



# FRANCE MEANS BUSINESS

**Choose !**

Choose  !

*"You've a lot of ambition for your business, I've a lot of ambition for my country. Let's see how we can make more for both: have better innovation and do more business."*

MAY 23<sup>RD</sup> 2018, TECH FOR GOOD SUMMIT

*"There has never been a better time to invest in France"*

MAY 17<sup>TH</sup> 2018, FINANCIAL TIMES



Emmanuel  
**MACRON**

President of France

MEDIA COVERAGE #FranceisBack #ChooseFrance

**Forbes** THE NEW YORKER **Bloomberg** THE WALL STREET JOURNAL **The Telegraph** **DAILY NEWS**

**The Guardian** **Daily Mail**  **REUTERS**  **POLITICO**  **THE NEW INDIAN EXPRESS** **The New York Times**

# AN OPEN ECONOMY

FOREIGN OWNED BUSINESSES IN  
FRANCE ACCOUNT FOR:

**21%** of the GDP

**16%** of the added value

**11%** of all jobs

*Business France 2017 Annual Report*

Choose 



*Bill  
MCDERMOTT,*  
CEO, SAP

*“SAP announced the acquisition of a very innovative company and a bold commitment to a few billion dollars in spend in France”*

JAN. 22<sup>ND</sup> 2018

In 2017, **25** foreign companies chose France for new investments **every week**

*Business France 2017 Annual Report*

“France surged ahead and recorded **spectacular growth of 31% year-on-year** with 1,019 FDI projects in 2017, closing the gap with both Germany and the UK.”

*EY European attractiveness survey, June 2018*

# AN ATTRACTIVE COUNTRY



*Virginia ROMETTY,*  
CEO, The IBM Company

*“[Our announcements are] in great support for the commitment France has made about being a technology leader in AI and a great place for businesses like ours.”*

MAY. 23RD 2018



Choose !

*France, 2017  
Country of the Year  
by The Economist*

**7<sup>th</sup>** largest global economy

**2<sup>nd</sup>** largest market in Europe  
with **direct border** or less than  
a day transit to all western European  
economies

**1<sup>st</sup>** metropolitan area  
in continental Europe  
by population, GDP and  
talent pool: **the Paris region**

*IMF, UNCTAD, INSEE, Fortune Magazine, Global 500,  
July 2016, Eurostat, GDP per capita in 276 EU regions,  
2018 Ranking by metropolitan regions*





# A LANDMARK SUMMIT: « CHOOSE FRANCE »

*January 22nd 2018 at the Versailles Palace*

Choose !

**A business summit with:**

**140 CEO** of the world largest corporations  
representing **29 countries** and **all continents** ;

The French government and **executive public  
servants** from all national administrations ;

President of the French Republic,  
**Emmanuel Macron.**

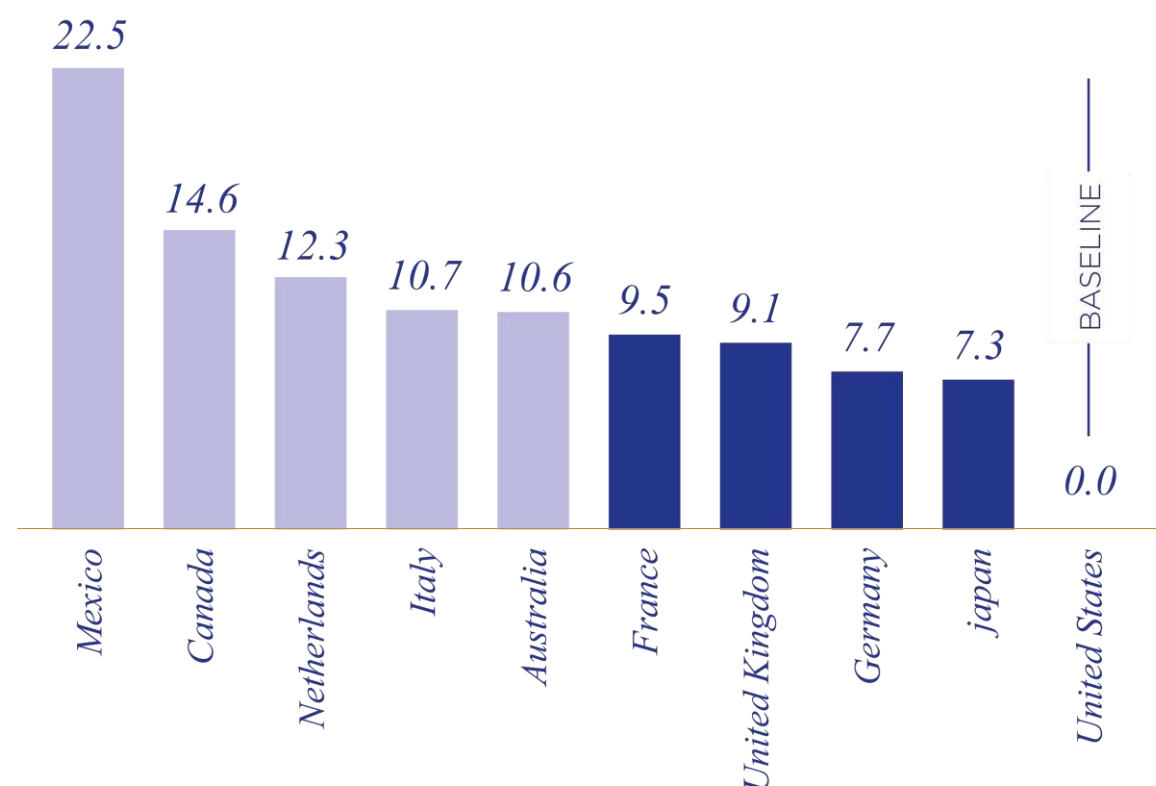
Business meetings, highest level exclusive conferences, a business lunch  
with the Prime minister of France and a dinner with Emmanuel Macron.

# A COST-COMPETITIVE ENVIRONMENT

Choose !

France, lower cost of doing business than the US, Japan, Germany or the UK (%)

COST ADVANTAGE RELATIVE TO THE US (%)



One of the lowest effective tax rate for digital services, R&D and manufacturing

EFFECTIVE COMBINED CORPORATE INCOME TAX RATE<sup>1</sup>

	SERVICES				MANUFACTURING <sup>4</sup>			
	Digital <sup>2</sup>		R&D <sup>3</sup>		Corporate <sup>2</sup>			
	%	Rank	%	Rank	%	Rank	%	Rank
<b>NORTH AMERICA</b>								
Canada	13.1%	1	1.4%	3	22.9%	2	21.1%	2
Mexico	31.4%	8	34.4%	10	43.4%	10	30.7%	9
United States	31.9%	10	20.0%	6	36.9%	8	29.4%	7
<b>EUROPE</b>								
France	25.5%	4	-38.0%	1	32.9%	6	24.6%	5
Germany	31.0%	7	31.4%	9	31.0%	5	30.2%	8
Italy	27.3%	5	24.9%	7	37.9%	9	23.4%	4
Netherlands	22.4%	3	-8.3%	2	24.9%	3	22.7%	3
United Kingdom	16.5%	2	2.3%	4	18.8%	1	15.8%	1
<b>ASIA PACIFIC</b>								
Australia	28.1%	6	11.5%	5	29.7%	4	28.5%	6
Japan	31.4%	9	30.4%	8	36.1%	7	32.2%	10



# MAIN INVESTMENTS ANNOUNCED IN 2018

Choose !



A **€300 million investment** and **800 jobs** will be added to Toyota's northern France facility.



A **€900 million investment** in Novartis' France HQ and production facility in Alsace along with the acquisition of a French growing biotech.



A **€2 billion investment** in new equipment and modernization of Disneyland Paris theme park



A **1,800 technology jobs** addition to IBM France over the next two years, along with a major expansion of IBM "new collar" training program in the country



A **\$2,2 billion investment** over 5 years to increase headcount, real estate footprint and data center capacity



**Opening of an IA research center in Paris**, a 50% staff increase in the company Paris HQ and the creation of 4 new Google Hubs, each in a different region in France

**THE REASONS**  
*FOR OUR SUCCESS*



Choose !

# SKILLED & AVAILABLE WORKFORCE

## WORKFORCE BY THE NUMBERS:

**1 million engineers** (largest in Europe with Germany) **75,000 PhDs** (**41% non-French**)

**278,000** students enrolled in higher education  
**38,000 graduate engineers** every year

**#3** in Europe in R&D staff availability

*France is ranked third in the EU for the number of students in second-stage tertiary education leading to an advanced research qualification. (Eurostat, 2014)*

**#4** in the world in R&D staff per 1,000 workers

*Only behind Finland, Sweden and Austria (OECD 2014)*



*Vasant*  
**NARASIMHAN,**  
CEO, Novartis

*“We choose France because of the great talents we find in the country”*

JAN. 22<sup>ND</sup> 2018

**2<sup>nd</sup> in Europe and 6<sup>th</sup> in the world**  
for the number of international patents

**3<sup>rd</sup> leading country** in the Top 100  
Global Innovators

**25%** of Fields medals since 1923

*OECD, Société des ingénieurs et Scientifiques de France*

# THE BEST R&D INCENTIVES IN EUROPE



*Sunder*  
**PICHA**  
CEO, GOOGLE

*“We will rely on the tradition of France in mathematics, science and arts.”*

JAN. 22<sup>ND</sup> 2018

## Exemptions for young and innovative companies: JEI scheme

- Exemption from corporate tax for 3 years
- Exemption from local business and property taxes for 7 years
- Exemption from social security contributions for 4 years and reduced payments for 4 additional years



Choose !

**30%**  
tax credit on R&D  
up to €100 million

**5%**  
on additional  
R&D spending

**100%**  
companies  
are eligible

nearly  
**23 000**  
beneficiaries

Over  
**€6 billion**  
of public support



“Leading innovation funding measure”  
by the 9<sup>th</sup> European Innovation Funding Survey

“Most generous R&D tax treatment for companies”  
by the OECD Science, Technology and Industry Scoreboard, 2013

“Lowest effective corporate tax rate in the world for R&D operations”  
by KPMG, Competitive Alternatives, 2014

# A VIBRANT TECH AND INNOVATION SCENE



“French Tech” Initiative: open brand of the French startup scene representing **more than 9,400 startups**, 3 billion dollars raised in 2017 in 743 deals and **300 incubators and 50 accelerators**

The world’s largest startup incubator is in Paris: Station F (1,000 start-ups and 3,000+ work stations)

Choose !



*Tatsuya*  
**TANAKA**,  
President, Fujitsu

*“France represents la nouvelle vague of technology.”*

JAN. 29<sup>ND</sup> 2017

- OVH raised **€250 million** in 2016
- Sigfox raised **€150 million** in 2016
- French start-up Oodrive raised **€65 million** in 2017
- Vestiaire Collective raised **€58 million** in 2017

## A GROWING DEALFLOW PIPELINE:

*2018 projections, Bpifrance*

500  
SEED

100  
SERIES A

70  
SERIES B

10  
SERIES C

# A SUPPORTING GOVERNMENT



*Charlotte HOGG,*  
CEO, VISA

*“France is rapidly becoming  
one of the most exciting places  
to work for digital”*

MAY. 2<sup>3RD</sup> 2018

Choose !



**€47 billion** national R&D funding  
decided by former Governments

**€26 billion** already funded

**bpi**france

**€10 billion** fund to support  
breakthrough innovation projects  
in several sectors (AI, ADAS and  
driverless vehicles, EV,  
biomanufacturing,  
nanoengineering, etc.)



# WORLD CLASS INFRASTRUCTURES

Choose !

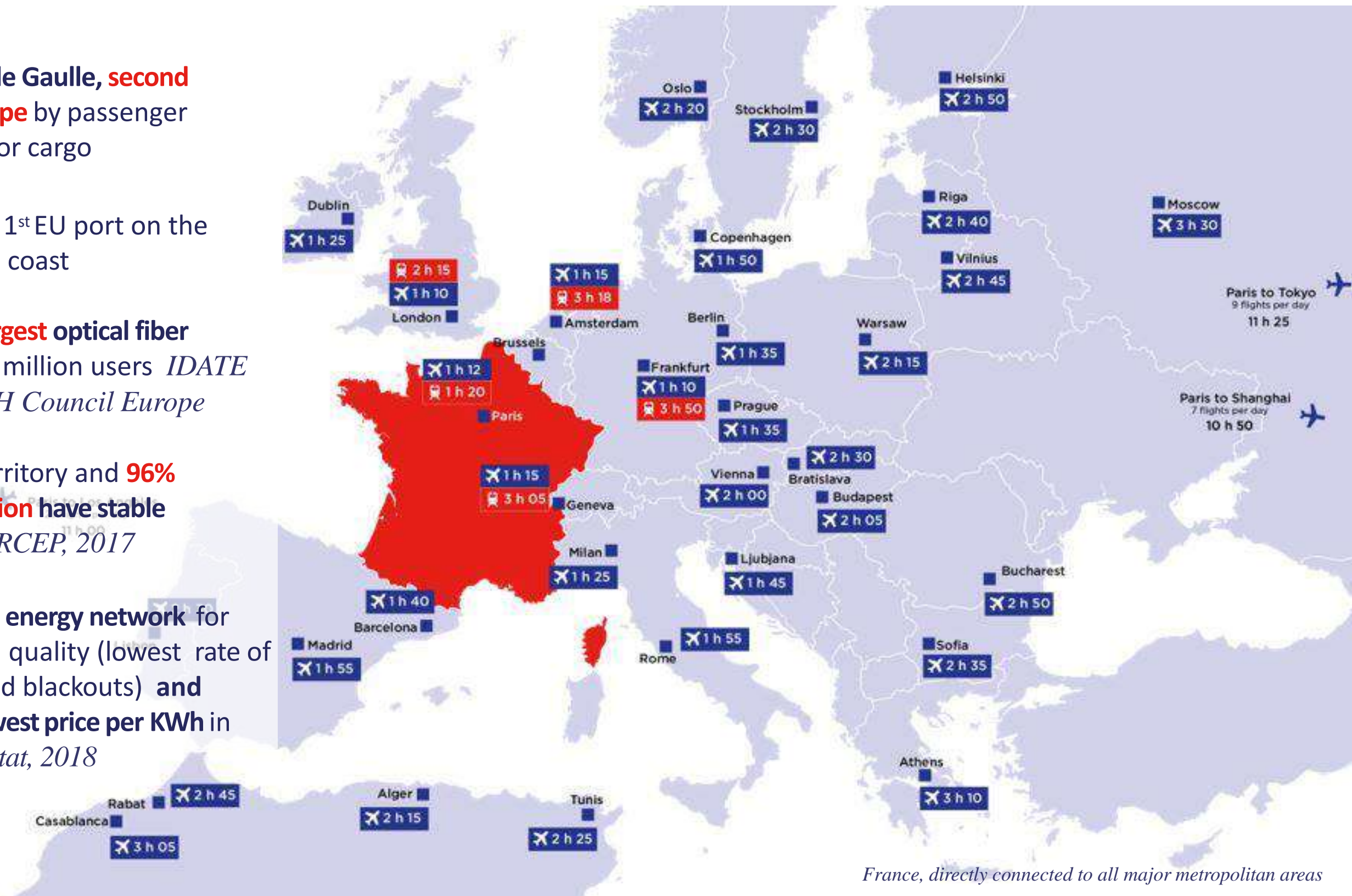
Paris-Charles de Gaulle, **second airport in Europe** by passenger number and for cargo

Port du Havre, 1<sup>st</sup> EU port on the North Atlantic coast

Europe's **2<sup>nd</sup> largest** optical fiber market with 4 million users *IDATE 2018 for FTTH Council Europe*

77% of the territory and **96% of the population** have stable 4G coverage *ARCEP, 2017*

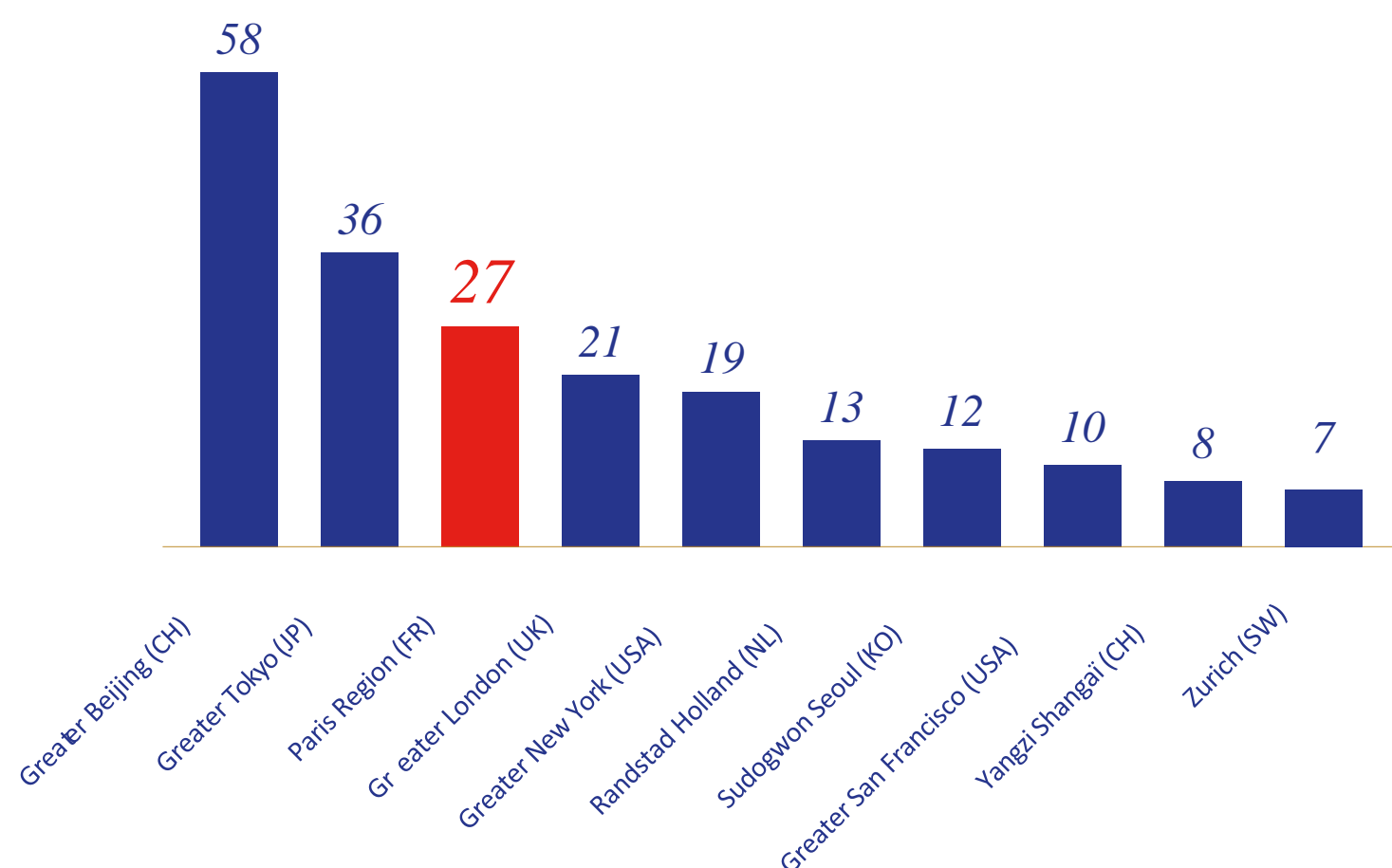
Best European energy network for heavy users in quality (lowest rate of power cuts and blackouts) and among the lowest price per KWh in Europe. *Eurostat, 2018*



*France, directly connected to all major metropolitan areas*

# THE LARGEST CONCENTRATION OF HEADQUARTERS IN EUROPE

The Paris region **n°1** in Europe and **n°3** worldwide  
for hosting the world's Top 500 corporate headquarters



Fortune Magazine, Global 500, July 2016 Ranking by metropolitan regions



*Sheryl SANDBERG,*  
COO, FACEBOOK

*“Paris has been  
the center of our  
AI research hub  
in Europe for  
a while.”*

JAN. 22<sup>ND</sup> 2018



# PARIS, A GLOBAL FINANCIAL PLACE

Choose !

**1<sup>st</sup> financial market** in continental Europe (Euronext, 2017)

**1<sup>st</sup> asset management market** in continental Europe with  
€4,000bn in asset under management

More than **500 banking institutions** in Paris and  
Global HQ of **4 of the world top 20 banks**

French entities participate in **30% of all deals** in continental Europe

**45% of the French main stock market index (CAC40)**  
**is foreign owned**

*Paris Business District Skyline, La Défense*

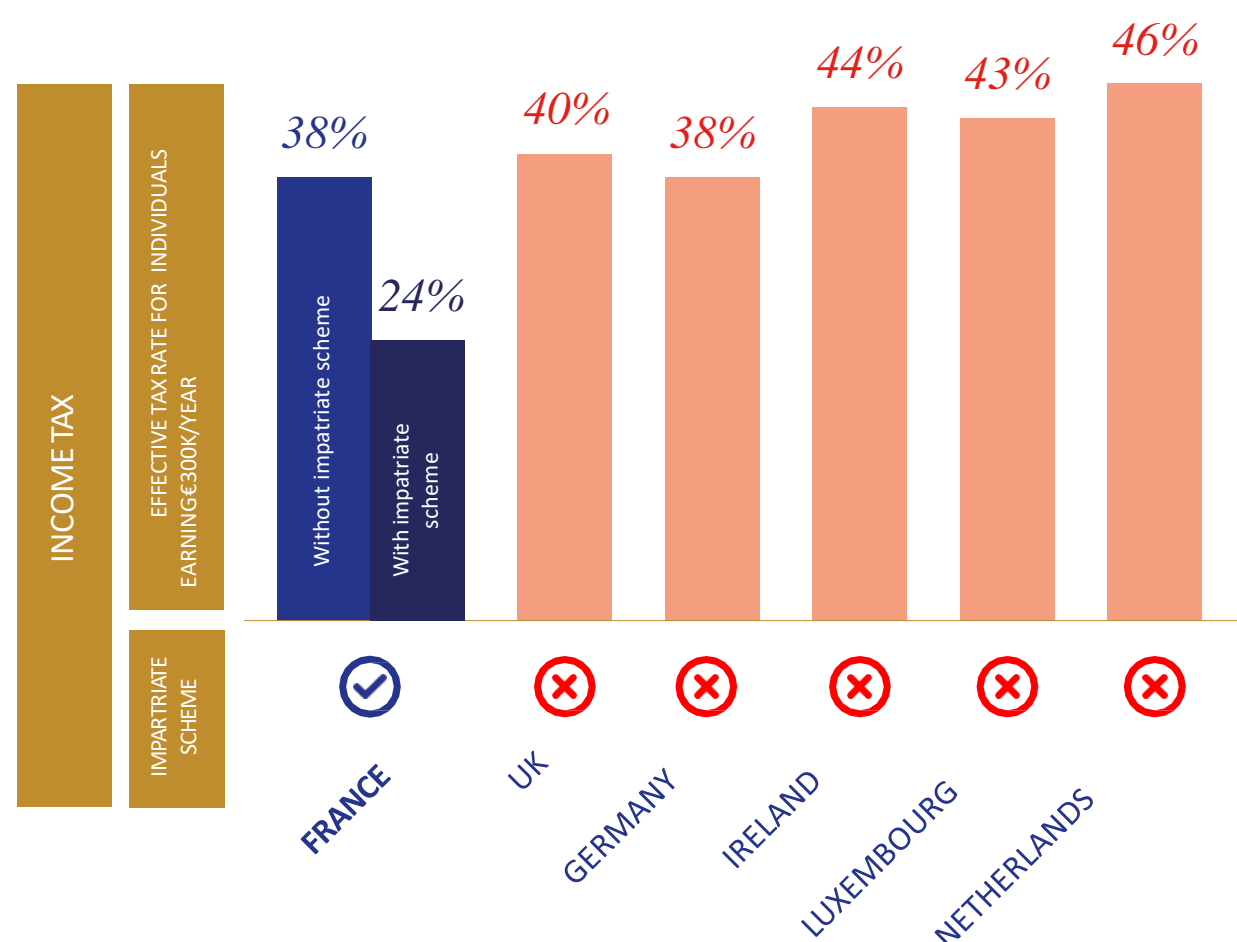


Choose !

# AN ATTRACTIVE LOCATION FOR EXPATRIATES

**Lowest effective tax rate for expatriates thanks to a dedicated scheme**

Up to 50% of the total remuneration is exempted for a maximum of 8 years



OECD, PwC Worldwide Tax Summaries, Agefi.fr

**A dedicated multiyear residence permit for investors, CEO, start-ups, employees and their families**

**AND ALSO:**

41 bilateral agreements of social security

478 international programs taught in 16 different languages in schools across France



# A LEADING INDUSTRIAL POWER

Choose !



## AERONAUTICS:

#1 in Europe,  
#2 global exporter

*Deloitte, 2017*



## NUCLEAR:

#1 in Europe

*CEA, 2016*



## PHARMACEUTICALS:

#4 in Europe,  
#3 global exporter

*LEEM, 2017*



## LUXURY:

#1 globally

*Deloitte, 2016*



## CHEMISTRY:

#2 in Europe,  
#7 worldwide

*UIC, 2016*



## FOOD & BEVERAGES:

#2 in Europe,  
#4 global exporter

*Ministère de l'Agriculture,  
2016, Douanes 2017*



*Dara **KHOSROWSHAHI**,  
CEO, UBER*

*“With world-class  
engineers, and  
a unique skillset  
in aviation, we think  
that Paris is the  
perfect place to  
advance our Uber  
elevate program.”*

**MAY. 23<sup>RD</sup> 2018**

# ACCESS THE EUROPEAN SINGLE MARKET



*Bob IGER,*  
CEO, The Walt Disney Company

*“This [\$2 billion] investment is the result of our confidence in the economy of Europe and in France in particular.”*

FEB. 27TH 2018

Choose !

The European Union generates **22%** of the **global GDP** and 6,5% of the world population. *IMF 2017*

Europe's economy is **expanding at a faster rate than the United States'** (2,4% in both the EU and the Euro zone against 2,3% in the USA). *World Bank, 2017 figures*

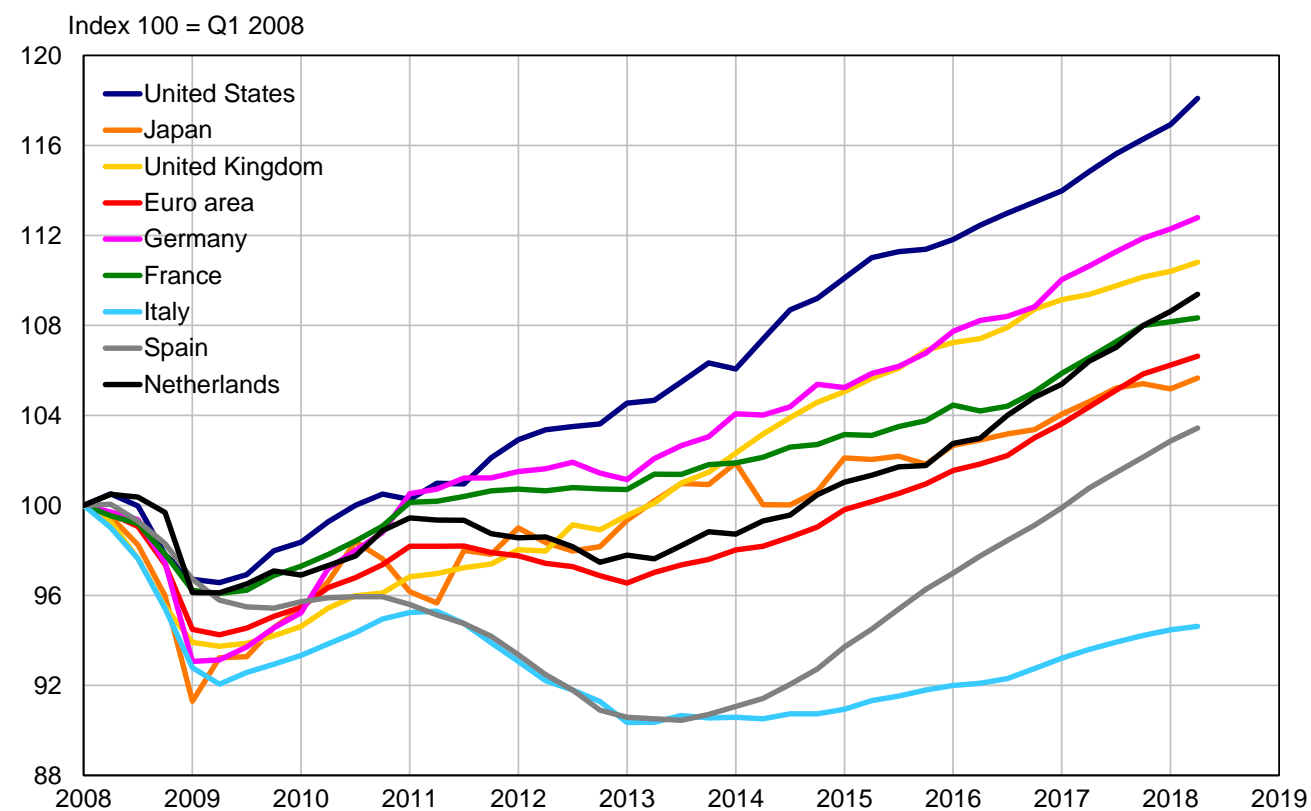
Western Europe ranked the world's **most attractive region to invest**. *EY Attractiveness Survey Europe 2018*

# A POSITIVE ECONOMIC OUTLOOK FOR FOREIGN INVESTORS

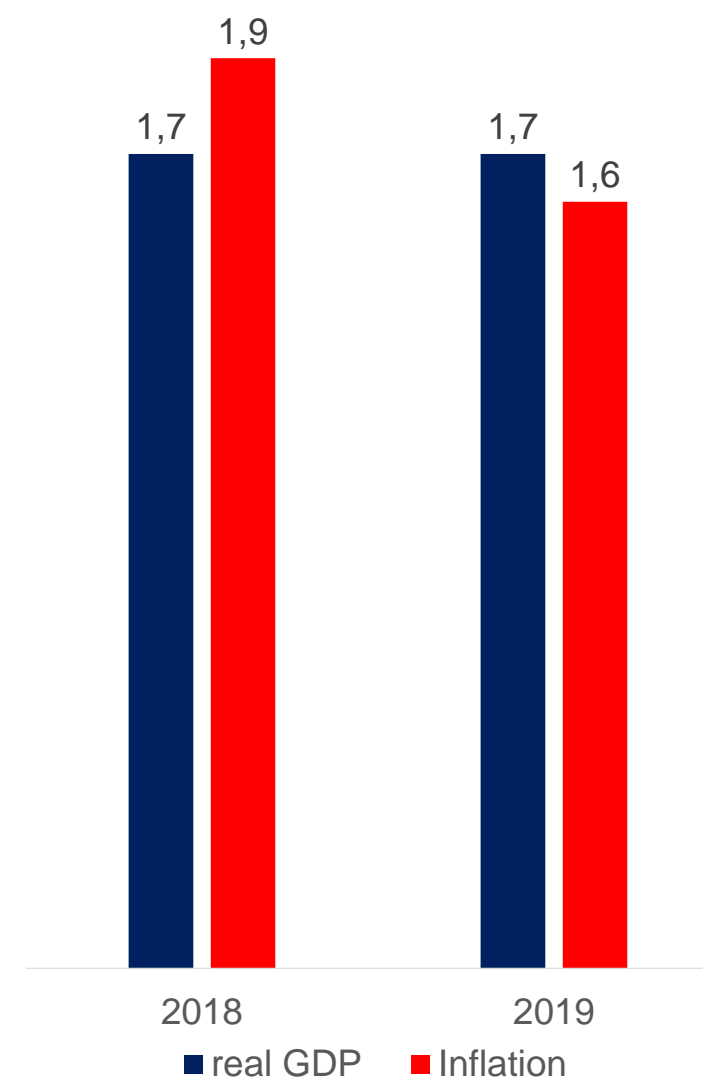
Choose !

## France has fully recovered from the crisis

Real GDP in OECD countries, Index 100 = Q1 2008



... reinforced by a favorable economic outlook



**+1.7%: 2018 &  
2019 growth forecast**

Source: Consensus Forecasts

# STRONG CONFIDENCE IN THE FRENCH ECONOMY

Choose  !

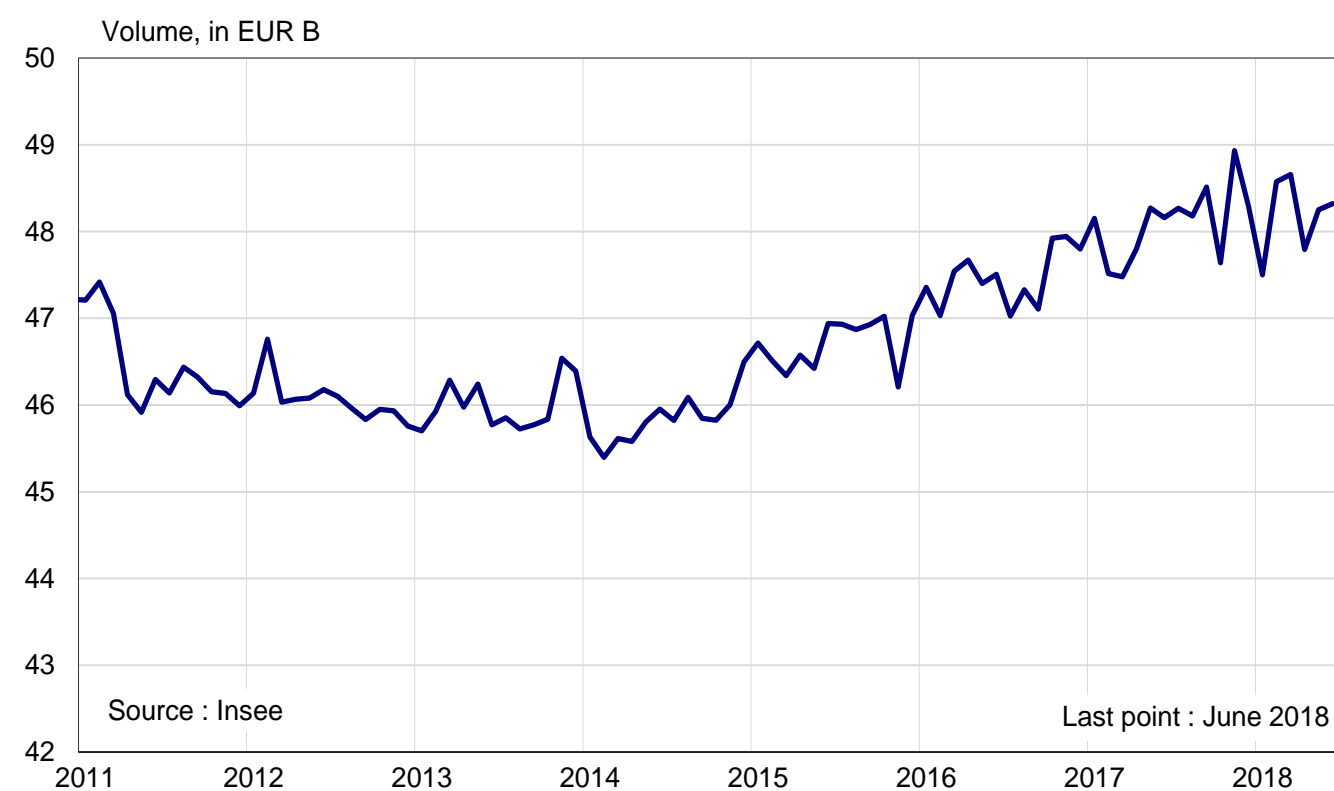
## Confidence is soaring for businesses

Business climate for industry and services



## ...as well as for households

Monthly households goods consumption (volume, in € Bn)





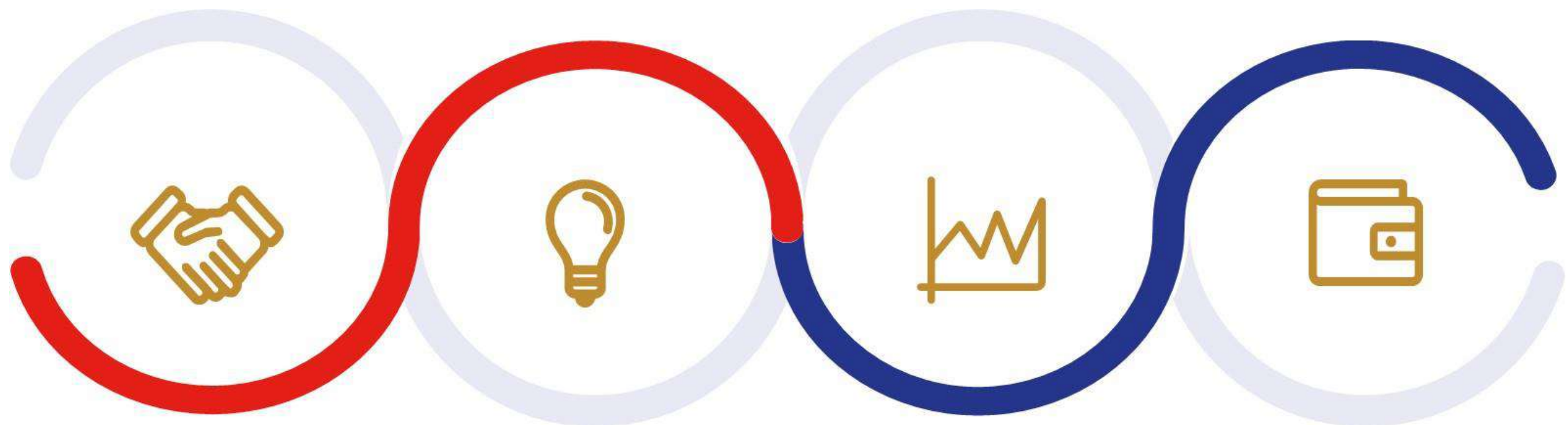
# THE ONGOING *REFORM AGENDA*

# A STRAIGHTFORWARD PRO BUSINESS AGENDA

Choose !

*“France is witnessing reform at a rate never seen before”*

FINANCIAL TIMES - MAY 17, 2018



## IMPROVE FLEXIBILITY AND PREDICTABILITY

Flexible legal  
framework to **make**  
businesses more **agile**  
and **resilient**  
to economic changes

## FOSTER HUMAN CAPITAL

**Better training and**  
**education** to prepare the  
workforce  
to technological  
breakthroughs

## PROMOTE CAPITAL SPENDINGS

**Reduced corporate and**  
**capital taxation** to  
promote job creation  
and better finance  
innovation

## INVEST IN FUTURE INDUSTRIES

**Pro small businesses**  
**innovation and regulation**  
and public funding

# TRANSFORMING OUR SOCIAL MODEL: FLEXIBILITY AND PREDICTABILITY

## LABOUR MARKET REFORM

Executive orders of September 2017

More flexible rules adapted to  
the size and diversity of companies

Enhanced social dialogue  
within companies

More flexible and legally secure  
framework for recruitment and  
redundancies

Simpler framework for restructuring



Setting up rules at the company level



A Single employee consultation

committee : the Social and Economic committee. In SMEs  
with no trade union: direct negotiation with employees



A mandatory scale of damage to limit the impact of  
potential disputes

Facilitating voluntary departure plans

Reducing the time limit for appeals to 12 months



Dismissals on economic grounds: national scope

# TRANSFORMING OUR SOCIAL MODEL: HUMAN CAPITAL

Choose !

INVEST IN HUMAN CAPITAL

## *APPRENTICESHIP & VOCATIONAL TRAINING REFORM*

Invest in education through the Great investment plan:  
**€15 billion** additional public investment

Adapt the workforce's training to the needs of companies

Reform of the unemployment insurance scheme:  
new scope, stricter controls, stronger incentives

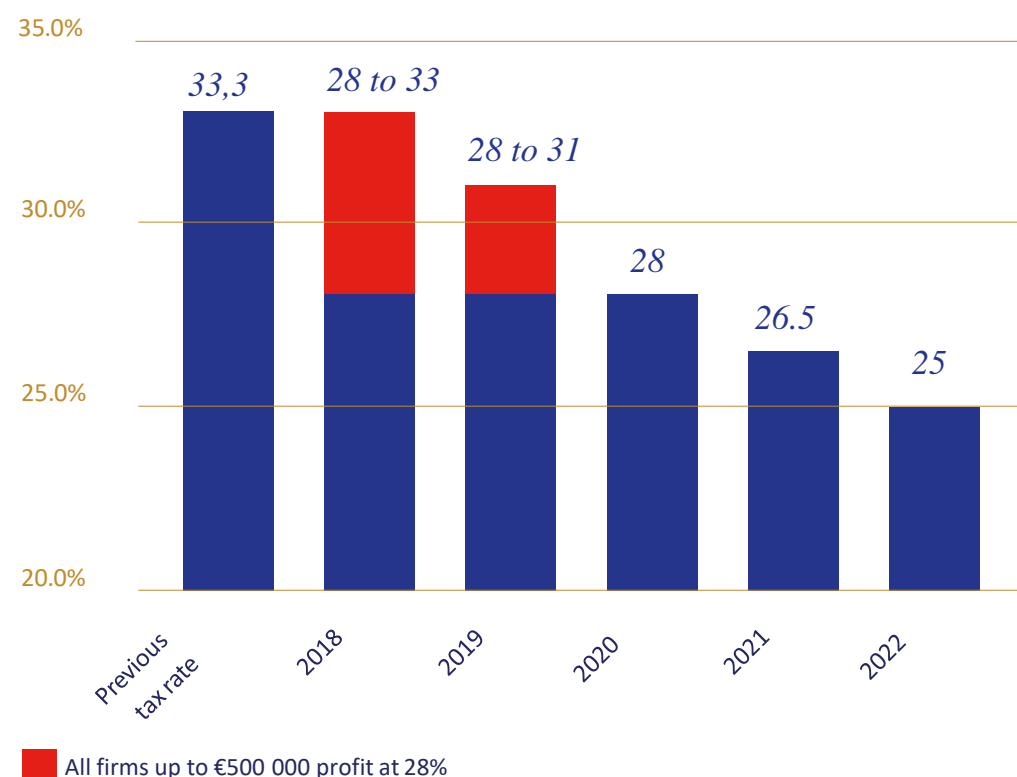


# BUSINESS TAX STRATEGY

Choose !

## Decreased nominal corporate tax rate

From 33% to 25% by 2022



## Lower cost of employment

Reduced employer's social contribution, with no impact on the employees coverage

## Business-friendly tax administration with the new “right to make mistakes”

Moving from first-strike penalties in case of irregularities to **support and advice** from government staff

MORE COMPETITIVE BUSINESS TAXES

# PERSONAL TAX STRATEGY

**Single** tax rate on capital gains

MORE COMPETITIVE  
PERSONAL TAXES

# 30%

flat tax on all  
capital income  
from 2018

**Abolished** wealth tax for all non-  
real estate assets

Individuals are now only liable on their  
real estate properties.

All other investments are removed from the  
wealth tax.

# BUSINESS ENVIRONMENT: COMPANY GROWTH ACT (PACTE)

**A ROUND OF ECONOMIC  
LIBERALISATION MEASURES  
AIMED AT BOOSTING THE  
PERFORMANCE OF FRANCE  
BASED COMPANIES.**



## **Boost growth**

by cutting red tape, simplifying tax rates and employment rules, easing acquisitions, creating incentives for export and facilitating financing, cutting taxes on incentive and profit-sharing schemes for small and medium-sized businesses.

## **Boost disruptive innovation**

by facilitating the testing of autonomous vehicles, financing deep tech start up and R&D projects in AI or nanotechs.

*The new measures will be discussed in Parliament in September, and enter into force in early 2019*

# BUSINESS ENVIRONMENT: BETTING ON AI

Choose  !

**MULTIPLE PUBLIC AND PRIVATE INITIATIVES TO BRING TOGETHER CORPORATIONS, START-UPS, INVESTORS, RESEARCHERS AND PUBLIC ADMINISTRATIONS AROUND THE DEVELOPMENT OF AI IN FRANCE**



Publication of a report by Field medalist and member of Parliament **Cédric Villani** with 7 strategic propositions to boost the French AI sector

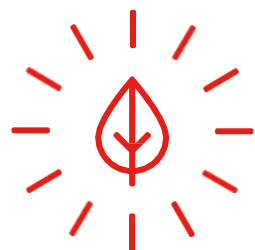


Creation of a dedicated platform:  
« **France is AI** » to federate AI start-ups and initiatives and participate in creating a vibrant AI scene in France

# A “BIG” PUBLIC INVESTMENT PLAN TO SUPPORT THE GOVERNMENT STRATEGY

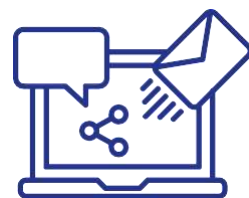
Choose  !

€57 BILLION - THE BIG INVESTMENT PLAN 2018-2022



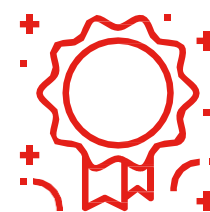
*€20 Bn*

Accelerating  
ecological  
transition



*€15 Bn*

Building  
a skilled  
society



*€9 Bn*

Creating the  
Digital State



*€13 Bn*

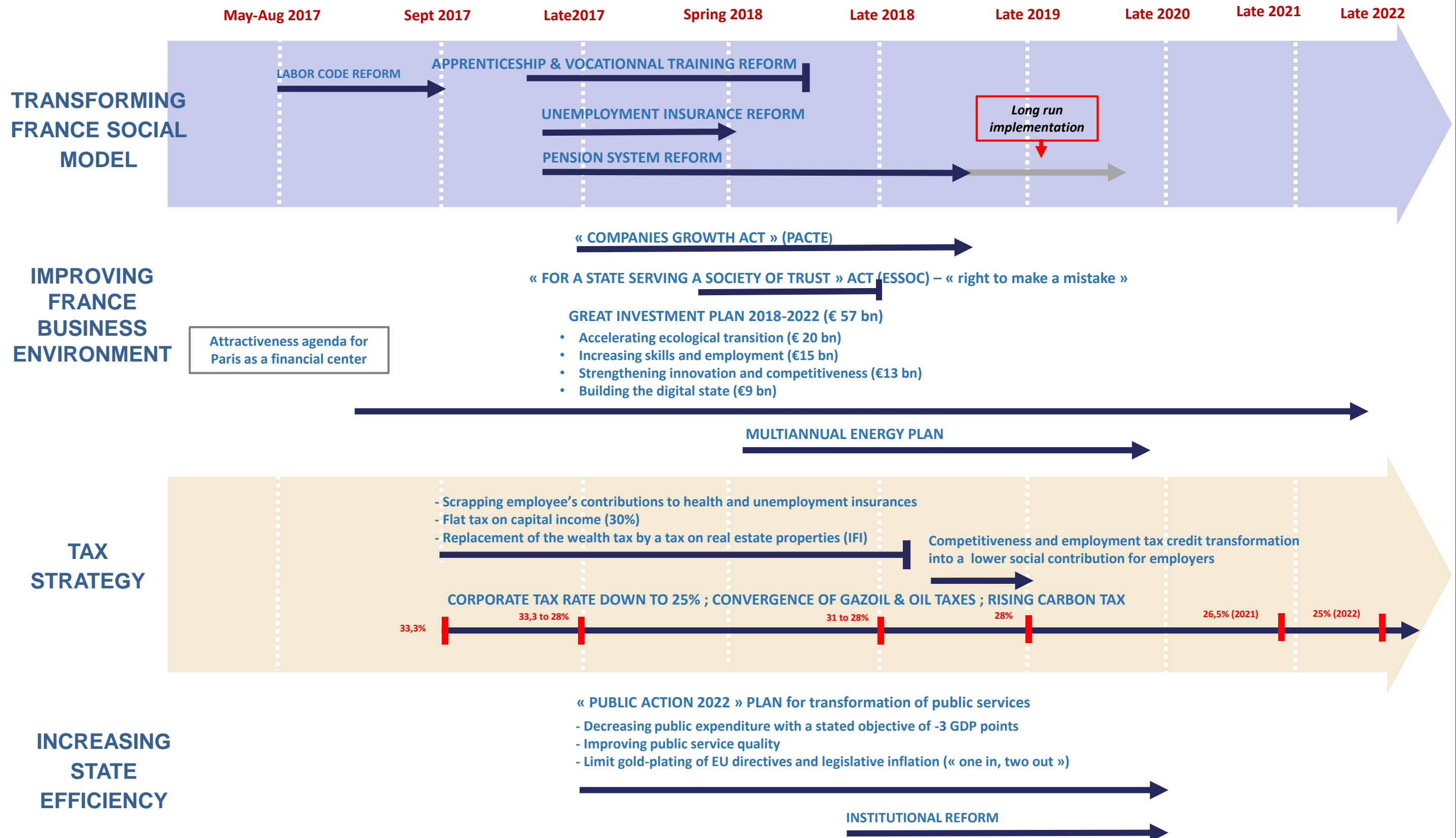
Competitiveness  
through innovation



# A DETAILED AND TRANSPARENT REFORM AGENDA

Choose  !

## Timing of reforms



# « PUBLIC ACTION 2022 » PLAN

Choose !

## AN AMBITIOUS PROGRAMME TO RETHINK THE PUBLIC ACTION MODEL:

**A better public service quality**, by moving from a control culture to a trust culture, and by working on simplification and digitalization of administrative procedures.

**Accompanying the decrease in public expenditure**, with a stated objective of -3 GDP points by 2022.



*With the launch of the “Public Action 2022” programme in October 2017, the Government aims to build **a new model for carrying out public policies**, which takes full account of the digital revolution and new uses of digital technology.*

*<https://www.gouvernement.fr/en/public-action-2022-for-transformation-of-public-services>*

# *FRANCE'S SUPPORT* **FOR INTERNATIONAL INVESTORS**

# BUSINESS FRANCE AGENCY: YOUR ONE-STOP SHOP TO START IN FRANCE

Choose 

*In association with the French Treasury at the Embassy:*

Business France **connects you to all French regions** so you can make an informed decision about the best location for your business

**Business France** is the national agency supporting the international development of the French economy



Business France offers **free and confidential guidance** to make your new business in France a success, regardless of your plans:

- Discovering France's key strengths and advantages,
- Planning for a new investment,
- Looking for industrial or technology partners,
- expanding existing sites,
- assessing acquisitions or financial investments.

*Every year, Business France monitors 1,600 new investment projects and accompanies businesses on over 800 visits*

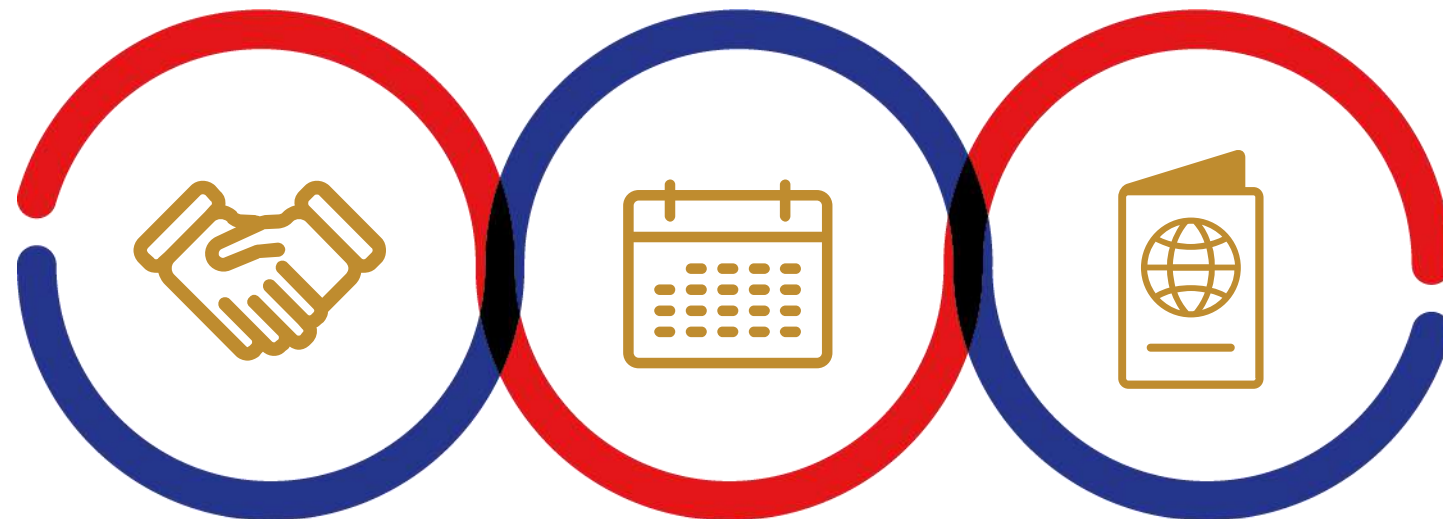
# WELCOME TO FRANCE OFFICE

Choose  !

[www.welcometofrance.com](http://www.welcometofrance.com)

The Welcome to France office, a dedicated Business France service specialized in international transfers, assists you with moving you or your staff to France

**Welcome  
TO FRANCE**  
HELPING YOU TO SETTLE IN



## INFORMATION

- Visas
- Residence Permits
- Work permits
- Personal Tax
- Social security
- Day-to-day life

## GUIDANCE

- Personalized guide for setting in France
- Anticipate the steps with a dedicated schedule

## SUPPORT

- A dedicated team in Global Mobility
- Contact via the online form
- Reply within 3 working days



# TAX4BUSINESS: ONE-STOP SHOP FOR CORPORATE TAX QUESTIONS

**Tax4Business** is a one-stop contact point for all your tax issues in France. it accommodates your needs and guides you so you can invest within a clear and safe legal environment

Choose !



## *Three missions:*

**CLARIFYING** by making information available on a dedicated website in English and giving the opportunity to make inquiries and get answers in foreign languages.

**SECURING** by providing, when possible, a written statement including local as well as national taxes applicable to an investment project.

**MAKING IT EASIER** by being a single contact point to the various French tax departments.

[tax4business@dgfip.finances.gouv.fr](mailto:tax4business@dgfip.finances.gouv.fr)

# MANY ADDITIONAL PROGRAMS TO LEVERAGE OPPORTUNITIES IN FRANCE

Choose !



A solution for businesses, researchers, students and NGOs committed to work for a more sustainable planet.



A program designed for entrepreneurs from all over the world who want to create their startups in France.



A team fully dedicated to assisting foreign companies (and their employees) that wish to be located in Ile de France (Paris region)

Choose !



Choose !



[nordic.businessfrance.com](http://nordic.businessfrance.com)

Contact us: [nordic@businessfrance.fr](mailto:nordic@businessfrance.fr)