

  
Choose  
France™

**FRANCE:  
SEPARATING  
FACT FROM  
FICTION**

# 1

## ISN'T THE FRENCH ECONOMY QUITE SMALL?

France is the world's seventh largest economy, with a GDP of US\$3,315 billion in 2019 (OECD, 2020), and the second largest in Europe, with more than 67 million consumers. France plays a major role in international trade and was the world's seventh largest exporter of goods and the fourth largest exporter of services in 2019. (World Trade Organization, 2020)

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# 2

## AREN'T THE FRENCH ALWAYS ON HOLIDAY?

On average, employees in France work longer hours than in Germany and the United Kingdom - 37.3 hours versus 36.5 and 34.9 hours, respectively - and are more productive (Eurostat, 2020). France is ranked ninth in the world for hourly labor productivity, ahead of the United Kingdom (19th). (The Conference Board, 2020)

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# 3

## ISN'T IT DIFFICULT TO DO BUSINESS IN FRANCE?

France has a thriving enterprise culture, with more than 815,000 companies founded in 2019, up 18% year-on-year (Insee, 2020). In 2019, 80% of foreign executives declared that France is "a country where it is easy to do business". (Kantar Public - Business France, 2020)

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# 4

## ISN'T THERE TOO MUCH RED TAPE?

France is one of the easiest countries in which to found a business: only 4 days are required, compared with 4.5 in the United Kingdom and 8 in Germany (World Bank, Doing Business, 2020). France is ranked ninth in the world for e-government. (UN E-Government Survey, 2018)

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# 5

## BUT WHAT ABOUT TAXES?

France offers attractive tax rates in various fields: R&D, digital services, SMEs and innovative new companies, intellectual property income, special expatriate tax system, etc. Since January 2019, businesses have become increasingly competitive thanks to a steady reduction in social security contributions.

## 6 AND COST COMPETITIVENESS?

The hourly labor cost increased on average by 0.7% per year in France between 2012 and 2018, compared with 2.1% in Germany and more than 1.9% in the EU. Hourly labor costs in the French manufacturing sector are competitive: €38.60 in France compared with €41.80 in Germany, while the price of electricity for professionals is on average 42% lower in France than in Germany, 37% in the United Kingdom (and 21% for the EU-27 average). (Eurostat, 2020)

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## 7 AREN'T THE FRENCH A BIT BEHIND THE TIMES?

Between 95% and 99% of the French population had access to 4G internet at the end of December 2019, with 5G set to be rolled out from 2020. In 2019, 95% of the French population had a mobile phone, 88% had access to the internet, and 62% made online purchases during that year. (Arcep, 2020)

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## 8 ISN'T FRANCE RATHER UNWELCOMING?

With more than 87 million tourists, France is the world's top tourist destination. What's more, France is ranked fourth in the world for hosting foreign students (second non-English-speaking host country) who account for 40% of all PhD students in France. (Insee; OECD, 2020)

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## 9 ISN'T FRENCH INDUSTRY ON THE DECLINE?

French industry remains the most attractive in Europe, with France currently Europe's leading recipient of foreign investment in industry for over fifteen years (EY, 2020). In 2019, France was home to 380 production facilities belonging to foreign companies, and for the second consecutive year created net industrial jobs: 7,900 in 2019, and 9,500 in 2018. (Insee)

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## 10 LUXURY GOODS, CHEESES, BUT WHAT ELSE?

In 2019, France was ranked first in Europe in the Clarivate Analytics index of the 100 most innovative organizations in the world. France has seen four "unicorns" grow: BlaBlaCar, Dataiku, OVH and Doctolib, and the country is home to many global industrial leaders, including Airbus (aerospace), Total (energy), Sanofi (healthcare), LVMH (luxury goods), L'Oréal (cosmetics) and Danone (agri-food).



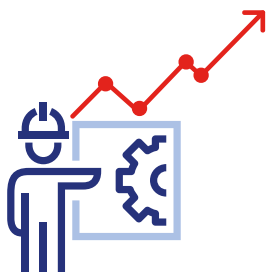
**FRANCE:**  
**#1**  
**DESTINATION IN EUROPE FOR FOREIGN INVESTMENT**

(EY, 2020)



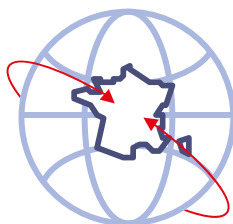
**#2**  
**EUROPEAN MARKET WITH MORE THAN 67 MILLION CONSUMERS**

(EUROSTAT)



**#1**  
**EUROPEAN DESTINATION FOR INDUSTRIAL INVESTMENTS**

(EY, 2020)



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

(BUSINESS FRANCE, 2020)

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