSION – A RESTRAINED ECONOMIC ENVIRONMENT, BUT THE FRAMEWORK REMAINS SOLID

Some of the subjects interviewed as part of this study brought attention to the unprecedented degree of consultation between public and private stakeholders undertaken during development of the SDRIF-E 2040.

This document, which will help to guide the region's urban and economic development over the next 15 to 20 years, is therefore the result of consensus.

This consensus, first and foremost, was reached regarding the main economic and social challenges facing the region: namely, maintaining productive activities and reindustrialisation, building housing, and preserving the environment.

Consensus was also reached on methodology, including a policy of reducing land expansion even stricter than in the previous SDRIF. It also detailed incentives for urban renewal and repurposing of buildings, while protecting spaces intended for industrial and logistics purposes, as well as freeing up land for these specific purposes.

This global vision of the Ile de France region's developmental goals by 2040 is heavily dependent on an infrastructural impetus that has been in the making for almost 15 years: the Grand Paris Express. This mega-project will significantly improve public transportation services in many municipalities, while also making it possible to travel from suburb to suburb without going through Paris.
The polycentric model at the heart of the SDRIF-E is based on the Grand Paris Express network, which encourages the redevelopment of districts surrounding train stations and authorises, in a highly regulated manner, the construction of new buildings around these hubs.

However, urban planning is very time-consuming and the consultation process, one of the pillars of the SDRIF-E, was lengthy. By the time of its adoption in July 2025, the French economic climate had further deteriorated, both in terms of employment levels and in terms of business demand for light industrial sites, warehouses and offices. This weakening of so many major market players, from businesses to property owners and developers, may well constitute a significant obstacle to the implementation of the recommendations made in the SDRIF-E.

Demand for new premises is being hampered by an overall atmosphere of uncertainty and the more limited financial means of companies. Moreover, major industrial projects are long-term endeavours with very different considerations needing to be taken into account.

Furthermore, the involvement of private stakeholders — whether in the redevelopment or densification of buildings in economic activity zones, or in the transformation of obsolete office assets - are also often being stymied by economic and financial constraints. Regarding public-sector stakeholders, urban planning document compliance is largely expected by 2028, following municipal elections to be held in March 2026. The impacts on PLU and PLUI could therefore be delayed, but any urban extensions authorised after the adoption of the SDRIF-E will be deducted from the land extension capacities of the municipalities.

Furthermore, the French government has already modified the conditions for granting approval for offices and educational institutions, in accordance with the objectives of the SDRIF-E 2040. These new guidelines will come into effect as of 1 November 2025, and are largely in accordance with a reduction in office projects — whether new construction, or in some cases, refurbishments - with the introduction of the concept of "municipalities in a situation of characterised vacancy", as well as the updating of zoning ordinances in accordance with the zoning as defined by the SDRIF (ie., Hypercentre, Core area, the Agglomeration Belt and Hub areas).

Renovation and refurbishment projects will therefore be favoured over new construction, and housing development compensation requested for office projects will be maintained or increased. For example, projects to build, or to convert offices into higher education institutions of up to 2,000 m², will be preconditioned on the subsequent development of student housing. (Guidelines for warehouse and data centres approval applications have not been changed, but referring to the provisions of SDRIF-E 2040 is recommended.)

The vision of a polycentric region — greener, reindustrialised and rebalanced in terms of jobs and housing, where urban expansion will be drastically reduced in favour of the redevelopment of existing buildings, and with policy changes in the use of obsolete buildings and urban densification- may seem almost utopian.

Ile de France is, however, the only French region to see its development subject to such comprehensive planning. And while urban planning in the longer term is often confronted with harsh economic realities and political uncertainties, the SDRIF-E 2040 stands as a powerful tool which will profoundly contribute to shaping the urban and economic development of the region over the next 30 years.

# WITH CONTRIBUTIONS FROM

*« In still dynamic, but aging business parks where some of the stock may be outdated, there are real opportunities to develop new decarbonized, high-performance and potentially verticalised supply. »*

Marc Daumas and David Rozenberg
GA Smart Building

*« The SDRIF was developed during a period when the issues of high office vacancy and demographic challenges emerged. It addressed these issues by embracing a multipolar regional approach, without concentrating everything on Paris. »*

Stephan de Faÿ
Grand Paris Aménagement

*« The SDRIF-E puts the issue of industrial redevelopment back at the centre of policy debate, and reaffirms the position of the outer suburbs within regional strategy. »*

Jean Christophe Rigal
Département des Yvelines

*« Polycentrism will become all the more important and ambitious, since it will go hand in hand with Zero Net Artificialisation. The SDRIF-E provides more means for influencing housing construction than for economic development, but it also provides a framework and visibility for a fairly long period with regard to the areas where construction will or will not be possible. »*

Sandrine Barreiro
Institut Paris Région

*« Given Montrouge's high population density, we are already pursuing an urban renewal strategy, as opposed to any radical development or transformation strategy. We will be less impacted by the SDRIF than some other areas, particularly in the outer suburbs.*
*Urban planning is an art, requiring long-term planning and patience. It's not so much the overlapping of urban planning policies that has impact, but rather the time it takes for an ecosystem to develop around new programmes. Major projects are rarely completed in less than ten years. »*

Baptiste Danel
Mairie de Montrouge

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