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Banque de France Eurosystem

*The Many Channels of Firm's Adjustment to Energy Shocks:
Evidence from France*

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The Many Channels of Firm's Adjustment to Energy Shocks: Evidence from France

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Based on firm level data in the French manufacturing sector, we find that firms adapt quickly, strongly and through multiple channels to energy shocks, even though electricity and gas bills represent a small share of their total costs. Over the period 1996-2019, faced with an idiosyncratic energy price increase, firms reduce their energy demand, improve their energy efficiency, increase intermediate inputs imports and optimize energy use across plants. Firms are also able to pass-through the cost shock fully into their export prices.

Read the rest of this article :

- [Les multiples canaux d'ajustement des entreprises aux chocs énergétiques : L'exemple de la France](#)