

WHY INVEST IN FRANCE?

A COUNTRY AT THE HEART
OF THE EU SINGLE MARKET
AND A GATEWAY TO THE EMEA

KEY INFO IN

10
POINTS

1

▶ A GLOBAL ECONOMIC POWER

France is the **second largest economy in the European Union** (IMF, 2014), the sixth largest exporter of goods and the fourth largest exporter of services. (WTO, 2013)

Thirty-one French companies are among the world's leading 500. (Fortune Global 500, 2014)

2

▶ A COUNTRY OPEN TO INWARD INVESTMENT

France is Europe's leading recipient of foreign investment in industry. (EY, 2014)

It is also the world's fourth largest recipient of cumulative FDI stock, and the second largest in Europe. (UNCTAD, 2014)

3

▶ ONE OF EUROPE'S LARGEST MARKETS

France is **the second largest market in Europe**, with more than 65 million inhabitants. It also has Europe's second highest fertility rate. (Eurostat, 2014)

4

▶ EXCELLENT CONNECTIONS THROUGHOUT EUROPE AND WORLDWIDE

France has **Europe's largest road network** (Eurostat, 2014) and is also renowned for its airports: Paris-Charles de Gaulle is ranked second by passenger numbers and first for cargo in Europe. (Airports Council International, 2013)

It also boasts Europe's second largest high-speed rail network, while in 2013 the Port of Marseille was ranked sixth and the Port of Le Havre eighth in Europe by tonnage. (Port of Rotterdam Authority, 2014)

5 ▶ COMPETITIVE LABOR COSTS

Average costs per employee (wages, salaries and statutory costs) are lower in France than in Japan, the United States and Germany. Similarly, business setup and operating costs are lower in France than in Italy, Japan, the United States and Germany. (KPMG, Competitive Alternatives, 2014)

“Hourly labor costs in France in industry have once again fallen below those in Germany”

(Emmanuel Macron, November 17, 2014)

6 ▶ A HIGHLY QUALIFIED, HIGHLY PRODUCTIVE WORKFORCE

France invests more in its education system (over 6% of GDP) than many other European countries, such as Germany, Italy and Spain. (OECD, Education at a Glance, 2014)

France is ranked sixth in the world for hourly labor productivity, ahead of Germany (7th) and the United Kingdom (13th). (Conference Board, 2014)

7 ▶ TAX MEASURES TO FOSTER COMPETITIVENESS

The competitiveness and employment tax credit (CICE) is reducing labor costs by 6% in 2015, amounting to **€20 billion in annual savings** for companies. This tax credit is calculated in proportion to the company's gross payroll costs, excluding all salaries greater than 2.5 times the national minimum wage (SMIC).

France's research tax credit is the most attractive tax incentive program of its kind in Europe: a tax break amounting to 30% of annual R&D expenses, up to €100 million, and 5% above this threshold.

8

▶ A COUNTRY PRIORITIZING R&D AND INNOVATION

France is ranked sixth in the world for the number of international patents filed. (WIPO, July 2013)

For the fourth year running, France was once again ranked first in 2014 by the Deloitte "Technology Fast 500 EMEA", with 86 of the top 500 fastest growth companies based on percentage revenue growth in Europe, the Middle East and Africa. France is also ranked first in Europe in an index of the 100 most innovative organizations in the world. (Thomson Reuters, 2014)

The first and second phases of the "National Investment Program", backed by €35 billion and €12 billion of funding, are supporting growth in strategic priority sectors.

9

▶ A WARM WELCOME FOR FOREIGN TALENT

Streamlined immigration formalities for foreign talent, for example through the "Skills and Expertise" resident permit for non-EU nationals appointed chief executive of a subsidiary in France. The "Expatriate Employee" resident permit exists for intra-group job transfers, and the European Union Blue Card for highly qualified employees.


Moreover, the "French Tech Ticket", a "welcome pack" for foreign entrepreneurs founding their start-up in France (€30,000 grant, visa, single "Helpdesk" contact point, business set-up support, etc.), is due to open in 2015.

10



▶ RENOWNED QUALITY OF LIFE

France is the **world's leading destination for foreign tourists**, ahead of the United States and China (UNWTO, 2014), and is ranked third in the world for having healthcare infrastructure that matches the needs of society. (IMD, 2014)

France is ranked sixth in the world for life expectancy at birth (82.6 years) (World Bank, WDI, 2014) and boasts a wide array of cultural and creative excellence: the Louvre is by far the most visited museum in the world.



For further information, please visit:
www.businessfrance.fr

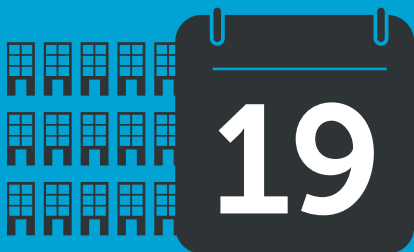




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#1
IN THE WORLD
FOR THE NUMBER
OF FOREIGN TOURISTS



**FOREIGN
INVESTMENT
DECISIONS
PER WEEK**

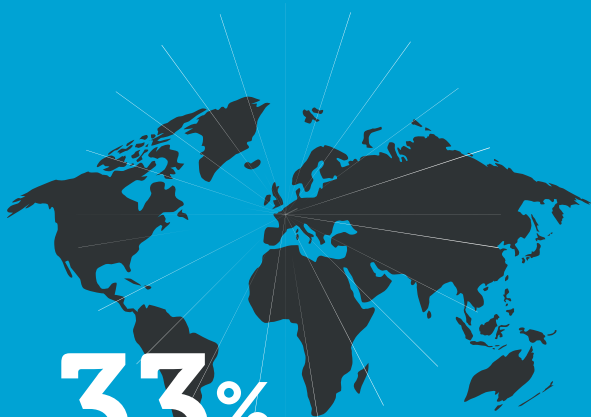
ACCESS TO A MARKET OF

65



MILLION CONSUMERS

AND GATEWAY TO THE EMEA



33%

**OF FRENCH EXPORTS
ARE GENERATED BY
FOREIGN COMPANIES**