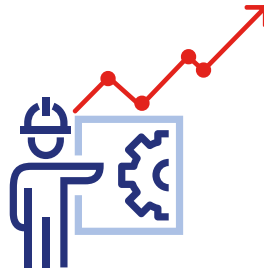




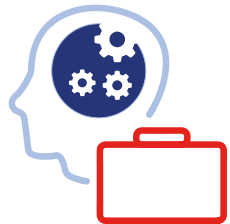
**FRANCE:
#1
DESTINATION IN
EUROPE FOR FOREIGN
INVESTMENT**

(EY, 2020)

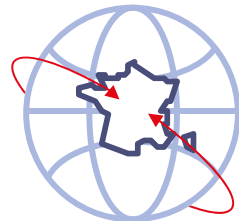


**#1
DESTINATION
IN EUROPE FOR
INDUSTRIAL
INVESTMENTS**

(EY, 2020)



**260,000
COMPANIES IN
MANUFACTURING**



**FRANCE ATTRACTED
MORE THAN
11%
OF FOREIGN
INVESTMENTS IN 2019**

(BUSINESS FRANCE, 2020)

**Choose
France™**

**FRANCE:
A GLOBAL
LEADER IN
INDUSTRY**

1

A DRIVING FORCE

In 2018, industry accounted for 13% of France's gross domestic product (GDP), 11% of which was in manufacturing. There were 260,000 companies in manufacturing, generating net revenues of €909 billion. In 2018, more than 28,500 companies were created in the manufacturing sector. (INSEE, 2020)

2

JOB-CREATING SECTOR

In 2018, 3.1 million people were employed in the manufacturing industry in France (2.8 million directly and 0.3 million through agencies) (INSEE). The top three job-creating sectors were agri-food (19.4%), transport equipment (12.3%) and metallurgy (11.6%). (French government figures (DGE))

3

AN ATTRACTIVE SECTOR

France has been the leading host country for foreign investment in industry for more than 15 years (EY, 2020). In 2019, Business France identified 380 production facilities belonging to foreign companies, accounting for 25% of foreign projects in France.

4

BUOYANT MANUFACTURING

French manufacturing output has been growing at an average of 1.5% per year since 2014. In 2018, it rose by 0.5%. The three fastest-growing sectors were computer and electronic product manufacturing (+ 9.2%), the automotive industry (+ 7.2%), and the pharmaceutical industry (+ 6.6%). (French government figures (DGE))

5

AGRI-FOOD: #1 INDUSTRIAL SECTOR

With revenues of €179.7 billion, 59,756 companies and nearly 535,000 employees in 2016, the agri-food industry is the leading industrial sector in France. It accounts for one-fifth of employees and value added in French manufacturing. (Businesses Directorate)

6

MORE THAN €23 BILLION IN R&D

R&D expenditure in the manufacturing industry amounted to €23.4 billion in 2017, representing 70.9% of all business enterprise R&D expenditure. The automotive industry is the leading industry for R&D expenditure, accounting for 12.9% of the total amount spent. (MENESR, 2020)

7

GLOBAL BRANDS

France is home to many global leaders in industry. Examples include: Airbus (aerospace), Total (petroleum), Total (oil and gas), Sanofi (healthcare), LVMH (luxury goods), L'Oréal (cosmetics), and Danone (agri-food).

8

EXPORTING FRENCH EXPERTISE

French industry generated 42.7% of its revenues through exports in 2017, amounting to €464 billion (INSEE), with France as the second largest exporter in the aerospace industry (UN Comtrade). In 2019, French exports of manufactured goods increased by 3% in volume. (French Customs Authorities)

9

COMPETITIVENESS

Hourly labor costs in the manufacturing industry amounted to €38.60 per hour in France in the fourth quarter of 2019, compared with €41.80 in Germany. Hourly labor costs in industry have increased on average by 1.1% per year in France since 2013, compared with 2% on average in the EU. (Eurostat)

10

STRONG PUBLIC SUPPORT

In addition to the support for industry from the public authorities, in particular through "La French Fab", the crisis triggered by COVID-19 has led the French government to set up sectoral recovery plans for the most strategic sectors affected. Emergency budgetary measures of more than €40 billion were announced in the first half of 2020 for the tourism (€18 billion), aerospace (€15 billion) and automotive (€8 billion) sectors.