



**SHAPING THE FUTURE THROUGH
INNOVATION:FRENCH TECH
AT THE FOREFRONT OF CHANGE**



FRANCE, AN INNOVATIVE COUNTRY

- **6th** world economy in terms of gross domestic expenditure on R&D (**US\$66 billion** in 2018) amounting to 2.2% of GDP, (OECD, 2020)
- **2nd** leading destination for researchers in the EU with **295,800** researchers
- France has more than 875,000 engineers
- Most favorable R&D tax treatment in Europe (OECD, 2020)
- **7th Global exporter** of high-tech products in 2018 (World Bank)
- **#1 European destination** for R&D in Europe (EY, 2020)
- **Ranked 3rd** in the Global Cybersecurity Index 2018
- **Best progression (+4)** on the Global Innovation Index 2020
- Paris is the most attractive tech city in the EU (fDi/TNW) and the 1st global city in terms of attractiveness for R&D investments (EY, 2020)





FRANCE, A HAVEN FOR START-UP

- **In order to support our startups**, we have built a strong institutional ecosystem (“La French Tech” initiatives, Next40/FT120, Welcome Office, etc.)
- **These efforts have paid off**: there are today more than 10 000 startups in France (+20% annual increase) (KPMG, 2019)



BackMarket

qonto

ManoMano

MIRAKL

Doctolib

meero

OVHcloud

BlaBlaCar

ivalua

Veepee

KARIBA

deezer

kinéis

Voodoo

dataiku





A PUBLIC AND PRIVATE ECOSYSTEM FOCUSING ON FOSTERING INNOVATION

PRIVATE ACTORS

STATION F

Station F



Vivatech



Tech for Good



hello
tomorrow

Hello Tomorrow

PUBLIC ACTORS

(R&D, STRATEGY, LOCAL SUPPORT)



INRIA & others research institutes



BPRIFRANCE



MISSION FRENCH TECH



Minister of State for the Digital
Transition and Electronic
Communication





FRENCH STARTUPS KEPT RAISING

- As of October 2020, France is the #1 startup ecosystem in continental Europe, with €4,4bn raised through 501 rounds, compared with €4,1 billion raised through 289 rounds in Germany.
- French startups raised a total of €5 billion in 2019 – 40% more than the previous year and nearly twice the amount raised in 2017.
- In 2019, a third of the funds raised were raised by deep tech start-ups.
- France is now home to 14 unicorns (so far) – 9 have emerged in 2019 and 2020

Top 10 Fundraisings in 2020:

Mirakl (257,8 M€, september)
Ynsect (190 M€, October)
EcoVadis (180 M€, january)
Content Square (174 M€, may)
Sendinblue (140 M€, October)
ManoMano (125 M€, january)
Back Market (110 M€, may)
Qonto (104 M€, january)
Kineis (100 M€, february)
Aledia (80 M€, October)





FRANCE WELCOMES TALENTS FOR INNOVATION

In 2019, **Uber** opened its first research center outside of North America in France: the Advanced Technologies Center in Paris (ATCP) specializes in artificial intelligence and air transport.

Google opened its first research center for machine learning in Paris at the end of 2018.

IBM opened a facility in the southern city of Montpellier for quantum computing.

The American specialist in composite materials, **Hexcel**, and French chemicals group, **Arkema**, announced in 2019 the opening of a joint R&D laboratory in Les Avenières (Aura region).

In 2019, **TransPod**, one of the startups active in the development of the Hyperloop system, opened an R&D center in Nouvelle Aquitaine.

The leading British technology group specializing in semiconductor design, **ARM** strengthen its presence at its R&D site within the Sophia Antipolis technology park near Nice.





SIGNIFICANT MEASURES IN 2020 TO SUPPORT THE TECHNOLOGICAL ECOSYSTEM

On March 25, an emergency support plan for startups totaling nearly €4 billion.

- Extend the eligibility of State-guaranteed loan (PGE) to startups.
- Accelerate the repayment of business tax credit for innovation (CIR) expenses already engaged by startups.
- Creation of a “French Tech Bridge fund”, a public venture fund which co-invests with private ones in startups to ensure fundraisings despite the crisis;

On June 5, 2020, the Government announced a cyclical support plan for technology companies

- Additional State grants to existing (SATT, Innovation contests...) and new public programs (creation of the French Tech Acceleration Fund 2 managed by Bpifrance...) designed to facilitate the emergence of new start-ups and contain the contraction in private venture fundings, particularly for high tech start-ups, amounting to nearly €450 million.
- Launch of a “French Tech Sovereignty” fund, a new, €150 million investment vehicle managed by Bpifrance, to invest in French companies in strategic and highly innovative sectors.





SIGNIFICANT BUDGETARY RESOURCES FOR TOMORROW

2021-2030



France Relance (2021-2022) - €7 bn

The 4th Investments for the Future Program (PIA) :
€20 billion (2021-2025) for innovation and
technologies of the future

Ministry for Higher Education, Research and
Innovation :
€25 billion for research (2021-2030) and an annual
budget of more than €20 billion/year in 2030 (+€5
billion compared to 2019)





FRANCE RELANCE : DIGITAL AT THE HEART OF THE RECOVERY

TECH SOVEREIGNTY

€3,7 BN

allocated to support startups, in particular to strengthen their capital investment, and to strategic digital technologies

DIGITALISATION OF FRENCH PUBLIC ADMINISTRATION

€2,3 BN

FOSTERING DIGITAL INCLUSION NATIONALLY

€800 M

SUPPORT PROFESSIONAL TRAINING IN DIGITAL PROFESSIONS

€300 M





A GLOBAL AND EUROPEAN LEADER ON ARTIFICIAL INTELLIGENCE (AI)

France offers an active research environment for AI :

- **68 AI research laboratories** active in France (20% of private laboratories in Europe)
- **4 interdisciplinary AI institutes** (Grenoble, Nice, Paris and Toulouse)
- **Around 660 startups active in AI**
- Paris-Saclay University, INRIA and Sorbonne University were **ranked 1st, 2nd and 4th** respectively in Europe in terms of scientific publications on AI.
- France is the European country which files the most patents on artificial intelligence, computer data security and 3D systems.
- Thirty major groups and academic organizations have committed to a common roadmap, the AI Manifesto, in order to develop common sovereign AI programs.

The national AI strategy is accompanied by an unprecedented support plan for AI :

- Call for ambitious and disruptive AI projects (data pooling, AI challenge, AI Booster, etc.)
- Franco-German call for projects on the prediction and resolution of health, environmental and economic crises

The Global Partnership on AI (GPAI), a multilateral initiative spearheaded by France and Canada, was launched in June 2020. It will have 2 centers of expertise (Paris and Montréal), and will seek to guide responsible development and use of AI, based on human rights.





SOVEREIGNTY IN CLOUD TECHNOLOGY AND CYBERSECURITY

At the initiative of the French Minister of the Economy, France has embarked on a dynamic Cloud computing policy:

- Our aim is to make France the leading host country for data centers in Europe. To achieve this, an attractiveness policy has been in place for several years now, particularly in terms of taxation (electrical consumption and public procurement).
- At the European level, France has led the way of the European Gaia-X project, which aims to create the conditions for sovereignty in the cloud. This initiative, which is open to all stakeholders that comply with EU values, will guide the policies that will be carried out at national level as part of the recovery plan. Overall, the European strategy foresees an investment of more than € 10 billion as part of its data strategy.

France will announce in the coming weeks a national strategy on cybersecurity, built around:

- The creation of a cyber campus in France, which will showcase our expertise in terms of cybersecurity
- The "Grand Défi" on cybersecurity, a € 30 million initiative to support solutions to make systems sustainably resilient to cyber-attacks.





TAKING THE LEAD ON QUANTUM TECH AND BIG DATA

High Power Computing & Quantum Technology:

- In her State of the Union address on September 16th 2020, Ursula von der Leyen announced a strategic inflexion to foster the next generation of supercomputers - cutting-edge technology groomed in Europe, including the acquisition of two exaflop machines by 2022 and the implementation of an R&D program to integrate quantum technologies for calculation and communications.
- **France is candidate to host one exaflop machine and will soon announce an ambitious strategy on quantum technologies**, to ascertain our leadership in this area in terms of research and industrial impact, and with a view to foster a complete attractive ecosystem, including training of the talents and entrepreneurship.

Big Data :

- When it comes to massive data processing, France considers that it is an absolute priority to be able to develop AI, Big data and learning machine tools in sovereign conditions.
- A number of actions in favor of innovation in these technologies will be programmed as part of the recovery plan. These actions will be in line with the European strategy for data, which aims in particular to create industrial "data spaces" in a number of priority sectors.





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