

# Annual Report

— **2020** —

## Foreign investment in France





2020

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*"Our goal ultimately remains the same:  
to make France  
the most attractive country in Europe."*



*Bruno Le Maire*

Minister for the Economy and Finance



*Franck Riester*

Minister Delegate reporting to the  
Minister for Europe and Foreign Affairs,  
with responsibility for Foreign Trade and  
Economic Attractiveness

The 2020 Annual Report on Foreign Investment in France was eagerly awaited. Firstly, as in 2019 France had become Europe's leading country in terms of attractiveness; and secondly, as the Covid-19 crisis had generated an unprecedented decline in investment flows worldwide.

The results are now in and they are reassuring. This is the second-best performance France has recorded in 10 years in terms of job creation, with the 1,215 foreign investment projects recorded having created or maintained 35,000 jobs throughout the country. These results reflect France's robustness and how the country has remained a winning choice for foreign businesses, having weathered the storm better than most of its partners, both in Europe and around the world.

International investments were already making a considerable contribution to France's prosperity and they will play a decisive role in the country's successful recovery. The 16,600 foreign businesses established in France account for 2.3 million jobs, more than 20% of the economy's revenues, more than 14% of business investment and nearly one-third of exports. Importantly, foreign businesses that set up in France also do so to conquer international markets.

We see this as a sign that three years of reforms have strengthened the fundamental elements that are now enabling our economy to withstand the crisis. Praised by investors, the reforms carried out by the government under the leadership of President Emmanuel Macron have enabled France to face current and future economic and technological challenges.

We have created a more flexible and secure social environment, more in line

with today's world of work. With two major reforms in particular, the PACTE Act of 2019, relating to business growth and transformation, and the ASAP Act of 2020, relating to the acceleration and simplification of public action, we have made life even easier for businesses, by reducing their administrative requirements.

Developing your business in France has never been easier. We have initiated unprecedented tax cuts. For businesses, which will have seen their corporate tax rate fall from 33% to 25% between 2017 and 2022. To free up household purchasing power, by lowering income tax by €10 billion and by completely eliminating residence tax by 2022. And, finally, to free up investment: this is the meaning behind the reforms on tax on high incomes. We continue to invest heavily in our infrastructure, in the economy of tomorrow and in the skills required for it to flourish.

It is also a sign that our emergency and stimulus measures are going in the right direction. From the start of the pandemic, we have drawn on more than 20% of our national wealth, or €500 billion, to support businesses and protect employment, by deploying one of the largest economic safety nets in Europe. With our "Relaunch France" plan, we are further accelerating transformations to make France even more competitive, develop skills and ecosystems in future sectors, such as hydrogen or quantum technology, aiming to be less carbon-intensive and even more attractive to foreign businesses. As such, we are investing an additional €100 billion to emerge stronger from this crisis.

One particularly noteworthy change is the unprecedented and lasting reduction in production taxes, which began on January 1, 2021 of €10 billion per year.

This plan, which invests in strategic sectors and associated skills, was rolled out quickly, with €11 billion having been pledged at the end of 2020. We are accelerating its implementation in 2021, with the aim of drawing on an additional €40 billion in funds.

As of March 1, €26 billion has been used since last September. The twenty largest investment projects selected to benefit from the industrial regions' acceleration fund are led by foreign businesses, together representing more than €500 million of investment. Furthermore, the National Investment Program to promote technological innovation has been judged attractive by 88% of foreign business executives. "Relaunch France" has doubled its capacity, with €11 billion set to be invested over 2021-2022.

This Annual Report is also marked by the size and share of projects of European origin, which equates to nearly two-thirds of the total. Beyond geographical proximity, this demonstrates the strength of the internal market for businesses, but also the will of the EU member states to actively build the strategic and industrial autonomy that we need, by creating more European and more integrated value chains.

These results reinforce the priorities identified by the President of the Republic, which we have been implementing since 2017. This momentum will be maintained, and the reforms already begun will be accelerated, to support the competitiveness, innovation and revival of the French economy and build employment and skills. Our goal ultimately remains the same: to make France the most attractive

*"In 2020, it was all about being resilient.  
In 2021, it's all about the recovery."*



*Pascal Cagni*

Chairman of the Board, Business France, and Ambassador for International Investment



*Christophe Lecourtier*

CEO, Business France

Several months of lockdown in France and around the world, the closure of many borders for long periods during 2020, and the sudden fall of nearly 40% in foreign direct investment globally: everything indicated that the number of job-creating foreign investment projects in France was going to collapse.

However, this was not the case: Business France and France's regions identified 1,215 projects in 2020, more than 23 per week. Their decrease in number, -17%, must be put into perspective for two reasons: firstly, 2019 was an exceptional year, with an 11% rise compared with 2018, which was itself a very good year. Secondly, this figure is in line with the average (1,233 projects) of the previous five years. In addition, the score in terms of jobs created or maintained by these projects - 34,567 - is higher than the average for 2015-2019 (33,424) and is 14% higher than in 2018.

If we then look at these projects in more detail, several satisfactory elements emerge.

One quarter of the projects aimed to establish or expand a production facility, representing more than 37% of jobs created or maintained, or nearly 13,000. The German company Siemens stands out, with the recruitment of 850 people to accelerate its development in electric mobility, automation and energy storage. Such attractiveness supports France's industrial redevelopment strategy. Furthermore, 80% of foreign executives consider French industry to be attractive, according to the 2020 Kantar survey on France's attractiveness.

In addition, several key sectors cushioned the shock, such as logistics, where investments held up, and business services, which recorded a drop of only

4%. As for the number of projects in R&D, although decreasing, it remains at a high level, with 146 projects, a figure higher than those registered in 2018 (129) and 2017 (125).

Finally, strategic sectors are making clear progress. Healthcare projects recorded an increase of 40%. The majority are expansions of production facilities, such as Recipharm, the Swedish producer of messenger RNA vaccines (Centre-Val de Loire), and Fresenius, the German specialist in the treatment of renal failure, based near Lyon (Auvergne-Rhône-Alpes), which both created a hundred jobs.

Renewable energy attracted 13% more projects and the number of jobs generated has almost doubled. The American firm Clarios is investing in the Lorraine area of the Grand Est region to manufacture batteries, the Irish producer of photovoltaic energy Amarenco is expanding in Lagrave (Occitanie) and Canadian company Boralex is continuing to build wind power plants in Montélimar (Auvergne-Rhône-Alpes).

The ecological transition is indeed a key part of France's attractiveness, as seen by 89% of the leaders of foreign businesses. However, we should remember that certain sectors are suffering severely from the pandemic, in particular the hospitality/catering and aerospace industries, where the number of projects has fallen by half, as well as in transport and storage.

There are now 60 source countries for projects, with some of them growing sharply: Ireland (+50% of projects), the Netherlands (+43%), Spain (+9%) and Denmark (+7%). Lastly, with regard to the geographical distribution of these projects, we are pleased to note that the

attractiveness of the Ile de France/Paris region and France's other main cities has not harmed other regions: given their respective economic weight, Occitanie, Bourgogne-Franche-Comté and Grand Est welcomed a higher number of projects than the Paris region.

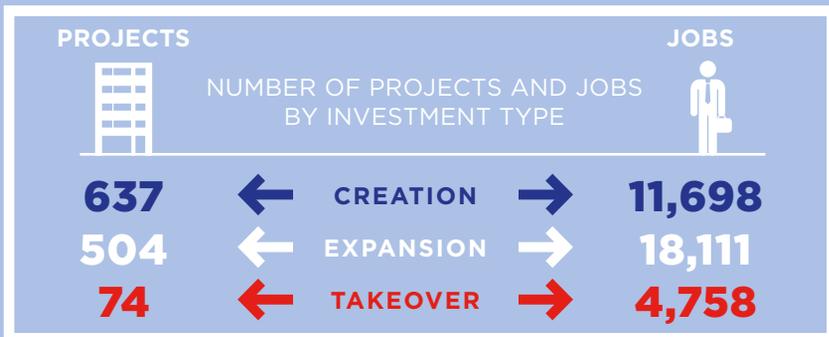
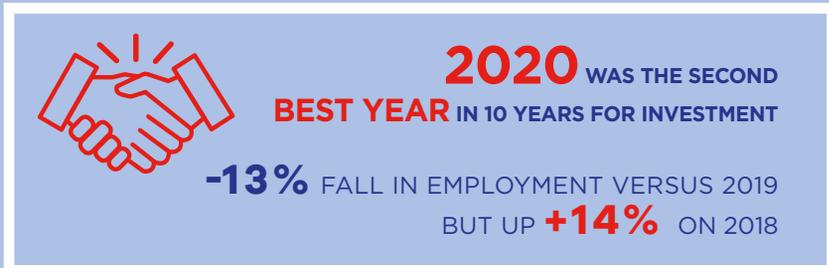
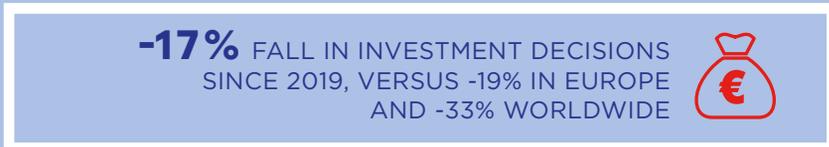
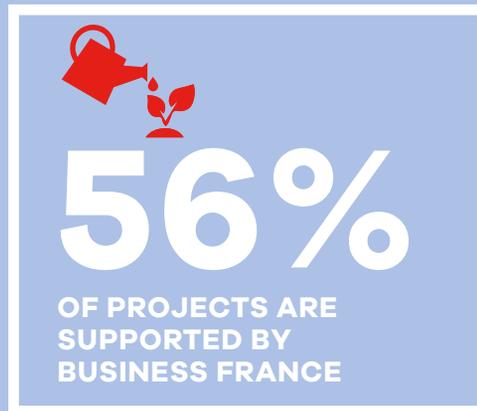
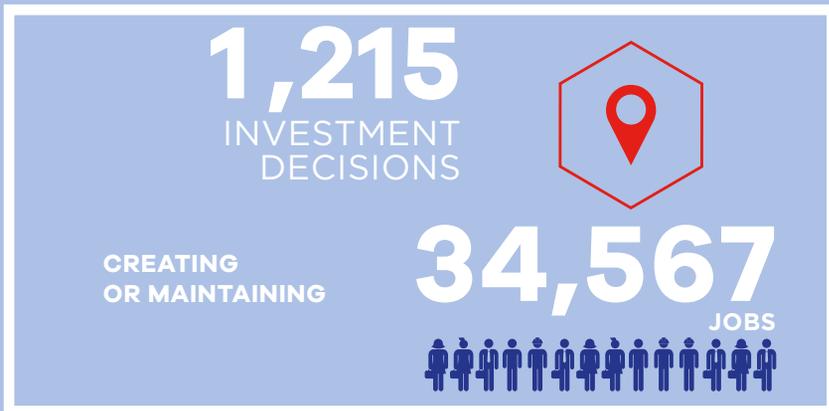
This Annual Report, positive in more ways than one, should make us feel optimistic. It is the fruit of France's structural key strengths and the buoyant reforms carried out by the government. Furthermore, it reflects the great confidence that France inspires in foreign investors, which has been further strengthened by the exceptional initiatives to support and revive the economy taken over the past year.

Finally, as Pierre Corneille wrote, "the manner of giving is worth more than the gift". Our attractiveness will also benefit from the ongoing improvement in welcoming investors: with a shared desire, the key players of Team France Invest, and the team behind France's attractiveness, bringing together Business France, the regions, the prefectures, Bpifrance and the Banque des Territoires, are stepping up their efforts in order to optimize prospecting and support projects. In 2020, it was all about being resilient. In 2021, it's all about the recovery.

# 2020 SUMMARY

## Foreign investment in France

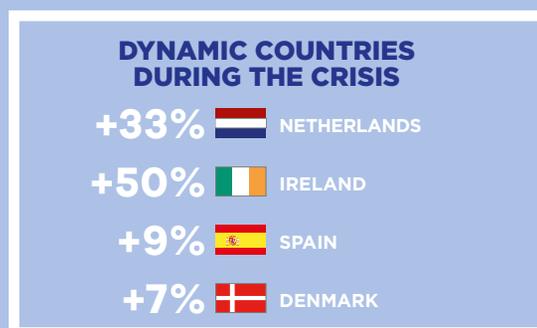
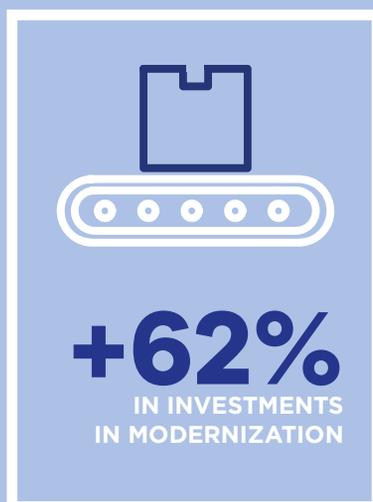
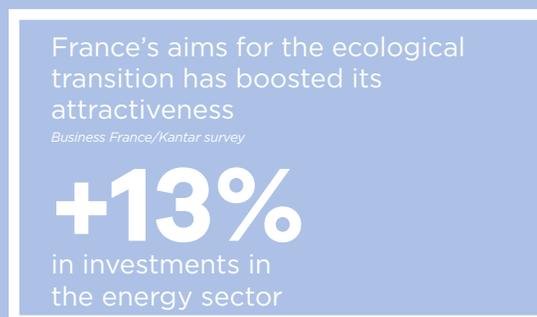
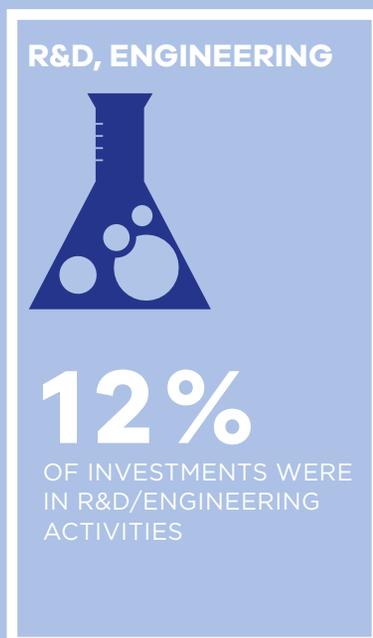
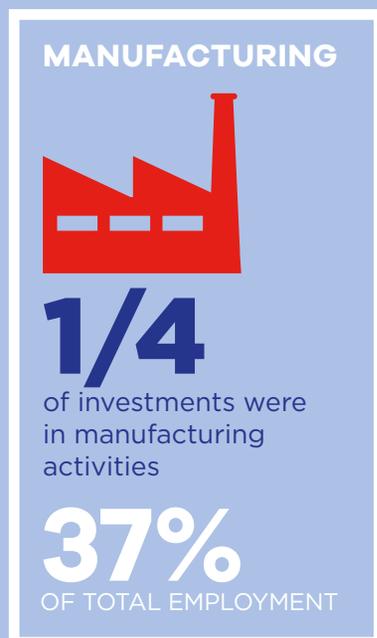
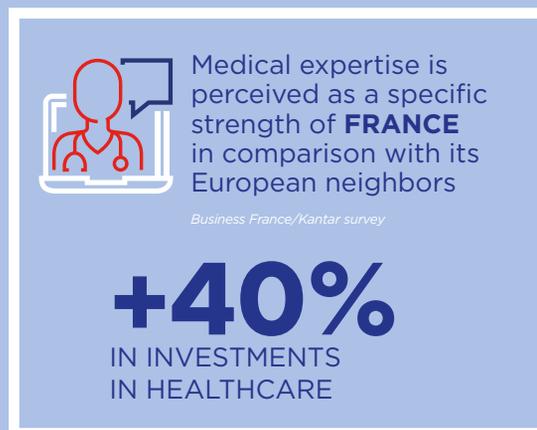
### FRANCE, A RESILIENT ECONOMY



**MANUFACTURING REMAINS TOP FOR INVESTMENTS**



**THE HEALTHCARE AND ENERGY SECTORS ARE EXTREMELY ATTRACTIVE**



1

# **International context**

# INTERNATIONAL CONTEXT

## THE COVID-19 PANDEMIC WEIGHS HEAVILY ON ECONOMIES AND SOCIETIES

The Covid-19 crisis has had an unprecedented impact on all world economies, with global GDP shrinking by -3.5%<sup>1</sup> in 2020. Although the discovery of a vaccine may lead to an exit from this crisis, the resumption of the pandemic in several economies and the containment measures are once again slowing the global economic recovery and are likely to induce further production cuts in the short term.

In this context of uncertainty, the global economy is nevertheless expected to grow by 5.5% in 2021 and 4.2% in 2022. The forecasts for 2021 have been revised upwards by 0.3 percentage points compared with the previous estimates, reflecting expectations of increased vaccine-related activity later in the year and additional political support in a few large economies.

At the height of the health crisis in April 2020, more than half of business leaders, interviewed by EY on the trends that would accelerate the most over the next three years as a result of the Covid-19 crisis, answered: a reversal of globalization. These responses reflect the uncertainty and aversion to the risks brought about by the Covid-19 pandemic. Has the crisis impacted the establishment strategies of multinational firms and their investment projects?

Foreign investment plans have declined in almost every country in the world following the Covid-19 pandemic, with a drop of -33% globally. North America is the region of the world where foreign investment projects declined the least (-7%). France has therefore cushioned the shock and shown resilience, with a recorded drop in foreign investment of -17%, compared with -39% in Western Europe.

The -33% drop in project numbers is close to that observed in 2020 for global foreign direct investment flows of around -42% according to UNCTAD. We have also seen a redistribution of foreign direct investment flows to

the benefit of certain regions during the pandemic. Emerging countries are the main recipient countries of FDI flows, hosting 70% of the total amount. China became the main host country for FDI inflows with US\$163 billion, followed by the United States with US\$134 billion. Within Europe and in relative terms, FDI flows have declined drastically in the United Kingdom, Italy, Russia and Germany.

## DESPITE A CERTAIN WAIT-AND-SEE APPROACH, THERE IS RENEWED CONFIDENCE IN FRANCE

Despite the effects of the Covid-19 crisis, foreign businesses established in France are not currently considering curbing their activities in France: for more than half of them (60%), projects in France were maintained or expanded and only 6% abandoned them. On the other hand, in a sign of the ambivalence between the desire for continuity and a wait-and-see attitude, more than one-third of foreign business executives established in France (34%) report that projects have been postponed.

*90% of senior executives of foreign businesses established in France draw a positive conclusion of their investment in France*

The health crisis has led to a strong feeling of uncertainty. However, there is renewed confidence in France, with 90% of senior executives of foreign businesses established in France draw a positive conclusion of their investment in France. Moreover, 48% of them consider that they are expanding further in France, while 42% think that their growth has been stable and only 10% believe that it is decreasing.

Finally, France's attractiveness remains at a high level: 85% of senior executives abroad consider it to be attractive, or two points less than in 2019.

<sup>1</sup> World Economic Outlook Updates, IMF, January 2021

## MOST OF THE MEASURES IN THE “RELAUNCH FRANCE” PLAN ARE DEEMED TO BE RELEVANT TO SUPPORT FDI

Supportive macroeconomic policies, as well as structural measures to preserve confidence and reduce uncertainties until the widespread deployment of an effective vaccine, have been adopted by many governments. These measures aim to support employment and strengthen the economy's buoyancy by promoting the reallocation of resources to the most efficient sectors.

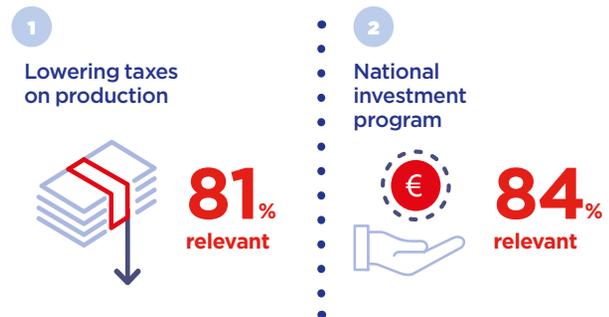
The French government has announced a €100 billion “Relaunch France” economic stimulus plan, which is considered to be among the most ambitious in Europe.

Among the main measures, the reduction of €10 billion in production taxes, subsidies for the hiring and the purchase or rental of vehicles, and the increase in public investment, as well as additional funding assigned to training, will largely support the recovery over the next two years. The renewal of emergency measures and the already programmed cuts in housing tax and corporate tax, as well as the increase in health sector budgets, will also help to partially mitigate the negative impact of the crisis on household income and corporate profit margins.

The French authorities have also extended emergency measures to promote hard-hit sectors and businesses to reduce their costs (temporary tax exemptions and the payment of a large fraction of salaries under short-time work schemes) and to facilitate their financing (thanks to the State guarantee of their loans and to a system of long-term equity loans intended to provide businesses with quasi-equity). At the same time, in most sectors, the capping of coverage by short-time work schemes and the additional funds allocated to training will encourage the redeployment of resources.

The short and long-term measures of the stimulus plan are well received and their anticipated impact on businesses, but also on the attractiveness of the country as a whole, is largely positive. Emergency economic support measures (guaranteed loans, short-time working, postponement of tax and social security deadlines) are viewed very positively by 80% of managers in their ability to support business activity during this crisis.

### RELEVANCE OF MEASURES



Source: Business France/Kantar survey on France's attractiveness, 2020

The “National Investment Program” of €11 billion by 2022 (84%) to support innovation and investment in technologies of the future, and the reduction of production taxes (81%), are the two most relevant measures in the eyes of the executives of foreign businesses established in France: beyond the tax question it is important, in their eyes, to prepare the future of the French economy.

## METHODOLOGY

### BUSINESS FRANCE/KANTAR SURVEY ON FRANCE'S ATTRACTIVENESS TO BUSINESS

In November 2020, Kantar Public conducted a survey for Business France of foreign executives who had chosen to set up in France or not. The aim was to identify how France is perceived in terms of economic attractiveness and to gain an insight into how investment location decisions are made.

The survey was conducted by telephone and polled 902 foreign businesses, including 705 opinion leaders in the United States, China, India, United Kingdom, Germany, Italy and Switzerland, along with 197 senior executives from foreign businesses in France.

### HIGHER GROWTH RESUMPTION THAN IN OTHER EURO ZONE COUNTRIES

The OECD has published its growth forecasts for 2021 and 2022, with global GDP growth due to be 5.6% this year, up one percentage point from the OECD Economic Outlook in December 2020.

For 2021, France's forecast is good, with the strongest growth in Europe, and one of the strongest performances among the countries compared of 5.9%, ahead of the United Kingdom (5.1%) and Germany (3%).

These forecasts are in line with those of other economic organizations: the French Ministry for the Economy, Finance and the Recovery predicts 8% growth, the Banque de France "at least 5%" and the European Commission 5.5%.

The latest estimates from the Treasury Directorate (DGT) predict a decline in GDP of 10% in 2020, then a rebound of 8% in 2021. In 2021, GDP will be 2.7% below its 2019 level. Beyond their assessment of the depth of the crisis (2020) and the strength of the rebound (2021), the most recent forecasts for France all place 2021 GDP between two and four points below its level in 2019. These latest estimates were able to include:

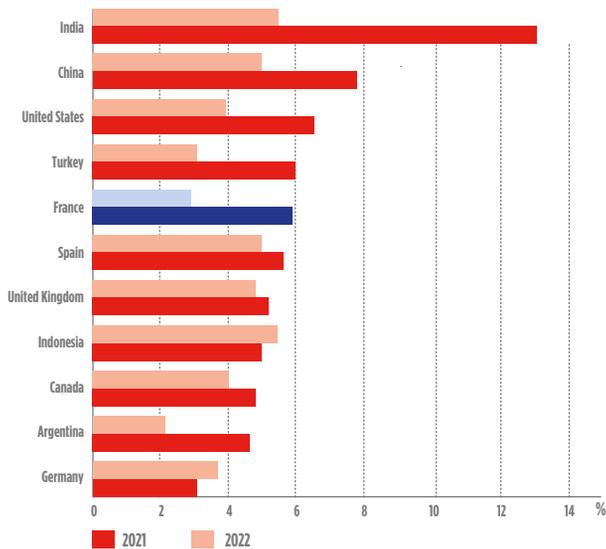
- The relatively sharp rebound in activity during summer 2020 in France.
- The deterioration, in France and among our partners, of the health situation since the end of the summer, which could slow down consumption and activity at the end of 2020 and which should gradually return to normal during 2021.
- The economic stimulus plan announced on September 3, some measures of which (hiring bonus, for example) are already in place and which should raise the level of GDP

by around 1.5 percentage points in 2021, compared with a scenario without a stimulus plan.

In the Banque de France's main scenario, the rebound in activity in 2021 in France should be supported not only by that of household consumption but also by that of public demand. On the one hand, public sector activity should return to normal, after being severely reduced during the first lockdown. On the other hand, public investment should rebound markedly, notably under the effect of the stimulus plan.

The stimulus plan's measures aimed at households and businesses, in the form of subsidies or transfers, are set to

**Fig. 1 ECONOMIC GROWTH FORECASTS**



Source: OECD Economic Outlook, 2021.

help strengthen the rebound in private investment in 2021. The cut in taxes on production should strengthen corporate margins, with, very gradually, effects on activity. Conversely, a sustainable inventory reduction movement on the part of businesses would weigh on the recovery of GDP, in particular in 2021.

The recovery in activity should continue in 2022, with growth still sustained, at 5%, mainly carried by the return to normal of private consumption, with the lifting of restrictive measures. The stimulus plan is expected to continue to support private and public investment in 2022, with activity set to return to its pre-crisis level in mid-2022.

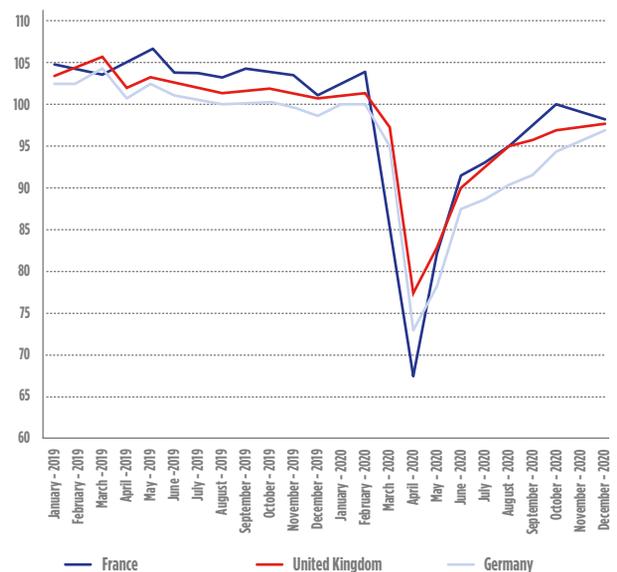
The latest forecasts from the European Commission establish that French economic activity is expected to grow by 5.5% in 2021. France is expected to rebound more strongly than most other countries in the euro zone.

In addition, we can observe from May 2020 that industrial production rebounded significantly in Europe, and more particularly in France. The decline in production observed in all sectors was more moderate in capital goods (-5.2%), agri-food industries (-2.1%) and mining, energy, water (-1.9%).

The business climate is recovering and after a general fall in investment in 2020, business leaders in the manufacturing industry surveyed by INSEE in January 2021 predict a strong rebound in their investment, with a 10% increase in revenues. The recovery in investment is expected to be very dynamic in the manufacture of capital goods.

All of these elements lead us to be optimistic. France appears to be rather well placed in its capacity to emerge from the Covid-19 crisis and to bounce back.

*Fig. 2* INDEX OF INDUSTRIAL PRODUCTION



Source: Eurostat, 2021

2

# France, a resilient economy

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TO BUSINESSES' NEEDS

# INVESTORS TRUST FRANCE AS A PLACE TO SET UP BUSINESS

In a context of a sharp decline in investments, where uncertainty weighs heavily on the global economy, France has shown resilience. The crisis interrupted the positive momentum of 2019 but has not challenged the attractiveness of France for investment.

## FRANCE ATTRACTED 1,215 NEW FOREIGN INVESTMENT DECISIONS IN 2020

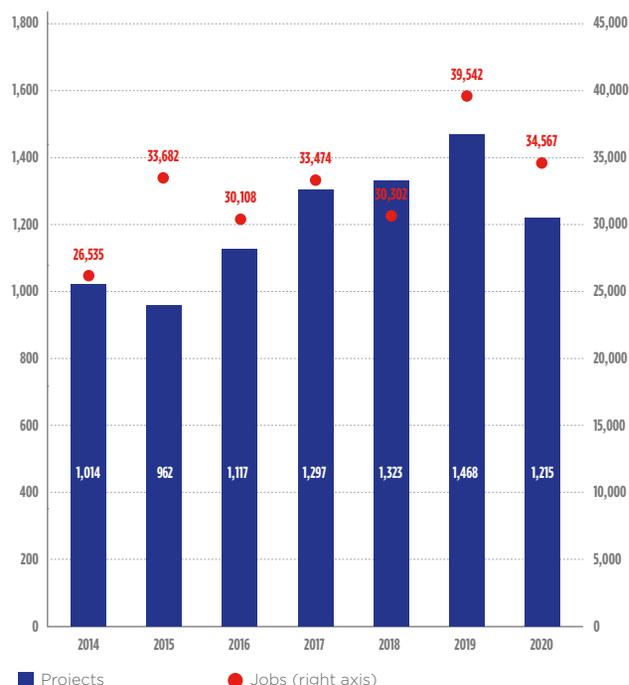
France attracted 1,215 new foreign investment decisions in 2020, a smaller decrease than that felt worldwide (-33%). Jobs created or maintained by foreign subsidiary investments were also down by 13% since last year. The shock was nevertheless softer on the creation of employment, as with 34,567 jobs, **2020 was the second best year in the last decade.**

With the health crisis, the uncertainty is palpable, however, there is renewed confidence in France as an investment

location, with **90% of the executives of foreign businesses set up in France drawing a positive impression of their investment in France.** Moreover, 48% of them believe that their presence in France has tended to expand, 42% of them that it has stayed the same, versus only 10% who believe it has diminished.

These buoyant levels of inward investment come at a time of renewed confidence among economic decision-makers. According to the Kantar-Business France survey, nearly nine in 10 chief executives (85%) believe that France is an attractive foreign investment destination.

Fig. 1 CHANGE IN PROJECT AND JOB NUMBERS (2014-2020)



Source: Business France, Annual Reports

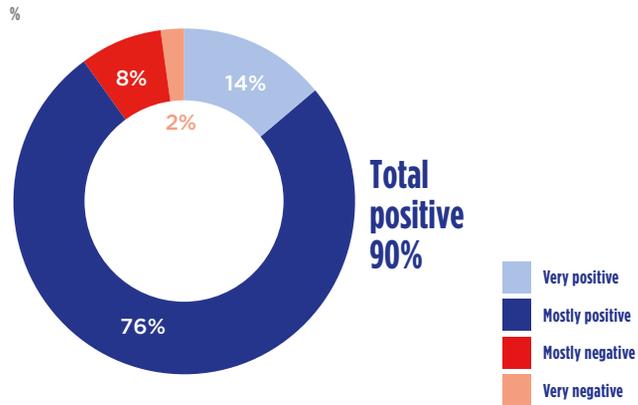
## RECORDING PHYSICAL INVESTMENTS FROM THE FIRST JOB CREATED

The Business France Annual Report examines all foreign investment projects that create or maintain jobs in France and details the number of jobs that each project generates. It provides detailed statistical analysis by business sector, business activity, investment type, source country and host region.

Until 2014, and in contrast with practices at other investment promotion agencies in Europe, or at private consulting firms, only projects creating at least 10 jobs were recorded in the Annual Report. This size criteria did not apply to first-time investments in Europe and to projects in high value-added sectors (R&D, design, engineering, headquarters, and business consulting).

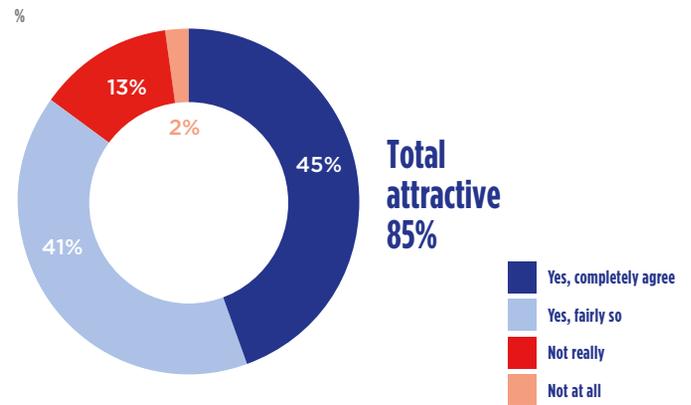
With a view to providing a clearer picture of the competitive environment and the realities of job-creating foreign investment, Business France decided from 2014 onwards to count all investment decisions in France from the very first job created.

**Fig. 2** WHAT OVERALL OPINION WOULD YOU SAY THAT DIRECTORS FROM YOUR GROUP HOLD ABOUT THEIR INVESTMENT IN FRANCE?



Source: Business France/Kantar survey on France's attractiveness, 2020

**Fig. 3** WOULD YOU SAY THAT FRANCE IS AN ATTRACTIVE DESTINATION FOR FOREIGN INVESTMENT?



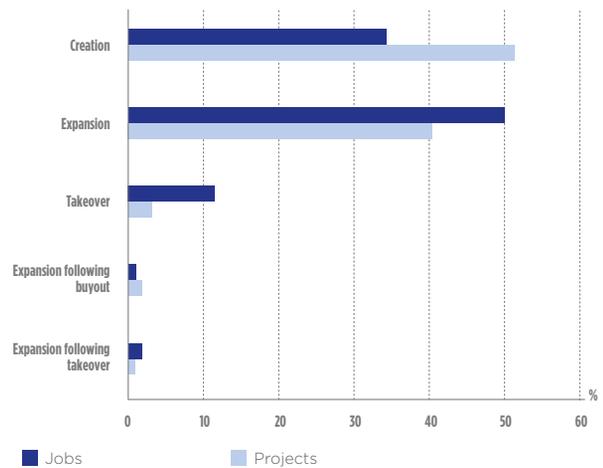
Source: Business France/Kantar survey on France's attractiveness, 2020

### INVESTMENTS MOSTLY INVOLVE CREATIONS

The crisis did not affect investment type, with decisions involving new creations in France remaining in the majority, with 52% of all investment. One-third of manufacturing projects involved new decision-making centers. While creations overall were down by 17%, they were 32% up in manufacturing activities.

Expansions are a sign of the renewed confidence that foreign-owned subsidiaries already set up in France have in the country as an investment location. Expansion projects are the leading provider of employment, accounting for 50% of all jobs generated by foreign investors in France. Half of jobs generated by expansions result from the development of industrial sites already set up in France.

**Fig. 4** BREAKDOWN OF PROJECTS AND JOBS BY INVESTMENT TYPE (2020)



Source: Business France, Annual Report 2020

### BREAKDOWN OF PROJECTS BY INVESTMENT TYPE (2019-20)

	PROJECTS				JOBS			
	2020	2019	CHANGE	SHARE	2020	2019	CHANGE	SHARE
Creation	637	768	-17%	52%	11,698	15,347	-24%	34%
Expansion	504	610	-17%	41%	17,416	18,755	-7%	50%
Expansion following buyout	30	37	-19%	2%	508	521	-2%	1%
Takeover	37	38	-3%	3%	4,217	3,392	24%	12%
Expansion following takeover	7	15	-53%	1%	728	1,527	-52%	2%
<b>Total</b>	<b>1,215</b>	<b>1,468</b>	<b>-17%</b>	<b>100%</b>	<b>34,567</b>	<b>39,542</b>	<b>-13%</b>	<b>100%</b>

Source: Business France, Annual Report 2019 and 2020

## THE MEASURES OF THE STIMULUS PLAN DEEMED TO BE RELEVANT TO SUPPORT FRANCE'S INVESTMENT AND ATTRACTIVENESS

The French government's unprecedented €100 billion recovery plan over a two-year period revolves around three main axes: ecology, the main aim of this plan, to support the transition to a more carbon-free and sustainable economy; competitiveness, to give businesses the most favorable conditions to expand their activities and thus preserve employment; and cohesion, to support youth employment and guarantee solidarity between generations, regions and all French people.

- **Ecology: the first part of the recovery plan will draw on €30 billion to finance the ecological transition in all its forms.** It will be based on the implementation of energy renovation measures for buildings, the decarbonization of industrial sites, the development of infrastructure and green mobility, and increased support for green energies and technologies, as well as measures to promote biodiversity, the agricultural transition and the fight against land artificialization.
- **Competitiveness: the second part of the recovery plan will devote €34 billion to strengthening the competitiveness of businesses,** in particular to develop the industrial productive base in innovative sectors, to gain autonomy for our sensitive supplies (support for the relocation of strategic sectors) and thus to consolidate French and European economic power. In this regard, the recovery plan includes measures for a massive and lasting reduction in production taxes (i.e. €20 billion over two years), for

strengthening the equity capital of VSEs, SMEs and mid-size companies through two major measures: firstly, the creation of the "Relaunch France" label, to promote investment vehicles supporting the strengthening of the capital of businesses established in France; and secondly, the public guarantee for the granting of €20 billion in participatory loans by banking networks to businesses with a model that is viable in the medium term, but weakened by the crisis.

- **Cohesion: the third part of the plan, amounting to €36 billion, will be devoted to the preservation and development of skills, as well as to social and regional cohesion.** It will aim to safeguard employment and skills through the deployment of long-term partial activity, accompanied by a training plan to stimulate hiring, in particular of young people, through the deployment of the "One young person, one solution", and to strengthen vocational training. It will also allow for a massive investment plan in health, through the implementation of the investment measures of the "Ségur de la santé" consultation. In addition, the recovery plan will strengthen both social cohesion (support for the purchasing power of households in extreme poverty) and regional help (digital inclusion, recovery plan of the Banque des Territoires, revitalization of businesses in urban areas, support for local authorities).

**All of these measures will increase growth by 1.5 points from 2021,** in particular by supporting the purchasing power of households and deploying ambitious public investments, but will also prepare for growth in the next decade, by accelerating the transformations of our economy towards a more competitive, more innovative and more prosperous model.

**Most of the stimulus package measures are considered relevant to support foreign direct investment (FDI).** The “National Investment Program” of €11 billion by 2022 (84%) to support innovation and investment in technologies of the future and the reduction of production taxes (81%) are the two most relevant measures in the eyes of the foreign business executives in France. Instead of focusing on the question of tax, they believe it is important to prepare the future of the French economy.

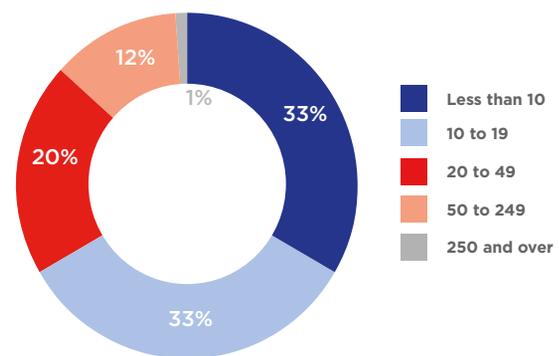
### AVERAGE PROJECT SIZE VARIES BY NATURE OF OPERATIONS

In 2020, each investment project nationwide created or maintained 28 jobs on average, higher than in the period between 2014 and 2019.

Average employment numbers vary enormously between different business activities and sectors, with the largest average number of jobs being in business services (47), industry (42) and logistics (39). In manufacturing, the average size of projects was 80 jobs for the automotive industry, 139 jobs for the aerospace, naval and railway equipment, 69 jobs for consulting, engineering and business services, and 54 jobs for software and IT services.

In 2020, the number of investment projects creating 100 jobs or more accounted for 6% of all projects (74 projects), versus only 4% in 2018. Two-thirds of investment projects created at least 20 jobs.

*Fig. 5* BREAKDOWN OF PROJECTS BY JOBS CREATED OR MAINTAINED (2020)



Source: Business France, Annual Report 2020

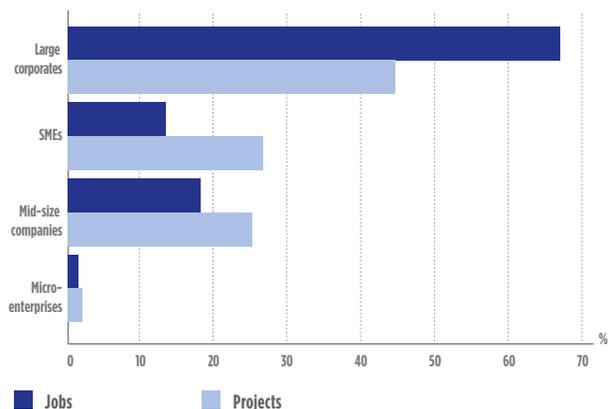
### GROWING CONTRIBUTION OF LARGE CORPORATES TO EMPLOYMENT

Every category of business has been affected by the crisis and have adopted a wait-and-see policy by reducing their investment decisions in France.

In 2020, large corporates (more than 5,000 employees) were responsible for 45% of all projects, mid-size companies (250 to 5,000 employees) for 25%, SMEs (fewer than 250 employees) for 27% and micro-enterprises for 3%.

Confidence in the recovery plan has enabled businesses to maintain the jobs they announced. Large corporates, responsible for 67% of jobs created, have seen their share grow by five percentage points since 2019.

**Fig. 6** BREAKDOWN OF PROJECTS BY PARENT COMPANY SIZE (2020)

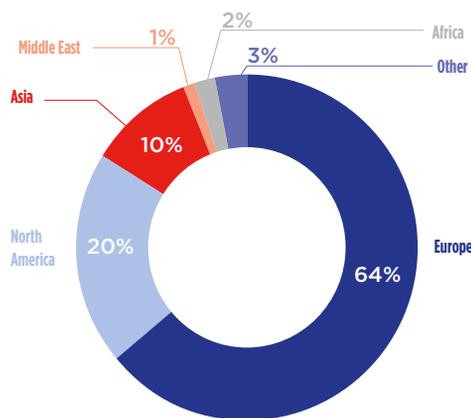


Source: Business France, Annual Report 2020

### SIXTY-FOUR PERCENT OF INVESTORS ARE EUROPEAN

Foreign investments were received from 60 different countries in 2020, with European investments continuing to hold the upper hand: 64% of job-creating foreign investments in France originated in other European countries, followed by North America (20%) and Asia (10%).

**Fig. 7** BREAKDOWN OF PROJECTS BY SOURCE REGION (2020)



Source: Business France, Annual Report 2020

## LEADING SOURCE COUNTRIES FOR FOREIGN INVESTMENT IN FRANCE (2020)

COUNTRY	PROJECTS				JOBS			
	2020	2019	CHANGE	SHARE	2020	2019	CHANGE	SHARE
United States	204	238	-34	16.8%	8,286	7,886	400	24%
Germany	201	228	-27	16.5%	3,938	4,946	-1,008	11.4%
United Kingdom	120	173	-53	9.9%	5,459	5,927	-468	15.8%
Italy	94	118	-24	7.7%	1,139	2,199	-1,060	3.3%
Netherlands	84	63	27	6.9%	1,173	1,590	-417	3.4%
Belgium	54	74	-20	4.4%	1,437	1,058	379	4.2%
China	53	65	-12	4.4%	1,697	1,364	333	4.9%
<i>including Hong-Kong</i>	8	7	1	0.7%	216	62	154	0.6%
Spain	49	45	4	4.0%	1,189	1,717	-528	3.4%
Switzerland	46	76	-30	3.8%	2,390	2,290	100	6.9%
Japan	42	57	-15	3.5%	1,244	952	292	3.6%
Canada	35	51	-16	2.9%	1,648	1,584	64	4.8%
Denmark	30	28	2	2.5%	480	698	-218	1.4%
Sweden	30	35	-5	2.5%	658	775	-117	1.9%
Ireland	15	10	5	1.2%	457	376	81	1.3%
Austria	13	20	-7	1.1%	112	289	-177	0.3%
Turkey	12	10	2	1.0%	174	318	-144	0.5%
Luxembourg	11	23	-12	0.9%	141	759	-618	0.4%
Singapore	9	8	1	0.7%	130	83	47	0.4%
India	9	18	-9	0.7%	496	357	139	1.4%
Tunisia	8	7	1	0.7%	194	157	37	0.6%
Norway	7	9	-2	0.6%	188	131	57	0.5%
Morocco	6	7	-1	0.5%	40	113	-73	0.1%
South Korea	5	8	-3	0.4%	147	245	-98	0.4%
Brazil	4	8	-4	0.3%	23	54	-31	0.1%
Chile	4	3	1	0.3%	44	38	6	0.1%
Ivory Coast	4	3	1	0.3%	86	20	66	0.2%
Finland	4	10	-6	0.3%	79	315	-236	0.2%
Greece	4	0	4	0.3%	45	0	45	0.1%
Portugal	4	6	-2	0.3%	31	357	-326	0.1%
Taiwan	4	4	0	0.3%	41	55	-14	0.1%
<i>Other</i>	50	53	-3	4.1%	1,401	2,889	-1,488	4.1%
<b>Total</b>	<b>1,215</b>	<b>1,468</b>	<b>-253</b>	<b>100%</b>	<b>34,567</b>	<b>39,542</b>	<b>-4,975</b>	<b>100%</b>

Source: Business France, Annual Report 2020

## AMERICAN INVESTMENT IN FRANCE REMAINED BUOYANT IN 2020

The United States continued to be the leading source country for investment in France and the chief provider of jobs. With 204 projects recorded, the United States were responsible for 17% of all job-creating foreign investment recorded in France and one-quarter of jobs generated. American firms stood out for their commitment to research and development, accounting for one-quarter of all inward R&D investments and 30% of jobs generated in this area.

Germany remained the second largest investing country in France in 2020, with subsidiaries of German businesses responsible for 16.5% of all investments (201 projects). Germany was the leading investor in manufacturing activities and was responsible for more than 20% of logistics projects. German businesses were responsible for nearly one-third of foreign investment in retail outlets, where they provided 17% of jobs. Major installations involved brands such as Lidl, Maxi Zoo and Aldi, attracted by domestic demand in the French market.

Between the health crisis and the uncertainty surrounding the process of leaving the European Union, the great majority of British businesses have shown a wait-and-see policy, with a fall in investments in Europe of around 35% in

2020, according to the Business France-Kantar survey on France's attractiveness. With 120 projects, British investments fell in France by around 31%, where they were responsible for 10% of all projects and 16% of all jobs generated. British businesses were particularly active with retail outlets, accounting for 30% of all investments and 50% of all jobs generated in this business activity. They were led mainly by the roll-out of Action France brands, a subsidiary of 3i Group, launched in 2018.

Despite the health crisis, Italian investment in manufacturing and R&D activities held up in 2020, with Italy being the third largest investor in industrial activities after Germany and the United States, accounting for 10% of investments in this business activity. Italian investments in R&D activities doubled and Italian businesses were responsible for 13% of foreign investment in R&D.

The buoyancy of investment from Dutch businesses (+33%, +21 projects) resulted from a growth in production site expansions, particularly in the agri-food sector and from the roll-out of Basic Fit gym chain across the whole country.

Finally, other investing countries remained vibrant during the crisis, from Spain (+9%, up four projects) to Denmark (+7%, up two projects) and Ireland (+50%, up five projects).

## *They chose France*



MEDTECH

**MEDTRONIC, UNITED STATES**

Medtronic, one of the global leaders in medical technologies, renewed its commitment to France in 2020 through a number of major investments, such as the expansion of its production facility in Trévoux (Auvergne-Rhône-Alpes region) for €3.5 million, the acquisition of Medicea, a pioneering business in the use of artificial intelligence in spinal surgery (€139 million), and a technological partnership with DeepSen, which specializes in R&D linked to digital therapeutic solutions.



CONSULTING AND BUSINESS SERVICES

**POLL, IVORY COAST**

Poll enters the international opinion research market with the Poll Data brand, a multinational big data platform for the expression, study and analysis of public opinion launched initially across 45 countries. Poll consists of two growth levers based on the entertainment and neo-banking sectors (Poll Jeux, Poll Finances) and several other brands, such as Poll Education, Poll Music, Poll Conso. This project will create at least forty jobs over three years, including ten in R&D and around a hundred within five years.



MEDICAL DEVICES

**BECTON DICKINSON, UNITED STATES**

Manufacturer and global distributor of medical technologies, US-based Becton Dickinson announced in 2020 an investment of US\$176 million in its Pont-de-Claix site in Isère (Auvergne-Rhône-Alpes region). This site acts as a reference center for the production of pre-fillable syringes (over one million a day) and hosts the global R&D center for this business unit. Becton Dickinson also plans to strengthen its presence in the region with the recruitment of 90 employees.



AGRI-FOOD

**PLUKON, NETHERLANDS**

DUC, which has 815 employees in France and is a major player in the poultry sector in France, became part of the Dutch group Plukon in 2017 and has since undergone restructuring. Since September 2019, the business has shown positive net results. The increase in capital and the investments made are therefore bearing fruit and enabling DUC to expand its activities: in 2020, the business's main site, located in the Bourgogne-Franche-Comté region, saw its workforce increase by 12. DUC also made investments to increase production capacity, thereby preparing the future of the site.



SOFTWARE

**SCHIBSTED, NORWAY**

Norwegian online classifieds group Adevinta, a spin-off of media firm Schibsted and owner of Leboncoin Group, has opened a new office in Paris (Ile de France region). These new premises will enable the group to continue its growth, with the creation of 100 jobs. This investment should help strengthen the position of the classifieds site, which is already among the 10 most visited in France.



RAILWAY EQUIPMENT

**SIEMENS, GERMANY**

For the past few years, the German group has been working to advance in future sectors, such as electric mobility, smart buildings, automation and energy storage. Its French subsidiary recruited 850 people in 2020, including 450 on permanent contracts, particularly at its sites in the Ile de France/Paris region. These include Saint-Denis, the location of its French headquarters (117 new hires); Vélizy, home to a center of expertise for the development of automatic extinguishing and fire detection systems in the aerospace, rail and construction sectors (34 recruitments); and Châtillon, location of automatic metro systems as well as R&D for this sector (80 new hires). Siemens also recruited 74 people at its Toulouse base in Occitanie. New hires ranged from people with two years of experience in higher education to engineers in the fields of energy efficiency, software, cybersecurity, embedded systems and big data.



AGRI-FOOD

**BARILLA, ITALY**

The Barilla group has been present in France for more than 50 years. It has nearly 2,000 employees and achieved revenues of €600 million in France in 2019. The group has five production sites, as well as several logistics hubs in the region. In July 2020, Barilla announced an exceptional investment plan of around €30 million for 2020-2022, including €26.4 million dedicated to the creation of a new Harry's "100% mie" (crust-free) bread in Pays de la Loire. The group also completed the expansion of the production of organic sweet products in Hauts de France, as well as the expansion of the storage capacity (+2,000 sq. m.) of the plant based in Centre-Val de Loire. It should be noted that the Barilla group makes annual investments amounting to €12 million to modernize industrial equipment at Barilla France. In all, the Barilla group has invested €200 million in France over the past 10 years.



IT SERVICES  
**CGI, CANADA**

Founded in 1976, CGI is one of the largest independent providers of information technology (IT) and business process management services in the world. The leading Canadian investor in France (12,000 employees and consultants in France), CGI has announced that it hired 2,800 people in France in 2020. Despite the crisis, the most European of digital service companies in the Americas has continued its plans for external growth, notably with the takeover of the Breton company Meti, the hiring of young talent, in particular from its Developer School in France U'DEV. Entirely funded by CGI via professional training contracts, this training gives its 200 students the opportunity to eventually join a digital company, on a work-study basis, with a permanent position.



AEROSPACE  
**COLLINS AEROSPACE (RAYTHEON TECHNOLOGIES CORPORATION), UNITED STATES**

A major player in French aerospace with 4,000 employees in France, including 700 engineers spread over 18 sites, Collins Aerospace has commissioned the Hélices Center of Excellence in Figeac (Occitanie), comprising a new 2,300 sq. m. building for the development, testing and qualification of new technologies, as well as for the manufacture of composite blades. This €32 million investment could generate around 100 hires by 2023. This initiative earned Collins the Choose France "Competitiveness & Innovation" award in December 2020.



LOGISTICS  
**DEUTSCHE POST DHL GROUP, GERMANY**

As part of the modernization of its French network and in response to the unprecedented growth of electronic commerce, the global leader in postal and logistics services has decided to invest €170 million in its new hub at Paris Charles de Gaulle airport. This installation, which will come into service in October 2021, will have a capacity of 38,000 packages per hour and will accommodate between 500 and 600 employees (around 50 new recruitments), who will work in a 34,000 sq. m building.



NAVAL EQUIPMENT  
**HANSEYACHTS, GERMANY**

Privilège Marine, manufacturer of high-end catamarans, located in Sables d'Olonne (Pays de la Loire), has benefited from the support of a powerful industrial shareholder since 2017: the German group HanseYachts. The site of the Privilège shipyard in Les Sables d'Olonne, which hosted the launch of several new catamarans, benefited the manufacturer, which recruited 55 employees in 2020 and is already expecting to employ around forty people in the first half of 2021. Furthermore, it aims to hire 250 employees by the end of 2022, compared with its current workforce of 165.



WHOLESALE AND RETAIL  
**PURE ELECTRIC LTD., UNITED KINGDOM**

Pure Electric Ltd. is a British business specializing in the sale of electric scooters and bicycles. After opening the firm's first stores in the United Kingdom in 2020, Pure Electric wanted to position itself in parallel across Europe, including in France, which according to the firm offers significant opportunities in terms of new mobility. At the end of 2020, the business opened its first store in France in Paris, marking the start of an aggressive expansion in France, starting with around 10 points of sale over three years in the Paris/Ile de France region. The project will create more than 85 jobs over three years, including eight related to the sales office in France.

## BREXIT IMPACTS MULTINATIONAL FIRMS' ENTRY STRATEGIES

The agreement on the United Kingdom's exit from the European Union paves the way for a period of negotiations that prolongs uncertainties for investors and businesses. As a direct consequence, many senior executives (64%) are reviewing their establishment strategy in favor of another European country. This strategy aims to guarantee a presence in the single European market and thus benefit from the free movement of goods and services within Europe. Germany (49%) and France (44%) appear very clearly to be the main beneficiaries of a possible change in strategy in the context of Brexit.

While the link between the boom in British investments in recent years and Brexit seems clear, British businesses, and in particular large groups, remain very discreet and reluctant to communicate on the "Brexit" motivations of their international development strategy. Brexit is also often one factor among many in corporate investment arbitrations.

Within Europe, over the period 2018-2020, so-called "Brexit" investments came mainly from the United States (40%) and the United Kingdom (29%). The activities affected by these establishment strategies mainly relate to banking and financial services, which represent almost half (43%) of Brexit-related investments, followed by consulting and business services, which accounts for 16% of projects (source: Business France, Europe Observatory).

## FRANCE BENEFITS FROM BREXIT

In France, the impact of Brexit on the establishment strategy of firms has been confirmed: around forty investment projects listed in the 2019 and 2020 Annual Report are linked to Brexit. The investments made come mainly from the United States, the United Kingdom, Japan and Canada. Forty-eight percent of the so-called Brexit projects in France correspond to relocations of part of the activities or workforce from London, while 52% relate to the reinforcement of sites already present in France. The relocation projects

mainly concern the financial services sector.

The financial services sector has grown significantly in recent years due to the risk of losing the European passport. Some of the most important projects include large British businesses, such as Barclays or HSBC (but whose announced transfer of 1,000 jobs has been suspended) or the move to Paris in 2019 of the European Banking Authority headquarters (150 jobs). Other thriving sectors are the software and IT services sector, for example the expansion in France of SCC-Rigby Group, which in 2019 strengthened its presence in the IT infrastructure support center in Valenciennes, Hauts de France (100 additional jobs) or the Computacenter group (opening of a new service center in Perpignan (Occitanie), 150 jobs).

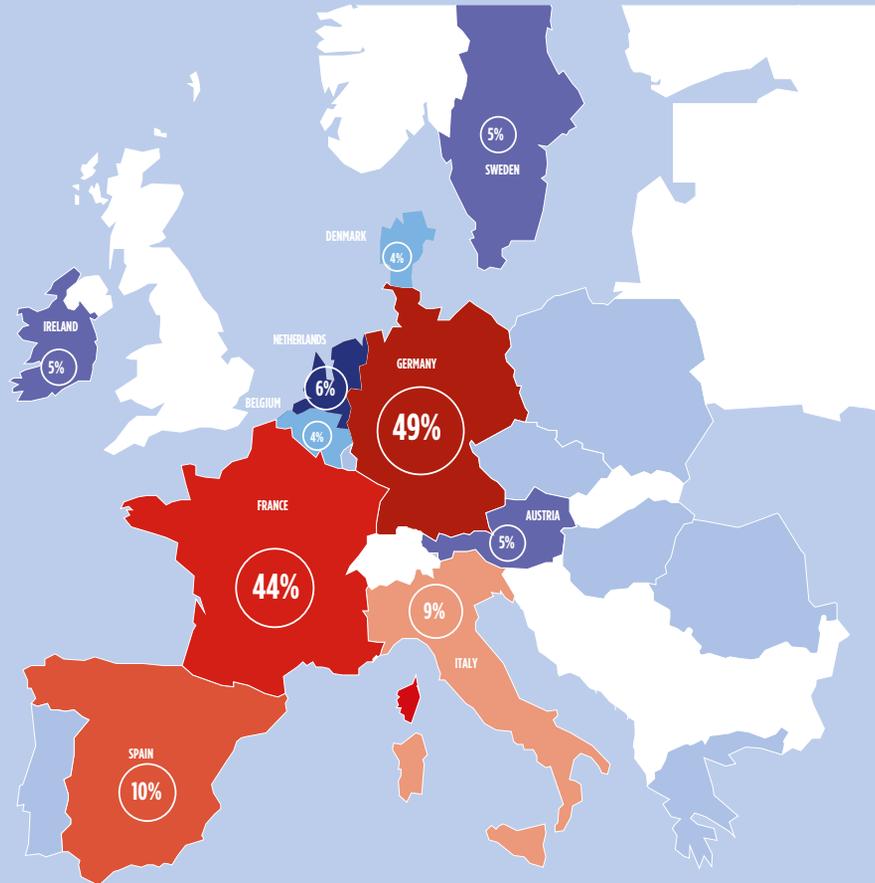
France has also shown its attractiveness for production projects. The last few years have seen an increase in British industrial investments in France, with numerous takeovers of ailing sites by British investors. Examples include the investment, at the start of 2020, in the Astra Zeneca group at its Dunkirk plant (Hauts de France; 100 jobs created), or the takeover of the Smart site in Hambach (Grand Est) by the Ineos Automotive group, the automotive branch of Ineos, the United Kingdom's leading petrochemical manufacturer, to manufacture its 4x4 Grenadier all-terrain vehicle.

## DUBLIN, LUXEMBOURG, FRANKFURT AND PARIS THE MAIN BENEFICIARIES OF THE TRANSFER OF FINANCIAL SERVICES ACTIVITIES

According to the latest data from EY's "Financial Services Brexit Tracker" study, 43% of financial services businesses have moved or plan to move some operations from the United Kingdom to Europe, which is expected to boost the number of job transfers linked to Brexit to nearly 7,600. Since the referendum, 24 financial services firms (10 banks, nine insurance companies and five wealth and asset managers) have publicly declared that they will transfer nearly £1.3 trillion in British assets to the European Union.

**Fig. 8 BREXIT: EUROPEAN COUNTRIES TO WHICH BUSINESSES ARE MOST LIKELY TO RETURN**

Among the beneficiary countries of a change in business setup strategy arising from Brexit, Germany and France set themselves apart very clearly as alternative priorities, confirming the important attractiveness of these two countries on a European scale.



Source: Business France/Kantar survey on France's attractiveness, 2020



Dublin, Luxembourg, Frankfurt and Paris are the main beneficiaries of the transfer of financial services activities. Dublin remains the most popular destination for staff relocations and new European platforms or offices, with 36 financial services firms stating that they are considering or have confirmed relocation of their operations and/or staff from the United Kingdom.

Luxembourg is the second most popular destination and has attracted 29 businesses in total, while Frankfurt attracted 23 firms. Twenty businesses say they are considering or have confirmed the relocation of their operations and/or their staff to Paris, of which 14 are universal banks, investment banks or brokerage firms.

# NUMEROUS PARTNERSHIPS AND FACILITY UPGRADES STRENGTHEN FRANCE'S ECONOMY

Our data collection procedure identifies a variety of different ways in which foreign-owned subsidiaries establish themselves in France, reflecting the diverse international development strategies of multinational firms. The most common financial investments recorded in 2020 were mergers and acquisitions, facility upgrades and safeguarding investments, along with technology, commercial and industrial partnerships.

## FACILITY UPGRADES AND SAFEGUARDING INVESTMENTS

Facility upgrades and safeguarding investments involve replacing obsolete equipment with new production technology to increase output capacity or improve business productivity. These investments also preserve the business sites of foreign subsidiaries and save jobs that might otherwise ultimately have been lost.

In 2020, a total of nearly 100 facility upgrades were recorded by Business France and its regional partners. Up 62% from 2019, these investments mostly concerned manufacturing sites (83%) in the automotive industry (19%), agri-food industry (18%) and the machinery/mechanical equipment sector (12%).

These investments cover flows of an amount superior to €960 million and aim to modernize production lines to diversify activity and conquer new markets, to improve the productivity of sites, to intensify production activity in response to growing demand, to acquire a new vat

**Faced with the sudden shutdown of the entire automotive industry due to the health crisis,** 32 businesses in the Bourgogne-Franche-Comté region have already been able to benefit from the recovery plan. This is a leading sector for the Bourgogne-Franche-Comté region, since it has 40,000 employees (excluding temporary workers), or nearly one-third of regional industrial employment.

As such, no fewer than six subsidiaries of foreign groups have invested, benefiting from the support fund, whether for facility upgrades or safeguarding investments:

- FPT Powertrain Technologies France (CNH Industrial, United Kingdom): One project aimed at increasing the productive capacity of gas engines on the site, which is today the only one to produce the entire heavy range of the group.
- Fruehauf (Wielton, Poland): One project aimed at sustaining assembly line activity by welding the side members, which are the main strength parts for semi-trailers, by modernizing their production tool.

- Schrader (Pacific Industrial, Japan): Three projects for the acquisition of several machines to reduce production costs, remain competitive and maintain valve manufacturing at the Pontarlier site (Bourgogne-Franche-Comté).
- SJM Eurostat (Do Yee International, Singapore): One project aimed at improving the productivity and competitiveness of the site for the modernization of production tools, the establishment of a logistics platform and digitization of all parts of the business.
- SMRC (Motherson, India): One project aimed at accelerating the modernization and digital transformation of the Rougegoutte site (Bourgogne-Franche-Comté) in order to increase site performance and improve customer service.
- Streit Mécanique (Mei Ta Industrial Co Ltd., Taiwan): One project aimed at transforming production lines to diversify the activity, gain in efficiency and conquer new markets (electric motors, fuel cells).

room for wine, to invest in new soldering lines, to improve the environmental impact, to adapt to new regulations, to develop robotization and to improve the general operation of the site.

## TECHNOLOGY PARTNERSHIPS

Technology or research partnerships offer another way for businesses to expand their international reach. In 2020, around twenty of these partnerships received support from Business France and its regional partners in France. Most technology partnerships were in R&D and engineering activities.

## COMMERCIAL PARTNERSHIPS

Ten commercial partnerships were recorded in the last year, involving businesses pooling their workforces, resources and partners to increase commercial activity. These partnerships were in a variety of sectors and mainly involved business services and manufacturing activities.



SOFTWARE AND IT SERVICES  
**INSIGHT ENTREPRISES, UNITED STATES**

In 2020, the integrator Insight Enterprises acquired the French consulting and services company vNext, a market leader in digital consulting and cloud services. With this acquisition, Insight has strengthened its presence in Europe and its ability to provide consulting services in order to better support digital transformation initiatives in the French market.



AUTOMOTIVE INDUSTRY  
**CLARIOS SARREGUEMINES, IRELAND**

Clarios Sarreguemines, a subsidiary of the American business Clarios, is investing in its battery manufacturing site in the Grand Est region. More than 90% of Clarios batteries can be recycled through an efficient recycling process and are sold in several European countries. The €3.7 million investment in the Lorraine site is helping to modernize the production process towards greater automation and ergonomics.

## *They chose France*



AUTOMOTIVE INDUSTRY  
**INEOS, UNITED KINGDOM**

Ineos Automotive, the automotive arm of Ineos, the United Kingdom's leading petrochemical manufacturer, has confirmed the acquisition of the German site Daimler, located in Hambach in the Grand Est region to manufacture its 4x4 Grenadier all-terrain vehicle. Ineos will continue to manufacture the Smart EQ ForTwo and certain Mercedes-Benz components at the site, thereby preserving a total of 1,300 jobs in the region. The group will start producing the Grenadier at the end of 2021 with a commercial launch scheduled for 2022.



ENERGY AND RECYCLING  
**PREMIER TECH, CANADA**

In order to accelerate its growth in France, the Canadian firm, which designs and manufactures eco-responsible and sustainable solutions for the treatment and recovery of water, recently established itself in Yonne (Bourgogne-Franche-Comté), with the acquisition of the business EPARCO. It also acquired the businesses Aqua Assainissement SAS and AMI Assainissement SAS, as well as the acquisition of the assets of Neve Environnement, all located in Saône-et-Loire (Bourgogne-Franche-Comté). In addition to securing more than twenty jobs, these acquisitions will allow Premier Tech to diversify its commercial offering and further its development on the French market.



ELECTRONIC COMPONENTS  
**STMICROELECTRONICS, SWITZERLAND**

Founded in 1987 from the merger of the Italian SGS Microelectronics and the French Thomson Semiconducteurs, STMicroelectronics is a world leader in the manufacture and marketing of electronic chips (semiconductors). The group generated sales of €8.41 billion in 2020 and employs 46,000 people worldwide, including more than 10,000 people in France. While it has successfully refocused in recent years on components for electric mobility and connected devices, the arrival of 5G opens up gigantic market prospects. In 2020, the group acquired the French businesses Exagan, Be Spoon and Somos Semiconductor, and also created several hundred jobs in France.



AGRI-FOOD  
**CASA TARRADELLAS, SPAIN**

Spanish firm Casa Terradellas, the parent company of the Herta brand, invested at its site in Illkirch-Graffenstaden (Grand Est region), specializing in the production of meat products. Thanks to its €25 million investment announced in 2020, the group is to modernize the site, build extra capacity and expand the quality laboratory.

# HOW BUSINESS FRANCE RESPONDED TO BUSINESSES' NEEDS

## TEAM FRANCE INVEST: THE ALLIANCE OF KEY PLAYERS IN ECONOMIC DEVELOPMENT AND ATTRACTIVENESS

Team France Invest brings together all the key players in attractiveness, building on the foundations already established by Business France and the Regional Development Agencies, the latter acting as Correspondent Lead Partners in the region. Team France Invest works seamlessly and efficiently to enhance public action to promote international investors.

Team France Invest was officially and publicly launched on February 26, 2021 by Jacqueline Gourault, Minister for Regional Cohesion and Relations with Local Authorities, Franck Riester, Minister Delegate for Foreign Trade and Economic Attractiveness and Agnès Pannier-Runacher, Minister Delegate for Industry.

## TEAM FRANCE INVEST IS A COLLECTIVE AND COLLABORATIVE WORKING METHOD WITH THE FOLLOWING KEY PRINCIPLES:

- Importance of working seamlessly and efficiently.
- Co-construction of actions based on the specific needs of the regions.
- A concern to assess the systems put in place.

## BUSINESS FRANCE AND THE REGIONAL DEVELOPMENT AGENCIES ARE SETTING UP MEANS OF COMMUNICATION AND STRENGTHENING COORDINATION TOOLS WITH:

- The Presidents of the regions and their services.
- The economic services of the embassies through the agreement between Business France and the French Treasury Directorate (DG Trésor).
- Regional prefects and all decentralized state services: General Secretariat for Regional Affairs, Diplomatic Advisors for Regional Prefects, Unique Investment Advisors, Commissioners for Restructuring and the Prevention of Business Difficulties, the Strategic Information and Business Security Service, Regional Direction for Food, Agriculture and Forestry.
- The central services of the Ministry for the Economy, Finance and Recovery, Ministry for Europe and Foreign Affairs, Ministry for Regional Cohesion and Relations with Local Authorities, Ministry for Agriculture and the Ministry for the Ecological Transition.
- Key state operators, in particular the National Agency for Regional Cohesion, as well as the Banque des Territoires and Bpifrance.

Ultimately, Team France Invest's partnership aims to better detect and support foreign job-creating investment projects and value added across France's regions.

### *A shared roadmap and dedicated tools*

#### **ANTICIPATE** the needs of regions and investors already present in France

- Collection and feedback of information on business needs
- Mapping foreign investments in regions
- Following 200 priority accounts by Business France and Correspondent Lead Partners in the region
- Support for takeovers of ailing firms

#### **FAST-TRACK** by supporting new investors

- Implementation of actions to promote turnkey industrial sites
- Connecting growing French businesses with foreign investors
- Provision of key information sheets presenting the regions' strengths in strategic sectors and regional recovery plans

#### **FOSTER** exchanges between partners

- Promotion of regions on the choosefrance.fr website
- Carrying out coordinated communication actions, relying on the "Choose France" label abroad
- Extensive information on regional assets in infrastructure, equipment and structuring real estate

**A TEAM DEDICATED TO SUPPORTING BUSINESSES**

**BUSINESS FRANCE AT THE HEART OF ATTRACTIVENESS**

Ninety-four co-prospecting and communication events were organized around the world with the French regions to promote the French regions' key strengths to investors and influencers. Eighty operations to promote French attractiveness were organized around the world by Business France teams. In 2020, more than 5,500 international investors carried out prospecting. Business France, present in 55 countries, presented 1,212 regional offers proposed by regional development agencies in response to investment projects detected by Business France via the COSPE "marketplace" platform administered by Business France. In 2020, 1,560 foreign investment projects were identified by Business France and sent across France's regions.

**COURTING PROSPECTIVE INVESTORS (TREASURY DIRECTORATE (DG TRÉSOR))**

For 2020, 59 projects were detected by the French Treasury Directorate's Economic Services network and distributed across the regions via the platform managed by Business France.

There were only two fewer projects than the previous year, despite the strong impact of the Covid-19 crisis on foreign investments. These 59 projects have the potential of creating at least 1,386 jobs and maintaining 4,811 jobs, which gives a ratio of 105 jobs created or maintained per project (98 in 2019).

More specifically, 55% of the projects identified concerned investors located in Europe, 19% in Asia, 14% in North America, and the rest in Africa and the Middle East. A total of 44% were manufacturing and R&D projects, 29% were headquarters and decision-making center projects, and the rest were logistics and distribution projects. Furthermore, 60% of the projects concerned the industrial sector (in particular energy, healthcare and construction), and 40% were service projects (in particular financial/banking services and software/IT services).

Among the projects detected by the French Treasury Directorate is that of a Swiss mask manufacturer which decided to invest in a production facility for surgical masks and FFP2 masks in Ploufragan (Brittany region), eventually creating 120 jobs, and a three-year production target of 300 million masks per year. The group has already invested more than €15 million in the acquisition and rehabilitation of the site, with €30 million set to be reinvested in total, with the creation of an R&D center, which will support overall production.

**CONNECT**

Business France informs investors about the existing opportunities in all sectors, as well as the state aid from which they can benefit. Industry and regulatory experts can also direct them to customized solutions. Since 2017, Business France has helped nearly 4,500 talented individuals and their families settle in France. Furthermore, there have been over 1.5 million visitors to the "Welcome to France" site since 2017. Seventy-eight turnkey industrial sites as of December 31, 2020, free from administrative obstacles and immediately available to investors.

**FAST-TRACK**

On average, 23 investment decisions were recorded each week in France last year. Business France was responsible for 56% of international investment projects in France.

**COSPE**

Business France's Project Steering Committee (**COSPE** – *Comité d'orientation et de suivi des projets étrangers*) is the body within Business France in charge of qualifying FDI projects identified by the Business France network abroad. It then distributes them across the regions (to the regional economic development agencies) and finally does the quality control of the follow-up of these projects until their completion.

The **COSPE** is also the guarantor of equity between the regions. Each Lead Partner in the region appoints one or more **COSPE** correspondent(s) duly authorized to participate in the weekly session of the Committee and to coordinate the subregional partners.

The **COSPE** therefore allows a fair and fluid distribution of projects to the regions by matching regional offers adapted to the needs of foreign investors.



3

# Regional attractiveness in 2020

**38 FOREIGN INVESTMENTS MADE THROUGHOUT FRANCE'S REGIONS**

**46 FRANCE'S INCREASING ATTRACTIVENESS IN ACTIVITIES  
WITH HIGH VALUE ADDED**

**58 PROJECTS IN A VARIETY OF SECTORS**

**64 ATTRACTIVENESS DIFFERENTIATED BY REGIONAL SPECIALIZATIONS**

# FOREIGN INVESTMENTS MADE THROUGHOUT FRANCE'S REGIONS

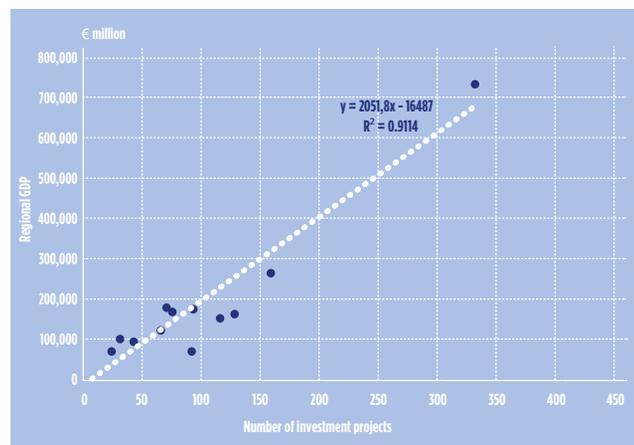
The diversity of France's regions, coupled with their high-quality infrastructure and workforces, are powerful drivers of their attractiveness to investors. The investment decisions confirmed in 2020 were made throughout the nation's regions and generated employment in practically every one.

## THE CONTRIBUTION OF CITIES TO FRANCE'S ATTRACTIVENESS

The geographical breakdown of projects at the same time reflects the attractions of major cities and the fact that the presence of foreign businesses frequently draws new foreign investment to the same area. Amid the competition in Europe to attract foreign investment, the thriving economies of France's regions and cities are often a decisive factor.

By project numbers, Ile de France (Paris region), Auvergne-Rhône-Alpes, Hauts de France, Occitanie, Grand Est and Bourgogne-Franche-Comté together attracted three-quarters of all investment decisions. The process whereby economic activity and investment projects tend to be focused in cities is not one unique to France.

**Fig. 1** CORRELATION BETWEEN INVESTMENT AND ECONOMIC MARKET SIZE



Source: Business France, Annual Report 2020;  
INSEE; Business France calculations

### The economic size of each region is a key determinant for the choice of location for foreign investment.

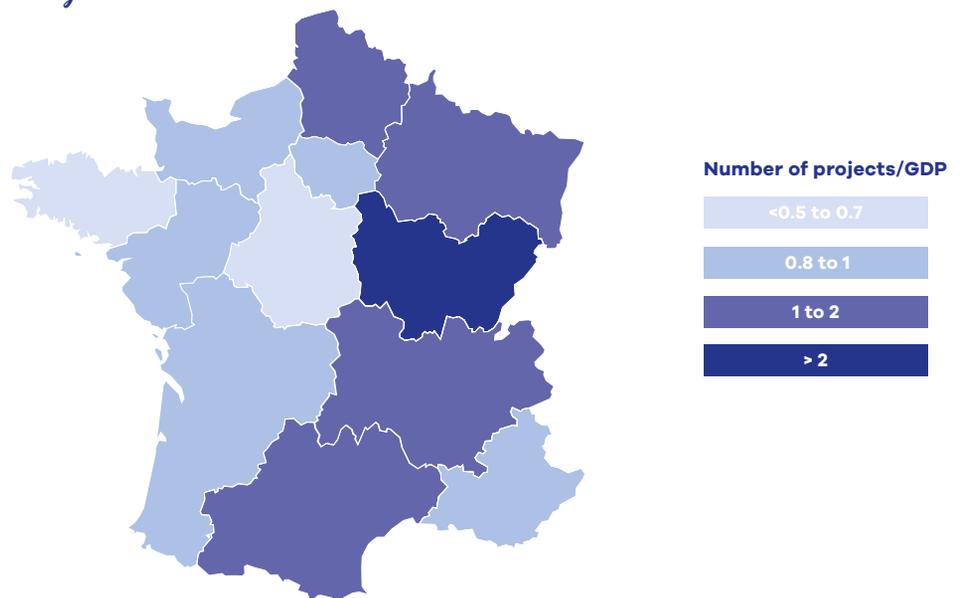
Similarly, the economy is a key factor for a city's success. As such, the number of investment projects in each region is correlated to regional GDP. A strong relationship (albeit less strong) also exists between the number of jobs created and regional GDP.

The economic attractiveness of urban areas can also be explained by a combination of various factors: human capital, connectivity, mobility, training and care, and quality of life. Ultimately, the regions with the highest results are those which have created the necessary conditions to welcome new people and thus foster business development.

The attractiveness of the Ile de France/Paris region and France’s other major cities are not to the detriment of

other French regions. If we measure the attractiveness of different regions versus their economic size, estimations highlight that Bourgogne-Franche-Comté, Hauts de France, Grand Est, Auvergne-Rhône-Alpes and Occitanie regions welcomed a much higher number of foreign investment projects than their economic size (proportion of national GDP) would suggest. Regions like Pays de la Loire have an attractiveness corresponding to their economic size.

*Fig. 2* REGIONAL ATTRACTIVENESS INDEX (2020)



*Key: Grand Est has an attractiveness index equal to 1.2, which means that the share of foreign investment received by this region is greater than its economic weight.*

*Source: Business France, Annual Report 2020*

## METHODOLOGY

### REGIONAL ATTRACTIVENESS INDEX

This consists of identifying either the attractiveness or the potential attractiveness of a French region by taking into account its economic weight. The regional attractiveness index is determined by the share of projects received by this region, related to the share of this region in France’s national GDP.

An index score greater than one means that the region is more attractive than its economic size for foreign investors. Conversely, an index score of less than one means that the region is not as attractive as its weight in the French economy.

## REGIONAL BREAKDOWN OF JOBS

The leading host regions by jobs created or maintained were Ile de France (Paris region) (28% of all jobs nationwide), Hauts de France (14%), Auvergne-Rhône-Alpes (12%) and Grand Est (also 12%).

To gauge the extent to which foreign subsidiaries have contributed to jobs and economic activity in France's regions, the number of jobs created or maintained by new foreign investments can be measured as a proportion of regional employment. As such, the ratio of jobs created in 2020 by foreign investments per 1,000 people employed in the region was higher than the nationwide average of 1.3 for Hauts de France (2.1), Grand Est (2), Ile de France (Paris region) (1.5), Pays de la Loire (1.4), Bourgogne-Franche-Comté (1.3) and Normandie (1.3).

## REGIONAL BREAKDOWN OF JOBS CREATED OR MAINTAINED PER 1,000 EMPLOYED (2020)

	JOBS GENERATED BY FOREIGN INVESTMENT	RATIO PER 1,000 JOBS
Auvergne-Rhône-Alpes	4,237	1.2
Bourgogne-Franche-Comté	1,459	1.3
Bretagne (Brittany)	613	0.4
Centre-Val de Loire	385	0.4
Grand Est	4,175	2.0
Hauts de France	4,746	2.1
Ile de France (Paris region)	9,619	1.5
Normandie	1,705	1.3
Nouvelle Aquitaine	1,175	0.5
Occitanie	2,400	1.0
Pays de la Loire	2,202	1.4
Provence-Alpes-Côte d'Azur	1,851	0.9
Mainland France	34,567	1.3

Source: Business France calculations



## They chose France



METALWORKING

### LE CAILLEBOTIS DIAMOND, GERMANY

The French subsidiary of the German group Lichtgitter, Le Caillebotis Diamond has been the leading French manufacturer of pressed metal gratings for 80 years. Cramped in its historic production facility in Lisieux (Normandie), the business has moved its 130 employees to a new site after having invested around €10 million in a more spacious and modern facility. This project enables it to have five to six times the storage space and to optimize flows. Building on steadily growing activity over the past three years (+40%), the firm has already recruited 27 people to strengthen its teams. Within two years, the business is planning a second investment of €10 million for new production equipment, leading to the hiring of 25 to 30 employees. A great example of a Normandie-based company that is on the rise.



SOFTWARE AND IT SERVICES

### VECTICE, UNITED STATES

Franco-American startup Vectice has succeeded in raising US\$3 million in the first three months following its creation. It joined the Loire ecosystem burgeoning in digital technology, particularly in artificial intelligence and data management. In Nantes, where multiple coworking offers are based, the business has set up its R&D center at the heart of the Nantes digital community, aiming to recruit 20 new talents in three years.



CONSULTING AND BUSINESS SERVICES

### WEVIOO, TUNISIE

Wevioo is a Tunisian mid-size company specializing in digital transformation, in particular for the technological, industrial and financial sectors. It has continued to strengthen its Issy-les-Moulineaux office (Paris/Ile de France region) by creating more than 35 jobs to reach more than fifty.



HEALTHCARE

### GSK, UNITED KINGDOM

The GSK pharmaceutical laboratory, which employs 3,600 people in France, is the leading foreign international laboratory in terms of its industrial size, logistics and number of employees, reflecting an ongoing commitment to France. After investing €90 million in 2019 in its three production sites and its clinical research activities, GSK continued to expand in France. In 2020, the Saint-Amand-les-Eaux site in Hauts de France recruited 47 employees on permanent contracts. Thanks to a policy of sustained investment in equipment and human resources, the Saint-Amand site adheres to the highest quality and safety standards, which are essential when it comes to producing vaccines for the implementation and rollout of national immunization programs around the world. Specializing in the production of vaccines in an aseptic environment, this site has a global reach, with 95% of its production exported to 125 countries.



HOUSEHOLD GOODS

### EVDEMA, TURKEY

The business is a Turkish manufacturer and importer/distributor of household goods (decoration and kitchen furniture). It opened a retail outlet in Saint-Priest (Auvergne-Rhône-Alpes), creating 25 jobs, as part of a more ambitious project to open a chain of stores, some of which would be fully owned, which would generate 60 additional jobs in France in 2021-2022.

### INVESTMENT ARE MADE PRIMARILY IN MODEST-SIZED TOWNS

As the French National Institute for Statistics and Economic Studies (INSEE) points out, the majority of major European agglomerations boast stronger demographic growth than their country as a whole. In France, contrary to what is observed in the rest of Europe, population growth is stronger in outer suburbs than within urban centers. This densification of peripheral areas is a singular tendency of French cities.

Foreign investments are made principally in modest-sized towns. Although Paris attracted a significant

proportion of investment projects in 2014-2020 (19% of projects), 41% of investments were made in towns with fewer than 20,000 inhabitants and 70% in towns with fewer than 200,000 inhabitants.

Entrepreneurial attractiveness can also be seen within major regional cities: Greater Paris (24%), Greater Lyon (5%), Marseille/Aix en Provence (3%), Toulouse (3%) and the Lille conurbation (3%) attracted 35% of projects in 2020.

Nevertheless, investment decisions are not just concentrated in major cities; 41% of them in 2020 were to be found in towns with fewer than 200,000 inhabitants.

### BREAKDOWN OF PROJECTS BY TOWN AND CITY SIZE (2014-2020)

SIZE OF TOWNS AND CITIES	2020		2014 - 2020	
	PROJECTS	JOBES	PROJECTS	JOBES
< 20,000 inhabitants	42%	42%	41%	47%
20,000 to 100,000 inhabitants	23%	28%	22%	25%
100,000 to 200,000 inhabitants	7%	10%	7%	6%
200,000 to 300,000 inhabitants	4%	2%	3%	3%
300,000 to 400,000 inhabitants	2%	1%	1%	1%
400,000 to 500,000 inhabitants	2%	2%	2%	3%
> 500,000 inhabitants	21%	14%	24%	14%

Source: Business France, Annual Reports 2014-2020

### BREAKDOWN OF PROJECTS BY AGGLOMERATION SIZE (2014-2020)

SIZE OF AGGLOMERATIONS	2020		2014 - 2020	
	PROJECTS	JOBES	PROJECTS	JOBES
< 50,000 inhabitants	16%	11%	17%	16%
50,000 to 200,000 inhabitants	25%	31%	23%	30%
200,000 to 500,000 inhabitants	14%	14%	15%	16%
500,000 to 1,000,000 inhabitants	10%	9%	8%	9%
> 1,000,000 inhabitants	35%	34%	37%	29%

Source: Business France, Annual Reports 2014-2020



MARIE-GUITE DUFAY,  
PRESIDENT OF

### BOURGOGNE-FRANCHE-COMTÉ

In the spring of 2020, the Bourgogne-Franche-Comté region worked to put in place emergency measures to support the local economy and preserve jobs. Then, a series of stimulus measures to support the industrial base were approved. We believe it is essential to stay the course to be ready to face the major changes of our time, sources of innovation and economic development. It is with this aim in mind that we have developed our investment acceleration plan, one of the pillars of which is our commitment to the ecological transition by supporting innovation and the development of a hydrogen sector.



CAROLE DELGA,  
PRESIDENT OF

### OCCITANIE AND THE AD'OCC AGENCY

During the Covid-19 crisis, I am proud that the Occitanie region has been pro-active, supporting job-creating regional businesses, foreign investors and job creators. Our regional recovery plan, "Green New Deal", includes an investment component for re-industrialization and relocation. We have therefore launched "ReLOCC", a call for industrial projects in Occitanie, the aim of which is to promote and finance these projects through the new Regional Agency for Strategic Investments (ARIS). Industrial firms' development projects are ours too; we will stand by to offer any help they may need.



ALEXANDRE WAHL, DIRECTOR OF THE NORMANDIE  
ECONOMIC DEVELOPMENT AGENCY

### NORMANDIE

Since 2016, 189 investment projects from foreign-owned businesses have been hosted in Normandie, with 94 having been supported by AD Normandie (innovation, export, development, equity) amounting to €22 million, creating and maintaining 6,301 jobs.

A one-stop shop for regional aid, AD NORMANDIE supports each business throughout its project by providing the following:

- ✓ Free, confidential and personalized advice relating to business setup, expansion and acquisition projects by a single bilingual contact person.
- ✓ Financial aid solutions and a response in fewer than 60 days.
- ✓ Acquisition of equity stakes in businesses via Normandie Participations, a regional co-investment fund.
- ✓ A network of public and private regional partners (local development agencies, developers, business sectors, etc.)

For further information, [www.adnormandie.fr](http://www.adnormandie.fr)



RENAUD MUSELIER,  
PRESIDENT OF

### SUD PROVENCE-ALPES-CÔTE D'AZUR

France is facing a huge crisis, with unprecedented damage to the economy and the Provence-Alpes-Côte d'Azur region. To deal with this, we have put in place a €1 billion recovery plan structured around five major projects and made up of 18 measures to support our businesses. The region supported them throughout the crisis, so as not to leave anyone by the wayside. With this plan, the region is positioning itself as a European model of sustainable and resilient economic development, supporting the growth of businesses and regions.



VINCENT BOST,  
DIRECTOR OF THE NOUVELLE AQUITAINE  
DEVELOPMENT AND INNOVATION AGENCY

### NOUVELLE AQUITAINE

The Nouvelle Aquitaine Development and Innovation Agency (NADIA) promotes the economic development of the Nouvelle Aquitaine region, in particular through the levers of innovation and attractiveness. For example, actions carried out in 2020 to promote international attractiveness include:

- \ National call for “turnkey site” projects: NADIA coordinates with all stakeholders (State, Region) on an awareness campaign with regional EPCs.
- \ Launch of major key projects alongside the Nouvelle Aquitaine region: NADIA has contributed to the structuring of the Ferrocampus project in Saintes. This future regional campus, dedicated to the rail industry, will make Saintes a unique center of expertise in Europe, attractive for new investments.
- \ Regeneration of the former Ford industrial site in Gironde: NADIA is carrying out an endogenous and exogenous economic development mission with partners in the region.
- \ As part of its partnership with Business France: NADIA coordinates the processing of regional set up projects.



LUC DOUBLET,  
CHAIRMAN OF NORD FRANCE INVEST AND CHAIRMAN  
OF THE SUPERVISORY BOARD OF DOUBLET SA

### HAUTS DE FRANCE

As part of the regional recovery plan, the Hauts de France region has put in place an ambitious €1.3 billion plan to promote the set up and resumption of economic activity. Four major axes for businesses have been identified, including:

- \ Protecting and supporting regional businesses.
- \ Encouraging industrialization in Hauts de France through a pro-active prospecting plan and welcoming new businesses.
- \ Supporting business transformation, innovation and digitization.
- \ Focusing on the economy of tomorrow: supporting businesses in economic and ecological transitions (the Hauts de France region has been shortlisted to pilot a “New Green Deal”).

# FRANCE'S INCREASING ATTRACTIVENESS IN ACTIVITIES WITH HIGH VALUE ADDED

The operations of businesses can be broken down into a variety of business activities: manufacturing, R&D, business services, consumer services, logistics and distribution, retail outlets, decision-making centers and headquarters.

## FOREIGN BUSINESSES PREFER MANUFACTURING OPERATIONS

In 2020, foreign investors preferred manufacturing operations (25% of all investments) and decision-making centers (23%), as well as retail outlets (13%) and business services (13%).

## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY (2020)

	PROJECTS		JOBS		PROJECTS		JOBS	
	2020	2019	2020	2019	Share	Change	Share	Change
Manufacturing	308	380	12,875	13,814	25%	-19%	37%	-7%
Decision-making centers	274	362	3,976	5,219	23%	-24%	12%	-24%
<i>First-time investments in Europe</i>	39	57	391	471	3%	-32%	1%	-17%
<i>First-time investments in France</i>	127	193	1,365	2,755	10%	-34%	4%	-50%
<i>Global / European headquarters</i>	43	37	485	434	4%	16%	1%	12%
<i>French headquarters</i>	65	76	1,735	1,559	5%	-14%	5%	11%
Retail outlets	163	200	3,438	4,378	13%	-19%	10%	-21%
R&D, engineering	146	157	2,708	3,775	12%	-7%	8%	-28%
<i>R&amp;D</i>	69	98	1,240	2,542	6%	-30%	4%	-51%
<i>Engineering</i>	77	59	1,468	1,233	6%	31%	4%	19%
Business services	159	186	7,429	6,043	13%	-15%	21%	23%
Consumer services	93	112	1,313	2,995	8%	-17%	4%	-56%
Logistics	72	71	2,828	3,318	6%	1%	8%	-15%
<b>Total</b>	<b>1,215</b>	<b>1,468</b>	<b>34,567</b>	<b>39,542</b>	<b>100%</b>	<b>-17%</b>	<b>100%</b>	<b>-13%</b>

Source: Business France, Annual Report 2020

Various entities within multinational corporations play a role in decision-making processes, including the company's registered office, strategic and operational divisions, and R&D centers. With advancing globalization, decision-making is becoming increasingly fragmented, leading to the disappearance of single-site pyramidal decision-making structures. As businesses become global, they have to create regional decision-making centers, as a result of which the power to make decisions is dispersed across large distances.

In 2020, projects involving decision-making centers accounted for 23% of investments. Nearly two-thirds of these investments corresponded to first-time

investments in France or Europe. Numerous foreign groups have expanded or set up their headquarters in France, such as the Canadian subsidiary Premier Tech, which chose France as the location for its European headquarters for Water and Environment, as well as Producers and Consumers, and the American subsidiary Innit, which set up its European headquarters in Paris.

The number of investment decisions involving global and European headquarters based in France (43) increased by 16% in 2020. American and Japanese firms were responsible for 19% and 12%, respectively, of all projects involving global headquarters in France.

## METHODOLOGY

### DECISION-MAKING CENTERS

At multinational firms with numerous sites in Europe, the activities carried on by decision-making centers can include acting as:

- A Global or European Headquarters, covering perhaps not only Europe, but also northern Africa and the Middle East.
- A French Headquarters, responsible for coordinating all a foreign firm's operations in France.

Headquarters can be defined as internal structures with a leader and team responsible for making strategic decisions that have a bearing on all or part of the company, particularly regarding investment and jobs.

Business France also includes first-time investments in France or Europe under the decision-making center category. These investments comprise all services or commercial activities designed to secure a foothold and establish a business to serve the French or European market. The structures are generally smaller in size and are designed for operations of this scope to be run from France.

Activities such as those described above create value – directly or indirectly – and are vital to the regions in which they are based.

Firstly, headquarters require a highly qualified workforce, and can employ anywhere from a few hundred to a few thousand people. Secondly, where a business decides to locate its headquarters makes it more likely that other operations, such as research laboratories, will follow. It therefore becomes important for regions to remain competitive should they wish to attract, consolidate and retain economic activity.

## They chose France



AGRI-FOOD  
**SEABEX, TUNISIA**

The Tunisian startup Seabex, specializing in solutions for precision agriculture, has set up its decision-making center in Orléans (Centre-Val de Loire) to benefit from the local AgTech ecosystem to develop R&D activities, raise funds and also boost international development with its first subsidiary in Tunisia. This project will create around 15 jobs over three years.



CONSULTING, ENGINEERING  
**LYCOM CONSULTING, MOROCCO**

The Moroccan startup Lycom Consulting, specializing in SaaS solutions for HR management in terms of employee engagement and talent retention, has set up its European office, BTPW Europe, in Rouen (Normandie) to recruit an R&D team (artificial intelligence and big data themes), facilitate its international development (particularly on the African continent but also on the European and American markets) and raise funds. This project will create ten jobs over three years.



WHOLESALE AND RETAIL  
**LIDL, GERMANY**

The leading German investor in France in terms of number of employees, Lidl is investing €70 million to relocate its regional management and create a new logistics platform in Lacq (Nouvelle Aquitaine region). The 25-hectare facility, which will be built on a brownfield site, will be operational in 2023 and will create 150 new jobs.



AGRI-FOOD  
**TIANLONG, CHINA**

Specializing in R&D in the agricultural sector, Tianlong Agriculture established its European headquarters in 2019 in Tarascon (Provence-Alpes-Côte d'Azur region), where it is continuing its expansion. Tianlong confirmed its choice by taking over two other businesses in the area in 2020: Deltapack, a manufacturer of recycled technical papers intended for the food and industrial sectors and Lvanto, specializing in the international logistics of perishable products. Tianlong Agriculture also created TT Seed Science in Tarascon in January 2020, which develops and supplies new types of rice to producers, mainly in France. In total, Tianlong has 29 employees in France.



HEALTHCARE  
**FRESENIUS, GERMANY**

The global leader in products and services for the treatment of renal failure, the German business Fresenius is investing in its Arbresle site, near Lyon (Auvergne-Rhône-Alpes region) so as to strengthen its production facilities. This investment will create 100 new jobs on the third largest industrial site in the world for the group.

**THE BUSINESS ACTIVITY ATTRACTIVENESS INDEX REVEALS REGIONAL SPECIFICITIES**

The business activity attractiveness index for 2020 underlines the attractiveness of the Auvergne-Rhône-Alpes, Bourgogne-Franche-Comté, Pays de la Loire, Centre-Val de Loire, Grand Est, Hauts de France and Normandie regions for manufacturing activities. In terms of flows, it is the logistics business activity that generally takes over once goods have been produced. The regions of Hauts de France, Grand Est, Normandie and Centre-Val de Loire are particularly attractive for logistics activities. The presence of Sophia Antipolis, the largest technology park in France and Europe, as well as the associated ecosystem, explains the Provence-Alpes-Côte d'Azur region's strong attractiveness for setting up and developing new R&D centers. The economic might of Ile de France (Paris region) explains its strong attractiveness for hosting decision-making centers.

**METHODOLOGY**

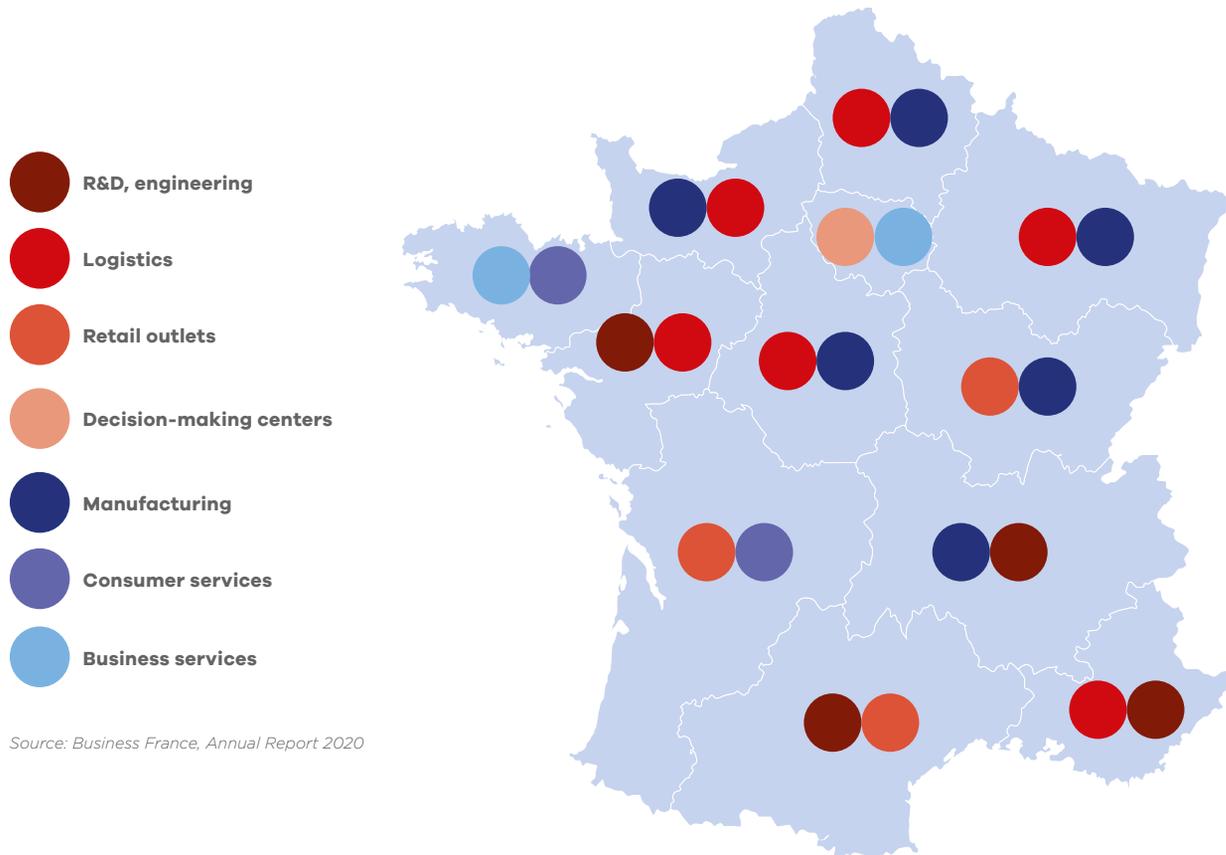
**REGIONAL BUSINESS ACTIVITY ATTRACTIVENESS SPECIALIZATION INDEX**

This consists of identifying the business activities for which French regions have high attractiveness compared with their weight in attracting foreign investments to France.

We check if a region benefits from greater attractiveness for specific activities.

The attractiveness index by business activity is determined by the share of projects received by each region, related to the share of this same business activity in all France's projects.

*Fig. 4* REGIONAL BUSINESS ACTIVITY ATTRACTIVENESS SPECIALIZATION INDEX



Source: Business France, Annual Report 2020

## They chose France



SOFTWARE AND IT SERVICES  
**SHOWPAD, BELGIUM**

Showpad is a Belgian software publisher that has developed a digital platform for sales and marketing teams, allowing presentations and sales arguments to be personalized and made more interactive during client meetings. The rapidly growing business recently opened offices in Chicago, Munich and the Netherlands. With revenues of €25 million and more than 1,000 customers representing 100,000 users, Showpad decided to open an office in Paris in 2019 to serve the French market, where it already has around forty customers and generates revenues of €1.2 million. This office will employ 25 people within three years.



AUTOMOTIVE INDUSTRY  
**VOLKSWAGEN, GERMANY**

The Scania Group, which is a subsidiary of Volkswagen, announced in December 2020 that its Swedish truck assembly site in Södertälje would eventually focus on the assembly of electric trucks, offering the Angers site (Pays de la Loire region) the opportunity to recover most of the trucks previously assembled in Sweden. This announcement offers the Angers site good prospects for the future, an increase in production volume and new impetus in terms of recruitments. Building on the confidence of the Group, the Angers company will rethink its day-to-day organization by reorganizing itself into two teams in the second half of 2021. To achieve this, Scania Production Angers is planning to hire around 250 new employees.



SOFTWARE AND IT SERVICES  
**COMPUTACENTER, UNITED KINGDOM**

The British group Computacenter, leader in IT infrastructure services and solutions, strengthened its presence in Occitanie in 2019, with the opening of a new service center in Perpignan. The Perpignan site enables Computacenter to respond to the start of production of its new contracts, in support of the Montpellier site, which is reaching saturation point. Large accounts, like Airbus, outsource all or part of the IT support for internal users to Computacenter, with 150 jobs planned by the end of 2020 and 300 for the longer term. After starting operations at the end of 2019, there were already more than 50 recruitments at the end of February 2020.



IT SERVICES  
**HCL TECHNOLOGIES, INDIA**

This Indian leader in IT services, such as outsourcing and software integration, has decided to significantly increase its presence in France and in particular at its Saint-Priest site (Auvergne-Rhône-Alpes), where the group has already recruited around a hundred IT engineers for the year 2020. HCL wishes to continue to expand in the region and hopes to double its workforce in the Lyon region by recruiting 250 additional employees over the next three years.

**MANUFACTURING ACTIVITIES ARE THE LEADING CONTRIBUTORS TO EMPLOYMENT**

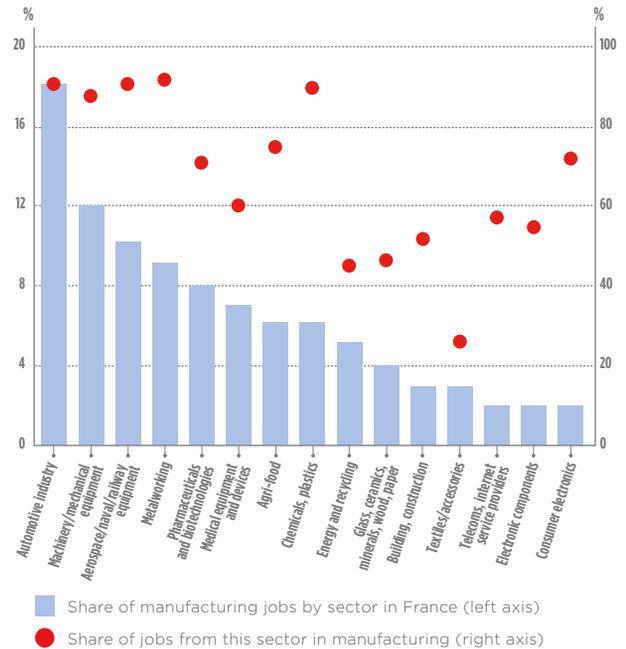
Manufacturing activities account for an important stake in terms of employment, being the leading contributor, with 12,875 jobs, or 37% of total employment.

Manufacturing investments involved expanding existing facilities in 68% of cases, while a further 21% involved new sites. As such, in 2020 there were 208 expansions of industrial sites and 66 new industrial plants created. It should be noted that the number of new manufacturing sites created was up 32% in 2020 and by an annual average of 30% since 2017. Jobs generated by new manufacturing sites increased by 63% in 2020.

Nearly two-thirds of foreign investments in manufacturing were made by businesses from Germany, the United States, Italy, Spain, Switzerland and the United Kingdom.

Germany was France’s leading inward investor in industrial activities: with 54 projects, it was responsible for 18% of investments and 12% of jobs they generated, as German investment rose 13% from 2019. The United States was the next leading contributor, with 48 projects that accounted for 16% of investment decisions and 13% of jobs. Also of note was the sharp increase in Spanish (+43%) and Dutch (+50%) investments, which most often involved setting up new manufacturing sites in France.

*Fig. 5* BREAKDOWN BY TOP 15 SECTORS OF JOBS IN MANUFACTURING IN FRANCE (2020)



Key: 18% of jobs in manufacturing were made by businesses in the automotive industry; 90% of jobs created in this sector were made in manufacturing.

Source: Business France, Annual Report 2020

**SEEKING A MORE COMPETITIVE INDUSTRY**

Among the factors supporting the industrial trend are the competitiveness reforms (taxation, social issues, regulation and simplification) being carried out in France. The rise in French hourly labor costs has slowed significantly since 2013 relative to the euro zone, thanks to the introduction of the competitiveness and employment (CICE) tax credit and the responsibility pact. Between the fourth quarter of 2012 and the second quarter of 2020, the increase in labor costs in France was below the average increase for the euro zone as a whole, coming in at 9.8% in France, compared with 14.4% for the euro zone.

As a result of tax reforms and tax cuts decided by the French government in recent years, the hourly cost of labor in France’s manufacturing industry (€38.70) was lower than in Germany (€41.80) in the fourth quarter of 2019. France’s performance in terms of industrial job

creation and the attractiveness of production sites has improved. However, France continues to attract fewer sites than its key elements and natural resources can accommodate.

All the corrective measures taken by the French government, such as the CICE, the responsibility pact, transforming the CICE into reduced social security contributions, the choice to bring the level of corporate tax closer to what it is in the main comparable countries and the recent measures announced as part of the stimulus plan towards a reduction in production taxes (reduction of production taxes, halving of the business value-added contribution (CVAE) and of the property tax, and reducing from 3% to 2% of the value-added of the capping rate of the local economic contribution) all help to create a fiscal environment more favorable to industrial investment. The ambition is to allow businesses to generate additional margins, to increase their investments and their innovation efforts, thereby enabling them to strengthen their non-price competitiveness.

## INDUSTRIAL ACTIVITIES ARE PRESENT THROUGHOUT FRANCE

Grand Est, Auvergne-Rhône-Alpes, Hauts de France, Bourgogne-Franche-Comté and Occitanie were among the leading French regions for foreign investment on industrial sites in 2014-2020. Manufacturing investments held up or increased in Auvergne-Rhône-Alpes (+16%), Grand Est (stable) and Provence-Alpes-Côte d'Azur (+15%).

New sites and expanded manufacturing facilities were mainly located in towns with fewer than 20,000 inhabitants, welcoming 68% of industrial investments.

The geographical breakdown of manufacturing activities stands out from that of all projects. An analysis of investments by town and city size reveals

that 71% of industrial investments were located in agglomerations with fewer than 200,000 inhabitants, versus 41% for all investments.

It is clear that France has recently reinforced its industrial strategy through the National Industry Council and its 18 industrial sectors, with highlights including fast-track support for 4,000 SMEs by Bpifrance, digital investment, learning and international support under the "La French Fab" banner. What's more, at a meeting with the National Industry Council on November 22, 2018, the Prime Minister launched the "Regions of Industry" program, benefiting 146 regions, which receive more than €1.3 billion. In 2020, 57% of industrial investment projects and 68% of associated jobs were located in regions of industry.

## BREAKDOWN OF INDUSTRIAL ACTIVITIES BY TOWN AND CITY SIZE (2014-2020)

SIZE OF TOWNS AND CITIES	2020		2014 - 2020	
	PROJECTS	JOB	PROJECTS	JOB
< 20,000 inhabitants	68%	67%	73%	70%
20,000 to 100,000 inhabitants	19%	23%	17%	20%
100,000 to 200,000 inhabitants	7%	4%	5%	4%
200,000 to 300,000 inhabitants	1%	1%	1%	1%
300,000 to 400,000 inhabitants	1%	2%	0.3%	0.3%
400,000 to 500,000 inhabitants	1%	2%	1%	3%
> 500,000 inhabitants	3%	1%	2%	1%

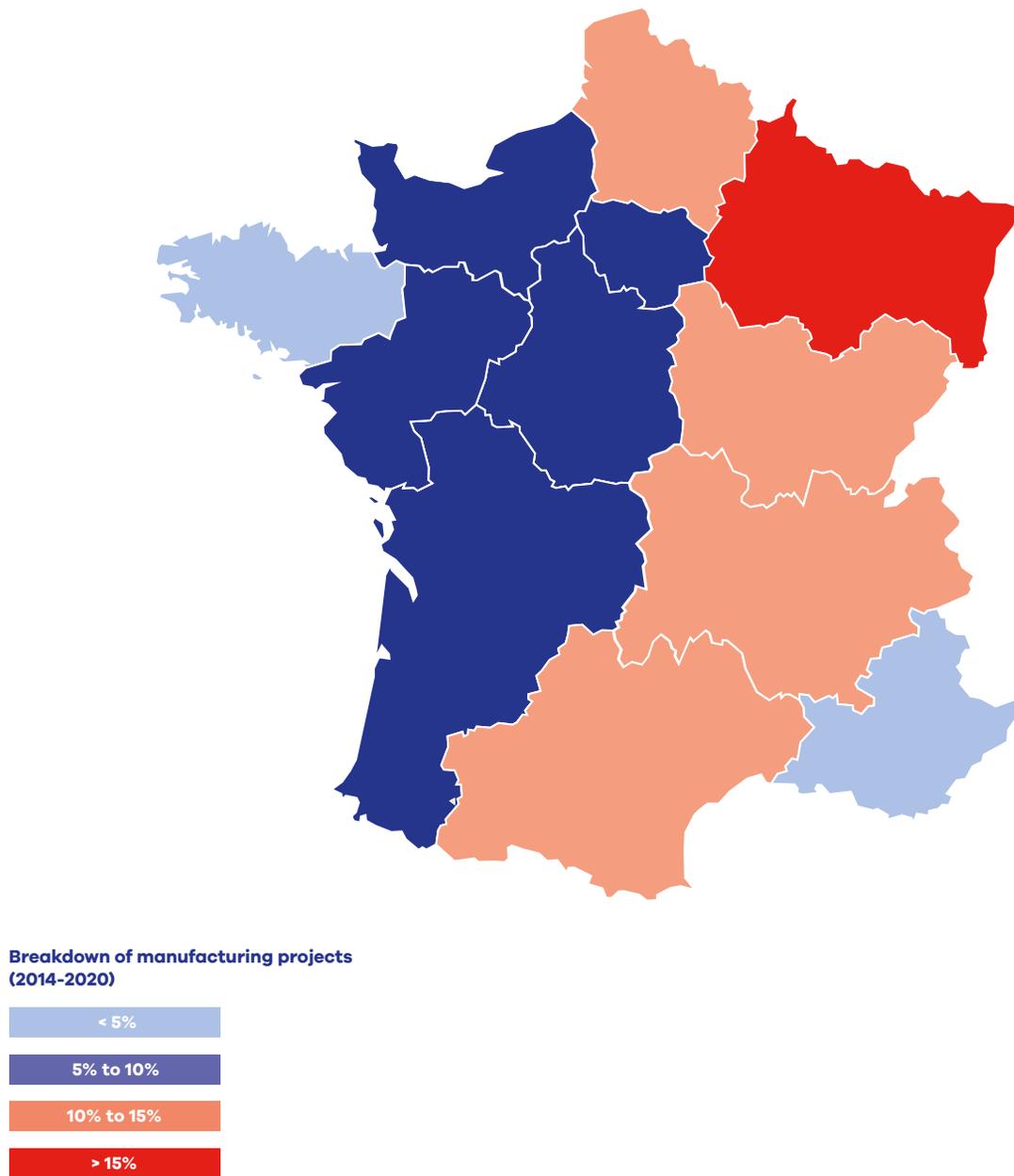
Source: Business France, Annual Reports 2014-2020

## BREAKDOWN OF PROJECTS BY AGGLOMERATION SIZE (2014-2020)

SIZE OF AGGLOMERATIONS	PRODUCTION		TOTAL	
	PROJECTS	JOB	PROJECTS	JOB
< 50,000 inhabitants	32%	20%	16%	11%
50,000 to 200,000 inhabitants	39%	52%	25%	31%
200,000 to 500,000 inhabitants	14%	12%	14%	14%
500,000 to 1,000,000 inhabitants	6%	7%	10%	9%
> 1,000,000 inhabitants	9%	9%	35%	34%

Source: Business France, Annual Reports 2014-2020

*Fig. 6* GEOGRAPHICAL BREAKDOWN OF INDUSTRIAL ACTIVITIES (2014-2020)



Business France, Annual Reports 2014-2020

## RELAUNCH FRANCE: AN AMBITIOUS PLAN TO TRANSFORM THE ECONOMY AND STRENGTHEN FRENCH COMPETITIVENESS

Relaunch France aims to set up new industrial activities (€2 billion to attract industrial projects in strategic areas and sectors) and support the decarbonization of industry (modernization, digitization and greening of industrial activities).

### RELAUNCH FRANCE: A REGIONAL REVIVAL FOR FOREIGN BUSINESSES TO BENEFIT FROM

The recovery plan was rolled out without delay from the end of 2020 and will be strengthened in 2021. In all, €11 billion was allocated in 2020, of which €9 billion was paid out). In 2021, an additional €40 billion will be invested.

We have already seen positive news relating to the industrial investment component, with nearly 920 investment projects already supported, representing €3.7 billion in investments (businesses) and €838 million in state aid (as of December 31, 2020). These include:

- 253 projects supported in industrial areas (69% in areas considered fragile), ultimately resulting in the creation of more than 5,000 jobs.
- Sixty-five (re)localization projects in strategic sectors (healthcare, critical inputs for industry, electronics, agri-food, telecommunications), with the eventual creation of 3,000 industrial jobs and the preservation of 7,000 jobs.

Foreign investors are participating in the revival and modernization of the productive apparatus and technological innovation. The first 20 investment projects selected to benefit from the industrial regions acceleration fund are led by foreign businesses – €512 million of investment generated, particularly in strategic sectors.

### RELAUNCH FRANCE: A EUROPEAN AMBITION

A total of €40 billion in European funding (Next Generation European Union Plan) following the historic agreement signed in July 2020, with clear guidelines set by the EU for a harmonized recovery: ecological transition, green energies and technologies, digital development, increased industrial capacities, adaptation of education systems, etc.

An industrial revival at European level: launch of Important Projects of Common European Interest (IPCEIs) to support and finance structuring and modernization projects in strategic future sectors (hydrogen, healthcare, etc.).



FURNISHINGS, HOUSEHOLD GOODS  
**EMCO FRANCE, GERMANY**

The European leader in entrance mat and overflow grilles has relocated part of its German production to the Jura (Bourgogne-Franche-Comté region). In 2016, Emco France was awarded the “Made in Jura Association” certification. Very conscious of the “Deutsche Qualität” label, the group is keen to manufacture a tailor-made product that can be defined as “the haute couture of home furnishings”, requiring a skilled workforce. The German group has chosen to invest €1.2 million in Dampierre (Bourgogne-Franche-Comté region) to expand its production activity. This will create a center of expertise facilitating access to certain international markets. Supported by the region through the France stimulus plan, the investment should generate 15 jobs, the local business having convinced its shareholder to transfer expertise from Germany to France.



BUILDING MATERIALS  
**VELUX, DENMARK**

The Danish group VELUX, the global leader in the roof window market, has invested €3 million in the creation of new production activities, dedicated to flexible solar-powered roller shutters. The Marnay site (Bourgogne-Franche-Comté), chosen for this new activity, led to the creation of 32 jobs in 2020. In addition, the VELUX Group has invested €6 million in its roof window manufacturing site in Feuquières-en-Vimeu (Hauts de France) to create a new paint line (€4 million) and in robotics (€2 million). This contributed to the creation of 20 jobs at the site in 2020.

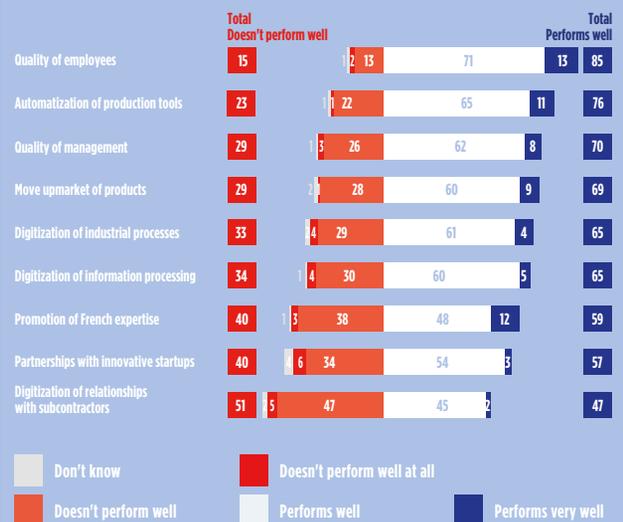


MACHINERY AND MECHANICAL EQUIPMENT  
**AGCO, UNITED STATES**

AGCO, American designer, manufacturer and distributor of machinery and solutions for agriculture, announced the expansion of its Beauvais (Hauts de France) site and the creation of 200 new jobs, thanks to the acquisition of the former neighboring site Froneri, which covers nearly 39 acres. Once the renovation of the site is completed, AGCO’s activity will be increased to a total area of 133 acres and will employ more than 2,500 people. The new site will allow the full design, validation and production of new models to be carried out and will increase production volumes to 18,000 tractors per year. At the same time, AGCO will invest €40 million to improve the quality of the site and accelerate R&D and innovation. This expansion will be accompanied by the integration of new activities: a tractor customization workshop, additive manufacturing, in-house production of hydraulic tubes and gearbox reconditioning.

**FRENCH INDUSTRY IS ATTRACTIVE**

For 80% of foreign executives, French industry is attractive (Business France/Kantar Attractiveness of France survey). More than two-thirds of company directors laud the quality of the workforce and management, the automatization of production tools and the move upmarket of products.



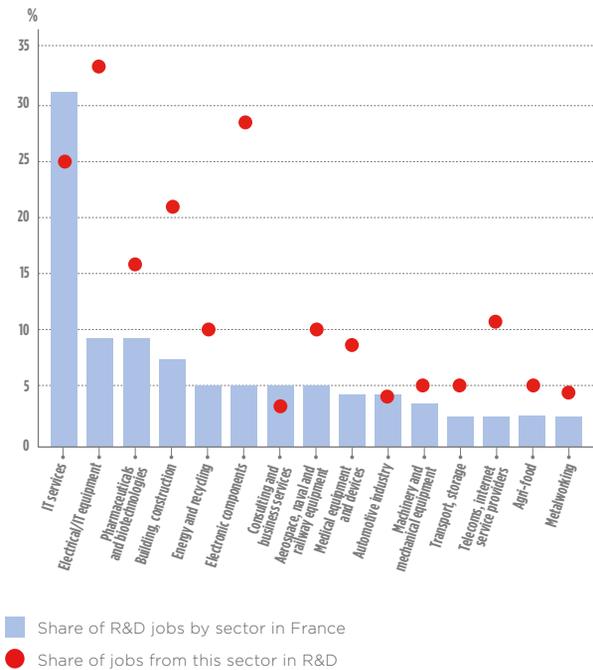
Source: Business France - Kantar Attractiveness of France survey

## INNOVATION PRAISED BY FOREIGN INVESTORS

In 2020, 146 investments were recorded in R&D and engineering, accounting for 12% of all investment decisions. These investments spurred on businesses: beyond their impact on growth, R&D operations supply highly qualified jobs that generate high value added and are generally more stable than manufacturing jobs.

These activities were responsible for 8% of jobs generated in France by international investment, with investments in R&D activities translating into the setting up of new research or engineering centers (38%) and expanded existing activities (56%).

**Fig. 7 BREAKDOWN BY TOP 15 SECTORS OF JOBS IN R&D IN FRANCE (2020)**



Key: 31% of jobs in R&D were made by businesses in the IT services sector; 25% of jobs created in this sector were made in R&D.

Source: Business France, Annual Report 2020

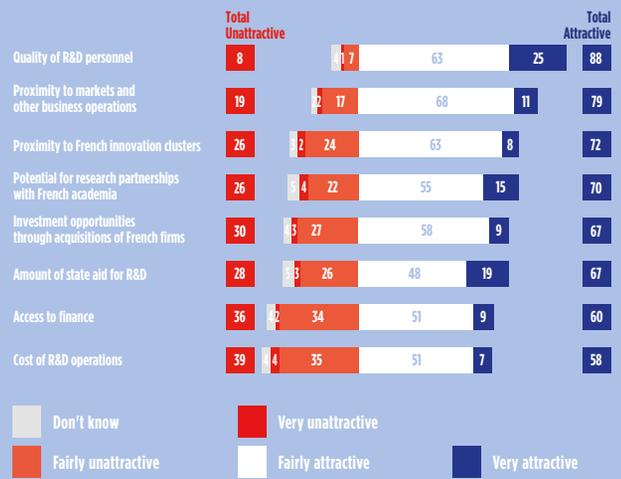
These investments were carried out above all by digital businesses (18% of investment projects) and healthcare businesses (18%).

The United States was the leading investor in R&D activities in France in 2020, responsible for one-quarter of these investments, followed by Germany (16%), with a rise in investment decisions of 44%. It should be noted that Siemens carried out many expansions of R&D centers in fields as varied as medical research, rail and energy.

## FRANCE: AN INNOVATIVE ECONOMY

France's attractiveness in the field of innovation has been confirmed by the results of our survey on France's economic image with foreign businesses set up or otherwise in France.

Innovation is recognized as a driving force behind France's attractiveness as an investment location: the quality of R&D personnel, the proximity to French innovation clusters and the potential for research partnerships with French academia are all structural advantages of the French economy, which supports the trend for R&D investments in France.



Source: Business France - Kantar Attractiveness of France survey

The location of innovation activities follows a different logic to industrial activities, with it being largely determined by factors such as market access, agglomeration forces and reserves of qualified workforce. This translates into many public and private research laboratories setting up in major cities, with 51% of R&D investments in 2020 being located in cities with more than 500,000 inhabitants.

Multinational firms are one of the leading drivers of globalization, notably by their location choices, which have expanded over national borders in the last few decades. The geographical fragmentation of the value chain has been accompanied by locating several

segments on the same site. Due to the resulting synergies, businesses tend to co-locate their production units and innovation centers within the same region.

These co-localization effects have an influence on where R&D centers and engineering units are set up: one-third of R&D and engineering projects are located in industrial regions. A recent study by France Stratégie using Business France data has demonstrated that the probability of setting up an innovation center is 74% if the firm already has a production site in the region.

### BREAKDOWN OF R&D INVESTMENTS BY AGGLOMERATION SIZE (2014-2020)

SIZE OF AGGLOMERATIONS	2020		2014 - 2020	
	PROJECTS	JOB	PROJECTS	JOB
< 50,000 inhabitants	11%	6%	11%	7%
50,000 to 200,000 inhabitants	18%	13%	18%	20%
200,000 to 500,000 inhabitants	21%	19%	19%	19%
500,000 to 1,000,000 inhabitants	15%	17%	14%	16%
> 1,000,000 inhabitants	36%	45%	37%	38%

Source: Business France, Annual Reports 2014-2020



#### BIOTECHNOLOGIES CATALENT, UNITED STATES

The world's leading provider of advanced drug delivery, development and manufacturing technologies, biologics, cell therapies, genetics and consumer health products, US-based Catalent announced an investment of €27 million in 2020 to transform its Limoges site in Nouvelle Aquitaine. Catalent is modernizing its site in order to create a European center of excellence and plans to strengthen its presence in the region with the recruitment of 80 employees by 2025. The site is working on biological formulations for clinical trials.



#### IT SERVICES ERICSSON, SWEDEN

The Ericsson group has announced the opening of its first R&D center in France, in Massy (Ile de France/Paris region), within the Paris-Saclay innovation cluster. This R&D center, dedicated to 5G software and security, aims to accelerate 5G dynamics in Europe and will be able to accommodate up to 300 researchers and engineers.

## — PROJECTS IN A VARIETY OF SECTORS —

There were 649 investment decisions in the manufacturing sector in 2020, accounting for 53% of all inward investment projects. Service-sector companies were responsible for 47% of projects, with 566 investment decisions.

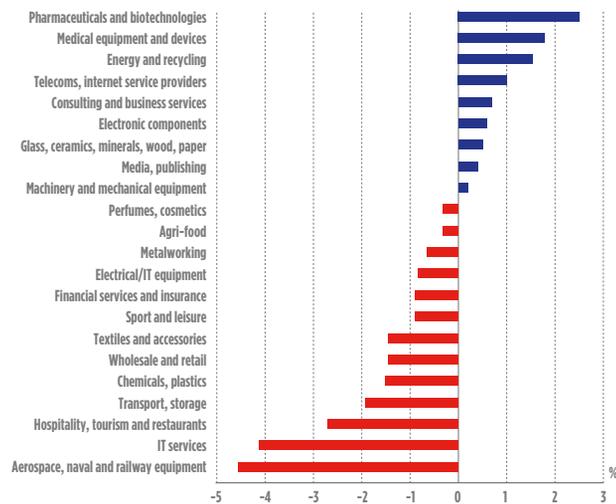
### INDUSTRIAL SECTORS PROVED MORE RESILIENT TO THE CRISIS

In 2020, the leading sectors for investment were wholesale and retail (12%), software and IT services (11%), consulting/engineering and business services (8%), healthcare (8%), energy/recycling (5%), machinery and mechanical equipment (5%), as well as agri-food (5%).

The sectors that contributed the most to the growth in jobs were healthcare, energy/recycling, telecoms, consulting/engineering and business services, as well as electronic components.

Among the most affected sectors since the beginning of the health crisis were machinery/mechanical equipment (-36%), aerospace (-56%), software and IT services (-26%), transport/storage (-38%) and hospitality and restaurants (-57%).

*Fig. 8* MAIN CONTRIBUTIONS BY SECTOR TO CHANGES IN EMPLOYMENT



Source: Business France, Annual Report 2020

## BREAKDOWN OF PROJECTS BY BUSINESS SECTOR (2020)

BUSINESS SECTOR	PROJECTS				JOBS			
	2020	2019	SHARE	CHANGE	2020	2019	SHARE	CHANGE
Energy and recycling	62	55	5%	13%	1,474	885	4%	67%
Machinery and mechanical equipment	61	95	5%	-36%	1,847	1,784	5%	4%
Agri-food	57	73	5%	-22%	1,014	1,146	3%	-12%
Automotive industry	52	54	4%	-4%	2,536	2,594	7%	-2%
Pharmaceuticals and biotechnologies	51	28	4%	82%	1,494	501	4%	198%
Medical equipment and devices	50	44	4%	14%	1,423	726	4%	96%
Textiles and accessories	50	75	4%	-33%	1,299	1,843	4%	-30%
Electrical/IT equipment	50	50	4%	0%	729	1,053	2%	-31%
Building, construction	46	40	4%	15%	842	920	2%	-8%
Chemicals, plastics	42	60	3%	-30%	808	1,395	2%	-42%
Household goods	33	28	3%	18%	625	619	2%	1%
Glass, ceramics, minerals, wood, paper	27	34	2%	-21%	1,004	809	3%	24%
Metalworking	23	29	2%	-21%	1,243	1,498	4%	-17%
Aerospace, naval and railway equipment	14	32	1%	-56%	1,387	3,167	4%	-56%
Electronic components	14	19	1%	-26%	506	269	1%	88%
Perfumes, cosmetics	12	18	1%	-33%	180	296	1%	-39%
Consumer electronics	5	13	0.4%	-62%	279	230	1%	21%
<i>Manufacturing sub-total</i>	<i>649</i>	<i>747</i>	<i>53%</i>	<i>-13%</i>	<i>18,690</i>	<i>19,735</i>	<i>54%</i>	<i>-5%</i>
Wholesale and retail	148	154	12%	-4%	3,895	4,458	11%	-13%
IT services	138	186	11%	-26%	3,347	4,984	10%	-33%
Consulting and business services	100	117	8%	-15%	4,467	4,207	13%	6%
Transport, storage	54	87	4%	-38%	1,409	2,149	4%	-34%
Financial services and insurance	42	43	3%	-2%	927	1,283	3%	-28%
Sport and leisure	31	34	3%	-9%	245	616	1%	-60%
Hospitality, tourism and restaurants	19	44	2%	-57%	502	1,557	1%	-68%
Other services	12	22	1%	-45%	165	162	0.5%	2%
Media, publishing	8	10	1%	-20%	289	132	1%	119%
Telecoms, internet service providers	6	6	0.5%	0%	530	115	2%	361%
Education and training	5	9	0.4%	-44%	67	57	0.2%	18%
Real estate	3	9	0.3%	-67%	34	87	0.1%	-61%
<i>Services sub-total</i>	<i>566</i>	<i>721</i>	<i>47%</i>	<i>-21%</i>	<i>15,877</i>	<i>19,807</i>	<i>46%</i>	<i>-20%</i>
<b>Total</b>	<b>1,215</b>	<b>1,468</b>	<b>100%</b>	<b>-17%</b>	<b>34,567</b>	<b>39,542</b>	<b>100%</b>	<b>-13%</b>

Source: Business France, Annual Report 2020

## MEDICAL EXPERTISE IS PERCEIVED AS ONE OF FRANCE'S KEY STRENGTHS COMPARED WITH ITS EUROPEAN NEIGHBORS

In the context of the current health crisis, economic decision-makers have highlighted that medical expertise is perceived as one of France's key strengths compared with its European neighbors. Investments in the healthcare sector covering the "pharmaceuticals and biotechnologies" and "medical/surgical equipment" sectors increased by 40%. The jobs generated by these investments were multiplied by 2.3.

This growth is mainly due to an increase in expansion investments in existing production sites. The Swiss biotech Regen Lab, which specializes in gene therapy, is strengthening its presence in Ile de France/Paris region, where 69 people will be hired by 2022. The Danish pharmaceutical company LEO Pharma has announced an investment of €39 million at its site in Vernouillet (Centre-Val de Loire) for the production of syringes, which will create 80 jobs. The Swedish group Recipharm is increasing its production capacity for the construction of a vial production facility and a line for pre-filled syringes, for a total estimated amount of €60 million and the creation of 100 jobs.

Almost two-thirds of investments in the health sector are located in Ile de France/Paris region, Auvergne-Rhône-Alpes, Grand Est and Nouvelle Aquitaine.



HEALTHCARE

### PROCTER & GAMBLE, UNITED STATES

This large American group is a global leader in the manufacture of hygiene, health, well-being and maintenance products, with an extensive presence in France and Europe and a portfolio of high value-added brands. With a team of 2,000 employees, P&G continues to grow in France by strengthening its sales forces and support functions at its headquarters in Asnières-sur-Seine (Ile de France/Paris region), which recruited 100 employees in 2020. At the same time, P&G succeeded in maintaining 300 jobs at its production site in Blois (Centre-Val de Loire) by investing €10 million. The group also invested €160 million over the 2019-2021 period to modernize and increase the production capacity of single-dose detergents produced at its Amiens site (Hauts de France). These investments have been accompanied by the recruitment of around 100 employees in Amiens over the past three years.



PHARMACEUTICALS

### CORDENPHARMA, LUXEMBOURG

This Luxembourg-based group is investing in a global center of excellence for fine pharmaceuticals and chemicals at its Chenôve site in Bourgogne-Franche-Comté. The aim is to be able to continuously produce, in a cost and quality competitive manner, certain pharmaceutical intermediates and active ingredients. These two cost and quality elements contribute to the opening in or relocation to France of production from other continents. This investment of €2 million will allow CordenPharma to access calls for tenders that are currently inaccessible.



HEALTHCARE

### REGEN LAB, SWITZERLAND

Created in 2003, this Swiss biotech specializes in the development of new cell therapies. The firm currently has 130 employees and has chosen Les Ulis in the Ile de France/Paris region to strengthen its production activities. Staff recruitment is underway, with 69 people set to be hired by 2022.

## MAKING FRANCE THE MOST INNOVATIVE AND SOVEREIGN EUROPEAN NATION FOR HEALTHCARE

The healthcare industry is one of the most innovative sectors, with significant investments in R&D. France, which already has a strong export industry, must seek international competition to attract investment, funding and talent in the healthcare sector. The pandemic has underscored the crucial issue of national sovereignty in healthcare matters and the manufacture of healthcare products. It has also revealed to everyone the extent of current scientific and medical progress, the challenges of innovation in healthcare, prevention and diagnosis.

**It is in light of the current circumstances that the President of the Republic has set an ambitious target for the Strategic Council of Healthcare Industries (CSIS) 2021: to make France a leading nation in terms of industry and innovation in healthcare.**

To establish a genuine and ambitious "healthcare-innovation 2030" detailed strategy, five priorities have been laid out:

- **Ensuring excellent interdisciplinary basic research**, capable of fueling continuous innovation, but also ensuring continuity from basic research to clinical research..
- **Fostering innovation:** France is home to many new innovative new companies. Establishment of mechanisms to secure these healthcare innovations, improve access to funding and promote the development of venture capital.
- **Improving market access for innovative products** in order to make them available earlier to patients and strengthening the integration of these innovations into the care pathway.
- **Supporting the industrialization of products** in the extension of the relocation targets of production sites pursued within the framework of "Relaunch France", to have sufficient pharmaceutical production capacities and to allow innovations to be developed and produced in France.
- **Developing and bringing out the initial and lifelong training** necessary to have the skills to achieve the proposed goals.

This French approach is also in-keeping with European practice, as illustrated by the announcement at the end of January of the launch of a call for expressions of interest within the framework of the future Healthcare important project of common European interest, which will aim to develop and modernize the European Union's industrial capacities in healthcare. Moreover, this will be one of the priorities of the French Presidency of the Council of the EU in 2022.

We have identified more than **462 foreign investment projects** over the past seven years in the medical device, pharmaceutical and biotechnology sectors. Their numbers are growing: from around 50 in 2014, they rose to 75 in 2018 and now number around 100. France's attractiveness in the healthcare sector is doing well.

In terms of prospecting and offers received, we have identified:

- An increase in healthcare projects of +31% in 2020 versus 2019.
- Strong growth in expansion projects (+93%).
- Doubling of production projects.
- A total of 37 projects identified by Business France and its Project Steering Committee (COSPE) in 2020 are directly related to the Covid-19 crisis.



## THE ECOLOGICAL TRANSITION: A LEVER FOR FRANCE'S ATTRACTIVENESS

For 89% of investors abroad, the ecological transition is a key part of France's attractiveness.

The first part of the recovery plan will draw on €30 billion to finance the ecological transition in all its forms. It will be based on the implementation of energy renovation measures for buildings, the decarbonization of industrial sites, the development of green infrastructure and mobility, but also green energies and technologies, as well as measures to promote biodiversity, the agricultural transition and the fight against land artificialization.

The government's ambition to make the ecological transition one of the levers of economic recovery seems to be bearing fruit. In fact, creation and expansion projects in the energy and recycling sector increased by 13% to reach 62 projects. This translates into an almost doubling of associated jobs.

Among the main job-creating projects is the Dutch startup Nowos, which is opening a battery repair and reconditioning factory in Amplepuis (Auvergne-Rhône-Alpes), resulting in the hiring of 25 people by the end of 2021 and a hundred over three years.

Investments in the energy and recycling sector account for 47% of production activities and 16% of R&D activities, while 61% of these investments are in new establishments. Germany, the leading investor in the energy and recycling sector, accounts for one-quarter of investments in this sector. Auvergne-Rhône-Alpes (19%), Hauts de France (15%) and Occitanie (13%) are the main host regions in this sector.



HEALTHCARE

**NOVO NORDISK, DENMARK**

Novo Nordisk has chosen its site in Chartres (Centre-Val de Loire region) as the precursor of the Circular for Zero program, which comprises making the group a carbon neutral business. Novo Nordisk invested €164 million between 2016-2020 to expand the site, create a biomass plant and sign a contract with a green electricity supplier, thereby reducing its CO<sub>2</sub> emissions by 8,500 tonnes per year for this site alone. Thanks to this program, the firm won the "Choose France" award on December 10, 2020 in the "Ecological Transition" category.



ENERGY

**BORALEX, CANADA**

Borex develops, builds and operates renewable energy production sites in Canada, France, the United Kingdom and the United States. As the leading independent player in onshore wind power in France, the firm commissioned four new wind power sites in France in 2020. This brings Borex's installed capacity in France to 1,037.7 MW and positions the business as the leading independent producer of onshore wind power in France. Several new openings have been announced for 2021, allowing Borex to take one more step towards its strategic objective of 2,800 MW by 2023.



ENERGY/RECYCLING

**NOWOS, NETHERLANDS**

Nowos is a Dutch startup that has been active since 2019. It offers a repair and reconditioning service to extend the lifespan of lithium-ion batteries for use with electric gyropods, bicycles and scooters. Driven by immediate success, the new startup very quickly took steps to set up a new office and a factory in France. In November 2020, the project developed further, with the opening of a site in Amplepuis, in Auvergne-Rhône-Alpes. They hope to hire 25 people by the end of 2021 and around 100 over three years.

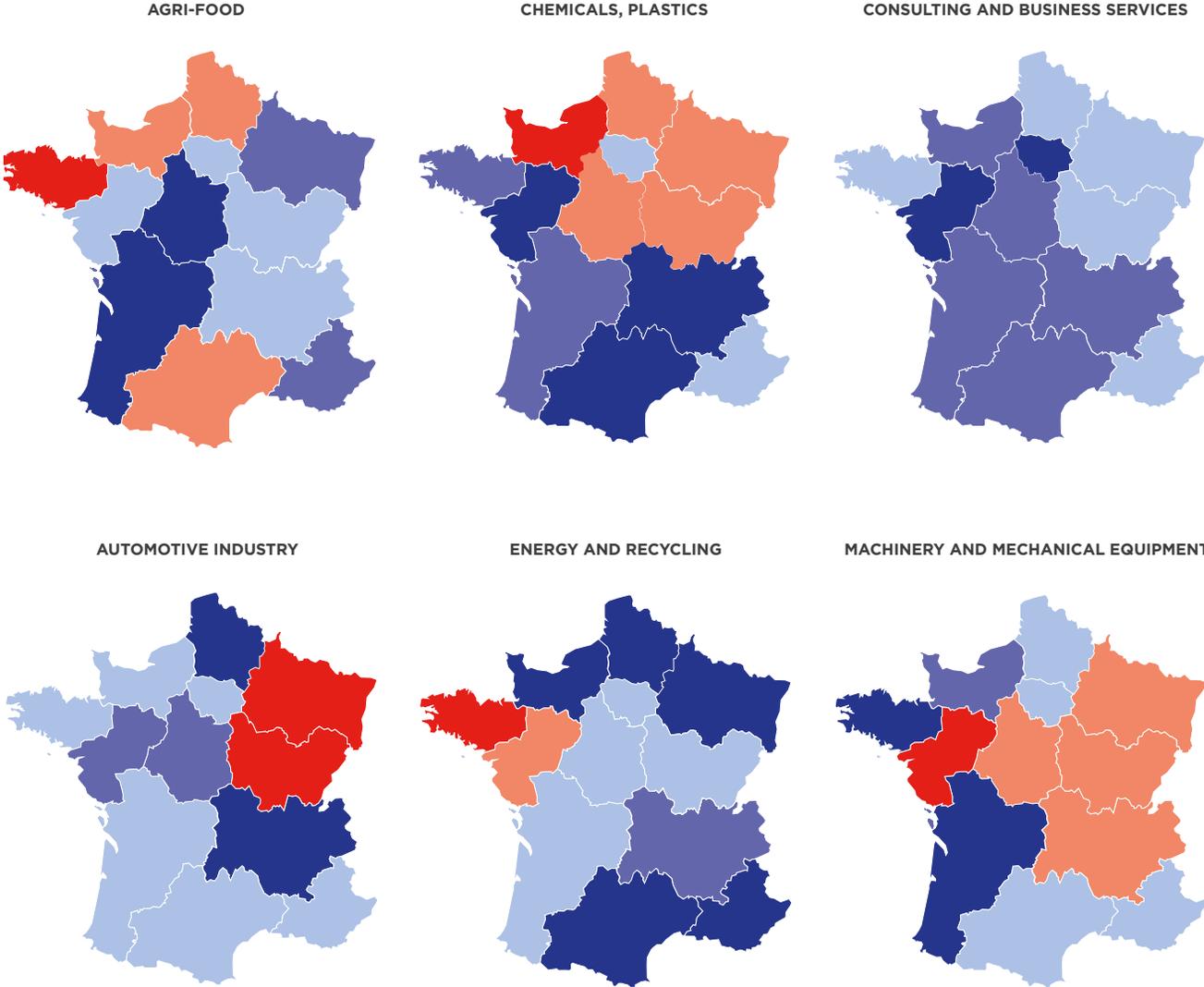


## — ATTRACTIVENESS DIFFERENTIATED BY REGIONAL SPECIALIZATIONS —

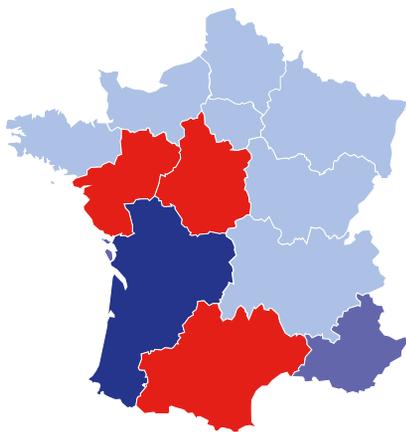
The sector-specific index of employment in France's regions highlights the differences in investment attractiveness of:

- Centre-Val de Loire, Grand Est, Provence-Alpes-Côte d'Azur and Nouvelle Aquitaine in the healthcare sector.
- Bretagne (Brittany), Occitanie, Normandie and Hauts de France in agri-food.
- Normandie, Grand Est, Bourgogne-Franche-Comté, Centre-Val de Loire, Hauts de France in chemicals and plastics.
- Ile de France (Paris region) and Pays de la Loire in consulting, engineering and business services.
- Grand Est, Bourgogne-Franche-Comté, Hauts de France and Auvergne-Rhône-Alpes in the automotive industry.
- Overseas territories, Bretagne (Brittany), Pays de la Loire, Occitanie and Normandie in energy and recycling.
- Pays de la Loire, Grand Est, Centre-Val de Loire, Bourgogne-Franche-Comté and Auvergne-Rhône-Alpes in machinery and mechanical equipment.
- Occitanie, Pays de la Loire, Centre-Val de Loire in aerospace, naval and railway equipment.
- Ile de France (Paris region) in software and IT services.

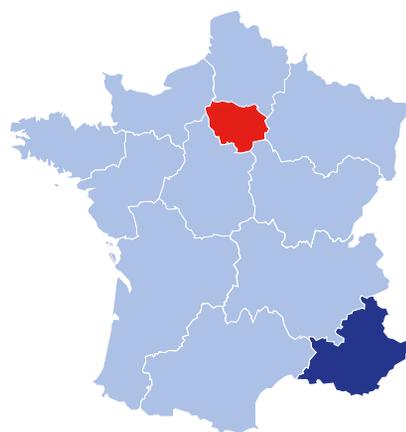
Fig. 9 BREAKDOWN OF SECTOR-BASED ATTRACTIVENESS OF REGIONS (2014-2020)



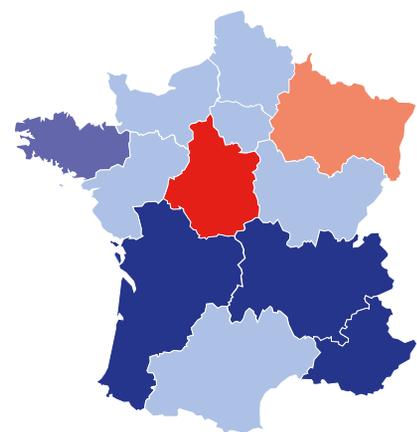
**AEROSPACE, NAVAL AND RAILWAY EQUIPMENT**



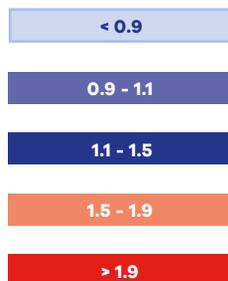
**IT SERVICES**



**HEALTHCARE**



**BREAKDOWN OF MANUFACTURING PROJECTS (2014-2020)**



Source: Business France, Annual Report 2020

The location of foreign investment projects depends on the regional characteristics of employment areas and their sector-based specialization.

Using sector-specific characteristics of employment areas, the specialization index helps us highlight the specialization of the workforce in the Auvergne-Rhône-Alpes, Centre-Val de Loire and Normandie regions in the pharmaceutical industry; the Occitanie and Bourgogne-Franche-Comté regions in the transport equipment industry; the Bretagne (Brittany), Pays de la Loire and Nouvelle Aquitaine regions in the agri-food industry; the Grand Est region in the machinery and mechanical equipment sector.

## METHODOLOGY

### SECTOR-SPECIFIC INDEX OF EMPLOYMENT IN FRANCE'S REGIONS

The sector-specific index of employment in France's regions estimates the specialization of France's regions in a given sector, based on employment in the sector of each region as defined by INSEE in 2016.

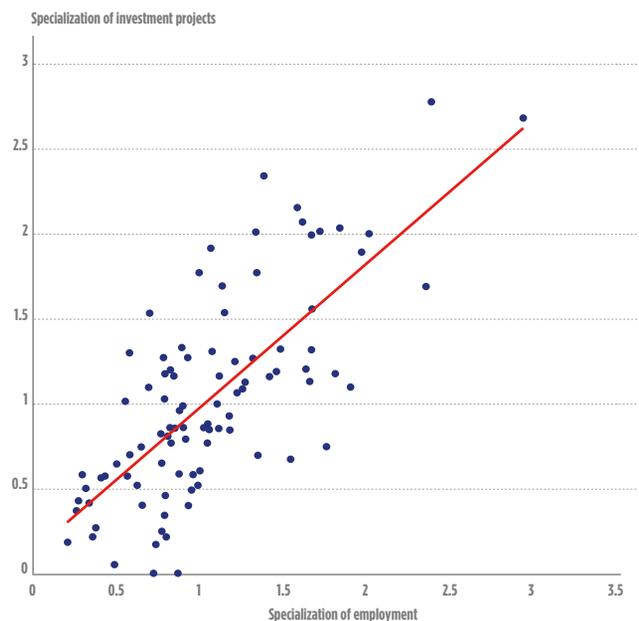
The sector-specific index is the result of the relationship between the proportion of sector-based employment in a given region and the proportion in this sector nationwide. If the index is higher than one, the share of regional employment in the sector is superior to the share of employment in the sector in the nationwide total.

This index allows us to identify business sectors in which each region specializes in terms of salaried employment.

We looked to verify the hypothesis according to which the sector-based attractiveness of different regions reflects their different characteristics and specializations. The figure opposite presents the existing correlation between sector-based attractiveness of regions, or the location choices of multinational firms, and their specialization in terms of employment area.

The results show a positive relationship between these two variables: the choice of location of businesses and the sector-based attractiveness of regions is a fair reflection of the regional specialization of jobs.

*Fig.10* CORRELATION BETWEEN SECTOR-BASED ATTRACTIVENESS AND REGIONAL SPECIALIZATION



Source: Business France calculations

An examination by sector reveals that location strategy is strongly correlated for all sectors considered, except for the transport/storage, financial services and textile industry sectors. The setting up of banking and financial establishments in particular leads to a strong polarization of activities in Ile de France (Paris region).

4

# **The contribution of foreign subsidiaries to the French economy**

# FOREIGN FIRMS PRESENT IN FRANCE HAVE A POSITIVE IMPACT ON VALUE CREATION AND EMPLOYMENT

As foreign multinationals benefit from expertise within their parent companies, synergies between subsidiaries, global economies of scale, and differences in factor prices, they are more efficient and productive than domestic companies.

According to the latest available estimates from Eurostat, France was the fifth leading host country in Europe of subsidiaries belonging to foreign groups in 2018, with more than 15,859 subsidiaries recorded, after Romania (27,716), Germany (26,828), the United Kingdom (24,097) and the Czech Republic (17,423).

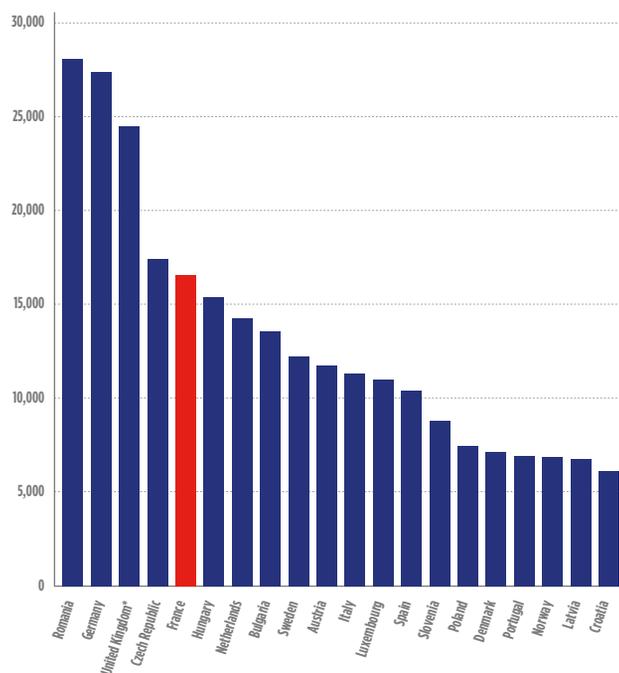
Foreign multinational firms set up in France employ 2,228,023 people. France is the third-leading European country for job creation by foreign subsidiaries after the United Kingdom (3,728,859) and Germany (3,696,960).

## OVERVIEW OF FOREIGN-OWNED BUSINESSES

Foreign multinationals are set up throughout France and contribute to economic growth in the regions that host them.

At the end of 2018, foreign firms in France accounted for less than one percent of all businesses in France but generated 21% of all revenues<sup>1</sup> in the French economy, had 13% of all the workforce in France, and generated 30% of all export revenues.

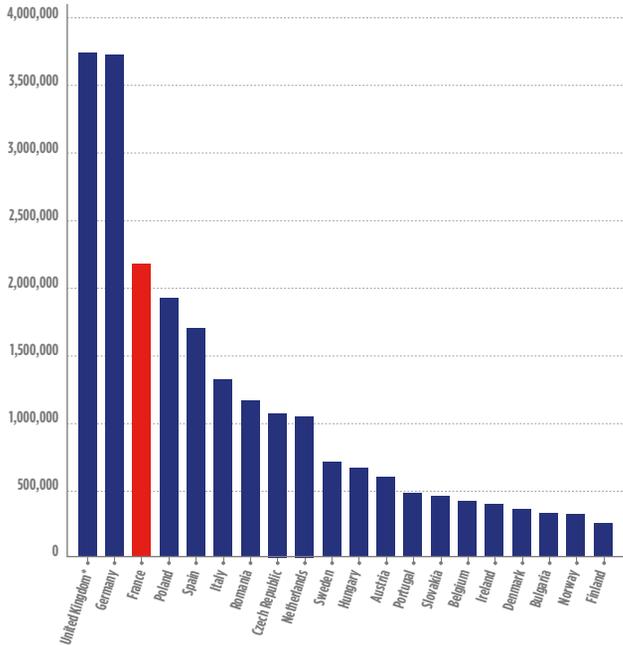
Fig. 1 TOP 20 HOST COUNTRIES OF FOREIGN SUBSIDIARIES IN EUROPE (2018)



Source: Eurostat, 2021  
\* Data for 2017

<sup>1</sup> Revenues are defined as total post-tax revenues generated by businesses from third parties in the ordinary course of business. They correspond to the sum total of all sales of goods, manufactured products, services and secondary products.

**Fig. 2** TOP 20 COUNTRIES FOR JOBS AT FOREIGN SUBSIDIARIES (2018)



Source: Eurostat, 2021  
\* Data for 2017

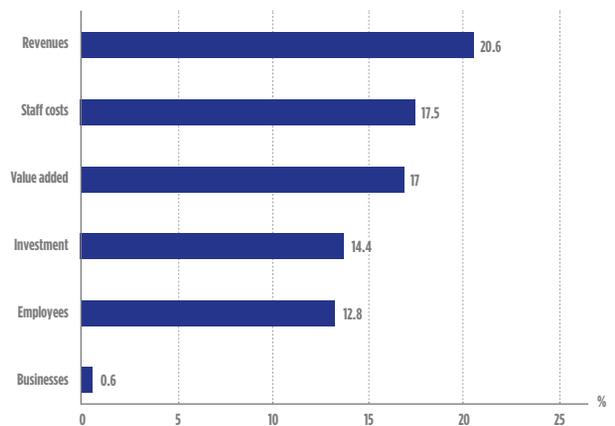
### METHODOLOGY

The findings in this chapter are based upon European Union inward foreign affiliates statistics (FATS), while estimations come from two sources: the French National Institute for Statistics and Economic Studies (INSEE) Annual Business Statistics Program (ESANE), which provides structural business statistics obtained from administrative and survey data; and INSEE's Financial Links Between Enterprises Survey (LiFi), which identifies groups of companies operating in France and establishes their size and nationality.

The establishment in France of foreign-owned multinationals corresponds in most cases to mid-size companies, which account for 45% of employment at foreign-owned businesses. Manufacturing industry accounts for the most jobs for foreign-owned firms with 37%, ahead of the wholesale/retail trade with 30%.

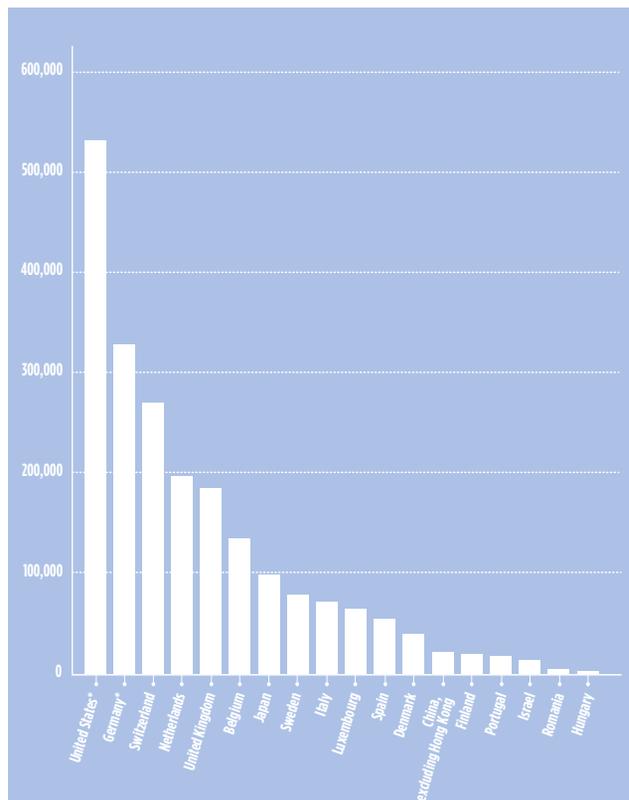
In 2018, foreign multinationals employed 2.2 million people as employees and self-employed staff in France. Most of these foreign-owned businesses were from fellow European countries, which accounted for more than two-thirds of jobs. American multinationals were the leading source of employment, with 532,800 jobs, followed by Germany (324,400), Switzerland (277,000), the Netherlands (193,000) and the United Kingdom (182,300).

**Fig. 3** CONTRIBUTION OF FOREIGN-OWNED BUSINESSES TO THE FRENCH ECONOMY (2018) (%)



Source: Eurostat, 2021

**Fig. 4 BREAKDOWN BY SOURCE COUNTRY OF JOBS AT FOREIGN-OWNED BUSINESSES IN FRANCE (2018)**



\*Data for 2017  
 Source: Eurostat, 2021  
 Key: 532,756 jobs in France were at businesses controlled by American multinationals.

The relative importance of foreign-owned businesses is most noticeable in the manufacturing industry, where they are responsible for one-quarter (23%) of the sector’s value added and one-third of employment.

**The manufacturing industry accounts for 32% of jobs under foreign ownership in France, versus 26% of jobs of French multinational firms and 12% of jobs of other French businesses.**

With 24% of jobs, the business services sector is the second largest sector.

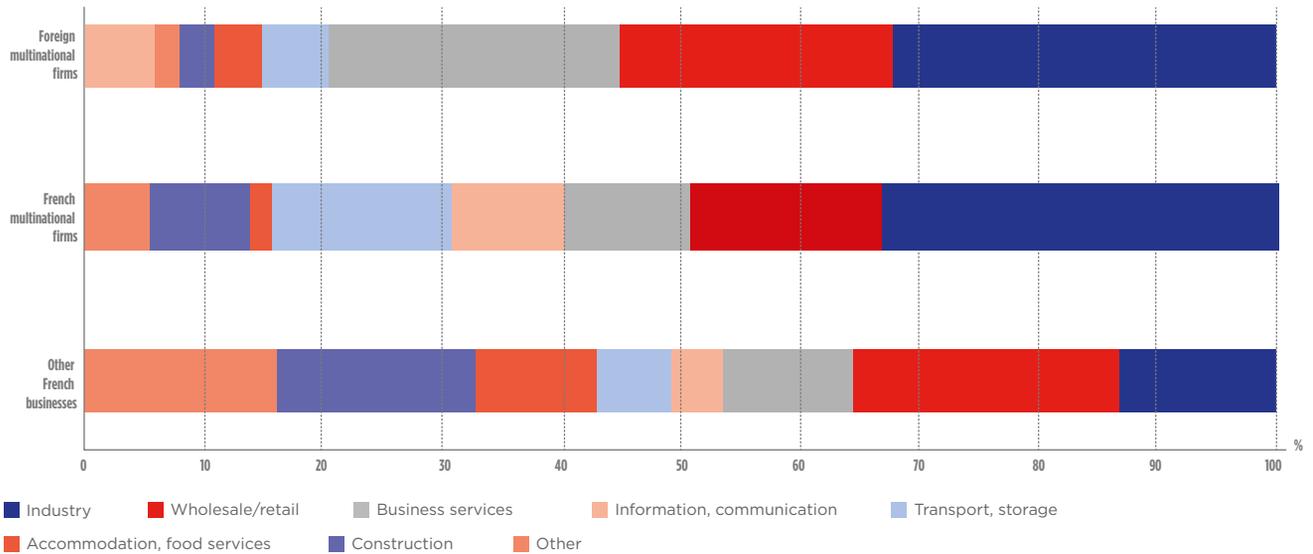
**FOREIGN SUBSIDIARIES ACTIVELY CONTRIBUTING TO R&D**

In 2018, business enterprise R&D expenditure (BERD) by businesses controlled by foreign multinationals in France was up 3% to a total of €7.7 billion, amounting to 23% of all BERD in France.

Three sectors accounted for more than one-third of overall expenditure by foreign-owned businesses: electronic components (€1.1 billion, amounting to 14% of foreign BERD expenditure), the automotive industry (€934 million, 12%) and the software and IT services sector (€635 million, 8%).

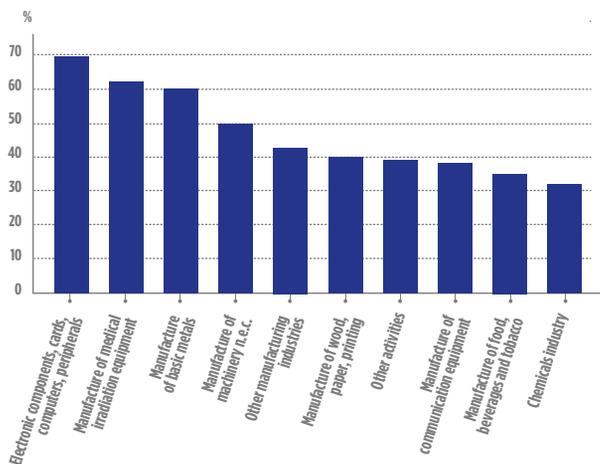
The contribution to R&D expenditure from foreign-owned subsidiaries was particularly evident in sectors such as electronic components (69% of total BERD expenditure), manufacture of medical irradiation equipment (62%), manufacture of basic metals (60%) and manufacture of machinery and equipment (50%).

Fig. 5 BREAKDOWN OF SECTOR-BASED EMPLOYMENT BY METHOD OF GOVERNANCE OF BUSINESSES (2017) (%)



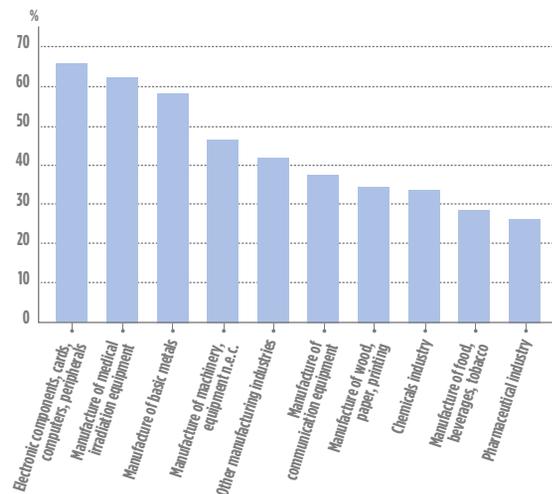
NB: Industry brings together here the sectors B to E, and not manufacturing industry (sector C) alone. Others brings together the sectors L, M and S95. Interim employees are divided into interim companies, in the business services sector.  
 Key: In 2017, industry employed 32.3% of the workforce of businesses controlled by foreign multinationals.  
 Field: France, commercial sector businesses (non-agricultural, non-financial); workforce employed, including non-salaried employees and intermediaries.  
 Source: INSEE, Esane, Lifi 2017

Fig. 6 CONTRIBUTION OF FOREIGN-OWNED SUBSIDIARIES TO R&D SPENDING BY SECTOR (TOP 10) (2018)



Source: French Ministry for Higher Education, Research and Innovation (2021)

Fig. 7 PROPORTION OF RESEARCHERS WORKING AT FOREIGN SUBSIDIARIES BY SECTOR (TOP 10) (2018)



Source: French Ministry for Higher Education, Research and Innovation (2021)

## OVER TWO-THIRDS OF FOREIGN R&D INVESTMENT IS EUROPEAN

European businesses have carried out 68% of all foreign R&D investment in France. Germany (€1.4 billion) and Switzerland (€1.3 billion) were the main European contributors to business enterprise R&D expenditure in France.

American businesses are the main investors in R&D activities: R&D expenditure by American businesses increased 6% to reach €1.7 billion. In 2018, the United States was responsible for nearly one-quarter of all R&D investments made by foreign businesses in the country.

## FOREIGN BUSINESSES IN FRANCE EMPLOY NEARLY ONE-QUARTER OF ALL RESEARCHERS

At the last count, there were 42,050 researchers (full-time equivalent) working for companies controlled by foreign multinationals, amounting to 22% of all researchers at all businesses in France. The number of researchers at subsidiaries of foreign groups increased by 5%.

The share of researchers employed by foreign-owned subsidiaries reflects how R&D operations are organized in different sectors: 65% of researchers at businesses in the electronic components sector in France work for foreign subsidiaries (5,996 researchers), as do 62% of researchers in the medical irradiation equipment sector (423 researchers), 58% in the basic metals industry, and 47% in the manufacture of machinery and equipment.

The subsidiaries of multinationals have the advantage of belonging to a global group and enjoy not only the knowledge transferred by their parent companies and exchanges between subsidiaries, but also differences in production factor costs, economies of scale at a global level and outsourcing.

Empirical studies have shown that multinational subsidiaries are more productive, more innovative and more competitive. Setting up foreign subsidiaries in France is part of globalization and helps integrate France in the global economy.

## BREAKDOWN BY SOURCE COUNTRY OF BUSINESS ENTERPRISE R&D EXPENDITURE AND RESEARCHERS IN FRANCE

	BERD (€M)	RESEARCHERS
<b>European Union (EU-27)</b>	<b>3,989</b>	<b>22,890</b>
<b>including:</b>		
Austria	33	289
Belgium	351	2,001
Denmark	39	197
Finland	323	2,508
Germany	1,376	6,283
Italy	110	523
Luxembourg	253	1,214
Netherlands	598	4,248
Spain	112	759
Sweden	315	1,628
United Kingdom	380	2,587
Norway	14	60
Switzerland	1,260	5,947
<b>Total Europe, excluding France</b>	<b>5,263</b>	<b>28,896</b>
Canada	59	344
Japan	321	1,740
United States	1,709	9,407
Rest of world	338	1,662
<b>TOTAL (FOREIGN SUBSIDIARIES)</b>	<b>7,691</b>	<b>42,050</b>
<b>TOTAL BUSINESSES</b>	<b>33,947</b>	<b>188,817</b>

Source: French Ministry for Higher Education, Research and Innovation (2021)

### THE OPEN NATURE OF THE FRENCH ECONOMY

More than 40,000 French businesses have established themselves in foreign countries, while more than 16,000 foreign companies have French operations in which they have made job-creating investments.

The French economy is very open to foreign investment.

**Data from the French National Institute for Statistics and Economic Studies (INSEE) states that foreign subsidiaries:**

- Provide jobs for 13% of the workforce in France
- Generate 21% of all revenues in France
- Carry out 14% of investments by businesses
- Generate 30% of exports

40.8% of the equity of companies listed on the CAC 40 is owned by foreign investors. (Banque de France, October 2020)

French subsidiaries of foreign businesses employ more than 40,000 researchers and spend €7.7 billion on their internal R&D activity. Together, they account for 23% of all business enterprise R&D expenditure (BERD) in France. (French Ministry for Higher Education, Research and Innovation, 2021)

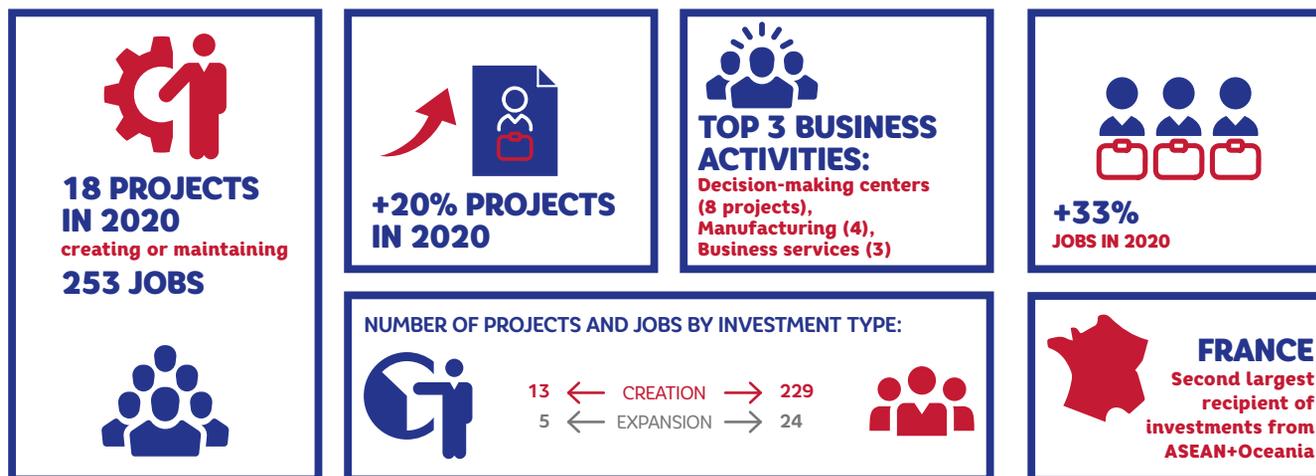
Thirty-one of the world's top 500 companies are French, while 27 are German and 22 are British. (Fortune Global 500, 2020)

5

# **Source country overviews**

# ASEAN+OCEANIA

Eighteen new investment decisions were recorded in France from ASEAN member countries and Oceania<sup>1</sup> in 2020, creating 253 jobs, up 33%.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Jinpao:** Jinpao is an industrial group specializing in fine sheet metal activities, boiler-making, surface treatments and the assembly of semi-finished products. To accelerate its development, the group has chosen to establish itself at the heart of the French supply chain. After buying out ADB and Lutec in 2019, Jinpao completed the acquisition of Spem Aéro, a surface treatment unit in Bagnères-de-Bigorre (Occitanie region). The group plans between €2 and €3 million of additional investment over the next three to four years and aims to recruit around ten employees.

**Merci Marcel:** The Merci Marcel group specializes in catering, with six establishments in Singapore meeting great success in the city-state. Merci Marcel is a multi-destination café-restaurant-bar catering concept based on modern French cuisine in beautiful places, with varied designs taking an eco-responsible approach and which can involve a concept store. The group has decided to expand in France by recruiting around sixty people in the city of Bordeaux initially and then in Paris by 2022.

## BREAKDOWN BY SOURCE COUNTRY

Source country	Projects	Jobs
Singapore	9	130
Thailand	2	43
Australia	3	60
New Zealand	2	10
Vietnam	2	10
<b>Total</b>	<b>18</b>	<b>253</b>

<sup>1</sup> ASEAN member countries: Burma, Brunei, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam. Oceania: Australia and New Zealand.  
<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019.  
FDI stock by ultimate investor as of December 31, 2018 was €8 billion.

## ASEAN+OCEANIA BUSINESSES IN FRANCE

There are around 700 subsidiaries of businesses from ASEAN member countries or Oceania established in France, where they employ more than 80,000 people.

Eighteen new investments from ASEAN member countries or Oceania were confirmed in France in 2020, up 20%, creating 253 jobs, up 33%.

More than 40% of projects and 40% of jobs created in 2020 involved decision-making centers, and more than 20% manufacturing.

Sector-wise, chemicals/plastics and IT services were the main recipients of investments from ASEAN+Oceania in 2020, with three investments in each of these sectors creating 17% and

10% of jobs from ASEAN+Oceania investments.

Ile de France (Paris region) was the leading regional recipient of investments from ASEAN+Oceania in 2020 (33% of projects), ahead of Auvergne-Rhône-Alpes (28%), Bourgogne-Franche-Comté (11%) and Grand Est (11%).

## FRANCE'S POSITION IN EUROPE<sup>3</sup>

In 2020, France received nearly one-quarter of investments from ASEAN+Oceania in Europe (24% of investments), making it the second leading European recipient of investment from ASEAN+Oceania, after the United Kingdom (33% of projects) but ahead of Germany (12%).



## TOP 5 ASEAN+OCEANIA BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
RAMSAY HEALTH CARE LTD. (Australia) Healthcare, clinics and hospitals	28,000
DORCHESTER COLLECTION (Brunei) Hospitality, tourism and restaurants	900 - 1,000
THAI UNION GROUP (Thailand) Agri-food	+ 800
CAPITALAND LTD. (Singapore) Other services	600 - 700
PTT GLOBAL CHEMICAL (Thailand) Chemicals, plastics	550

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	8	109	44%	43%
Manufacturing	4	58	22%	23%
R&D, engineering	3	34	17%	13%
Business services	3	52	17%	21%
<b>Total</b>	<b>18</b>	<b>253</b>	<b>100%</b>	<b>100%</b>

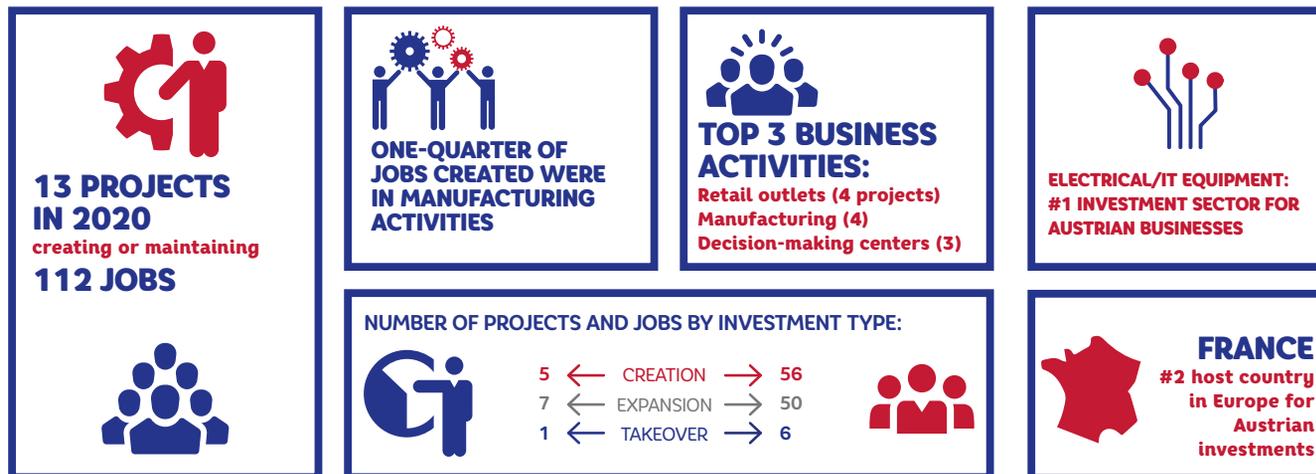
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Chemicals, plastics	3	42	17%	17%
IT services	3	26	17%	10%
Textiles and accessories	2	4	11%	2%
Hospitality, tourism and restaurants	1	50	6%	20%
Energy and recycling	1	36	6%	14%

Source: Annual Report 2020, Business France

# AUSTRIA

Thirteen Austrian investment projects were recorded in France in 2020, creating or maintaining more than 110 jobs. A significant number of financial projects (buyouts and safeguarding investments) completes these results, confirming that Austrian investment in France remained high in 2020.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**XXXLutz KG:** Founded in 1945, the Austrian family business XXXLutz is one of the largest furniture retailers in the world, with revenues of €5.1 billion in 2019. Since 2016, WM Holding GmbH, the investment fund belonging to XXXLutz, has been cooperating with the American investment fund CD&R, with whom it owns the BUT stores. In October 2020, WM Holding acquired the Conforama chain (9,000 employees and 162 stores), thus becoming the leader in the French furniture market, with a total of 460 stores, nearly 15,000 employees and a 19% market share in France.

**Montana Holding GmbH:** Montana is an investment company specializing in the takeover and turnaround of aircraft equipment manufacturers, particularly in the fields of casting, mechanics and boiler-making. In early 2020, the group acquired the French companies Alsenam (140 employees), specializing in fine sheet metal work and complex welded assemblies, and AEMI (80 employees), which specializes in precision machining of light alloys. The two companies are based in Mérignac, in the Nouvelle Aquitaine region.

**GoStudent GmbH:** GoStudent is an Austrian startup created in 2016 specializing in online tutoring and connecting students of all levels with teachers and tutors. Keen to become a major player in this sector in France, GoStudent has just opened an office in Lyon (Auvergne-Rhône-Alpes region) and plans to recruit 20 employees over the next three years.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €1.4 billion.

## AUSTRIAN BUSINESSES IN FRANCE

There are around 250 subsidiaries of Austrian businesses established in France, where they employ more than 11,000 people.

Thirteen new investments from Austria were recorded in France in 2020, creating or maintaining 112 jobs.

Austrian businesses invested primarily in retail outlets (four projects; 27 jobs) and in manufacturing (four projects;

26 jobs). Decision-making centers accounted for the most jobs (three projects; 40 jobs).

Eight out of 13 Austrian investments were concentrated in three sectors: electrical/IT equipment (three projects; 25 jobs), machinery/mechanical equipment (two projects; 20 jobs) and energy/recycling (two projects; nine jobs).

Austrian investments were most often located in Auvergne-Rhône-Alpes (four projects; 41 jobs), Bourgogne-Franche-Comté (four projects; 26 jobs) and Ile de France (Paris region) (three projects; 26 jobs).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France remained the second largest recipient of Austrian job-creating investment in Europe (29% of projects), after Germany (38%) but ahead of Poland (7%).



## TOP 5 AUSTRIAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
XXXLUTZ (WM holding) Wholesale and retail	15,000
EGGER GROUP Glass, ceramics, minerals, wood, paper	900
MAYR-MELNHOF KARTON AG Glass, ceramics, minerals, wood, paper	800
WIENERBERGER AG Building, construction	800
FIBA (BWT) Household goods	800

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	3	40	23%	36%
Retail outlets	4	27	31%	24%
Manufacturing	4	26	31%	23%
Business services	1	10	8%	9%
Consumer services	1	9	8%	8%
<b>Total</b>	<b>13</b>	<b>112</b>	<b>100%</b>	<b>100%</b>

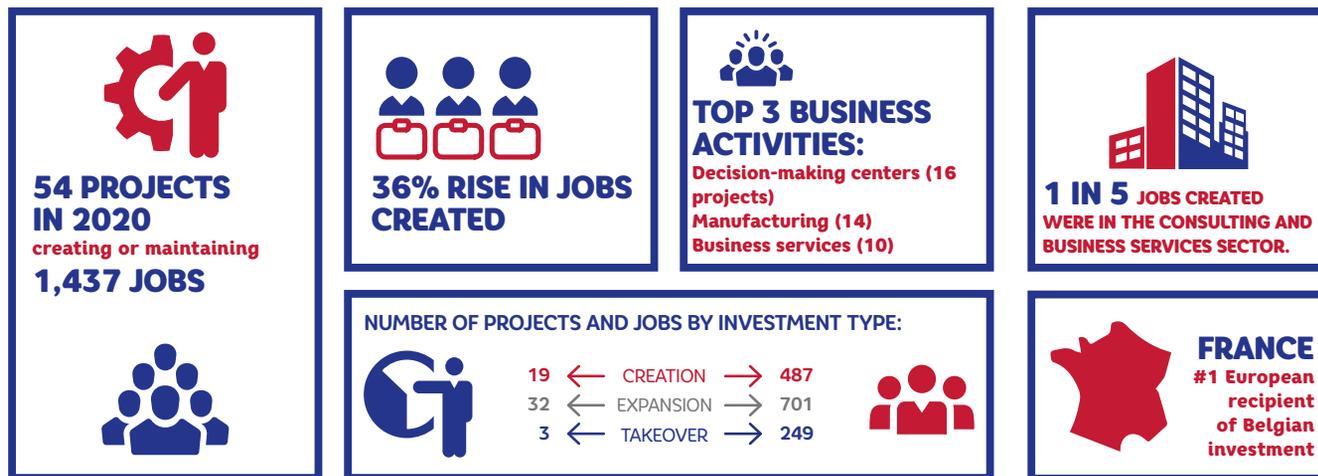
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Electrical/IT equipment	3	25	23%	22%
Machinery and mechanical equipment	2	20	15%	18%
Energy and recycling	2	9	15%	8%
Education and training	1	20	8%	18%
IT services	1	10	8%	9%

Source: Annual Report 2020, Business France

# BELGIUM

Belgium had 54 investment projects in France in 2020, creating or maintaining more than 1,400 jobs, an annual rise of 36%.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Labocreation:** This cosmetic laboratory from the Belgian city of Mons bet on France in 2020 by acquiring the cosmetics activity of the French company Bailly-Creat, its production facility in Bondoufle (Ile de France/Paris region) as well as its 18 employees. Labocreation was the first manufacturer to obtain the Cosmos Label in Belgium, which is a new European standard and common requirement for organic and natural cosmetics. The Belgian company now intends to further expand this site and benefit from the expertise of French cosmetologists and schools by promoting the "Made in France" label.

**Galapagos:** Specialized in the development of drugs to fight against inflammatory diseases, this biotech company has been present in France since 2005 thanks to the takeover of the French company ProSkelia, working on bone diseases. France is Galapagos's leading investment country after Belgium, as it devotes 25% of its overall investments to it. In 2020, the group placed a strong emphasis on France by recruiting around fifty people at its R&D site in Romainville (Ile de France/Paris region) and 50 at its newly created sales subsidiary in the La Défense business district, bringing its workforce in France to 258 employees.

**Franson:** This Flemish family-owned SME, specializing in the production and distribution of high-end bovine feed, undertook a feasibility study in 2018 for the construction of a production facility in France so as to optimize transport costs and be closer to its many French customers. The project is based in Vierzon (Centre-Val de Loire region) and will ultimately lead to the creation of nearly 20 jobs.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €42.2 billion.

**BELGIAN BUSINESSES IN FRANCE**

There are nearly 2,000 subsidiaries of Belgian businesses established in France, where they employ 130,000 people.

Fifty-four new investments from Belgium were recorded in France in 2020, creating or maintaining 1,437 jobs, an annual rise of 36%.

Belgian investments in 2020 were made primarily in decision-making

centers (30% of projects; 31% of jobs), manufacturing operations (26% of projects; 16% of jobs) and business services (19% of projects; 25% of jobs).

The leading sector in 2020 for Belgian investment was consulting and business services (17% of projects; 21% of jobs), where Belgian firms also accounted for 9% of all foreign projects in this sector in France. The IT services sector meanwhile corresponded to 13%

of projects and 7% of jobs, while the wholesale/retail sector accounted for 9% of projects and 10% of jobs.

The majority of Belgian investments were in three regions: Ile de France (Paris region) (26% of projects; 26% of jobs), Hauts de France (22% of projects; 15% of jobs), and Grand Est (11% of projects; 15% of jobs).

**FRANCE'S POSITION IN EUROPE<sup>2</sup>**

In 2020, France remained the leading European recipient of job-creating investment from Belgium, attracting 53% of Belgian projects in Europe, ahead of the United Kingdom (12%), Spain (5%) and the Netherlands (5%).

**CHANGE IN PROJECTS AND JOBS**



**BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY**

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	16	440	30%	31%
Logistics	6	267	11%	19%
Retail outlets	1	30	2%	2%
Manufacturing	14	223	26%	16%
R&D, engineering	4	69	7%	5%
Business services	10	365	19%	25%
Consumer services	3	43	6%	3%
<b>Total</b>	<b>54</b>	<b>1,437</b>	<b>100%</b>	<b>100%</b>

**TOP 5 BELGIAN BUSINESSES BY EMPLOYMENT IN FRANCE**

Business	Workforce in France
GROUPE LOUIS DELHAIZE Wholesale and retail Agri-food	18,000
ECONOCOM IT services	6,000 - 7,000
SOLVAY SA Wholesale and retail	3,700
D'IETEREN NV/SA (CARGLASS) Automotive industry	3,000
SAFINCO (VANDEMOORTELE) Agri-food	1,000 - 1,200

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

**TOP 5 BUSINESS SECTORS BY PROJECTS**

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Consulting and business services	9	308	17%	21%
IT services	7	97	13%	7%
Wholesale and retail	5	141	9%	10%
Agri-food	5	56	9%	4%
Building, construction	4	39	7%	3%

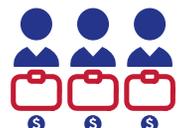
Source: Annual Report 2020, Business France

# CANADA

Thirty-five Canadian investment projects were recorded in France in 2020, creating or maintaining 1,648 jobs, up 4% from 2019. Canada is the second largest investor and the second largest source of employment in the IT services sector.



**35 PROJECTS IN 2020**  
creating or maintaining  
**1,648 JOBS**

**+4% IN JOBS ASSOCIATED WITH CANADIAN INVESTMENT**



**TOP 3 BUSINESS ACTIVITIES:**  
Manufacturing (14 projects)  
Decision-making centers (10)  
Business services (9)



**#2** investor and #1 supplier of jobs in the aerospace, naval and railway equipment sector

**NUMBER OF PROJECTS AND JOBS BY INVESTMENT TYPE:**

	14 ← CREATION → 224	
	18 ← EXPANSION → 1,282	
	3 ← TAKEOVER → 142	



**FRANCE**  
Leading European recipient of Canadian investment

## KEY FIGURES



**€6.9 BILLION**  
FDI stock in France  
13th place  
Source: Banque de France<sup>1</sup>



**200+**  
businesses in France  
Source: Orbis



**28,000+**  
EMPLOYEES  
Source: Orbis

## THEY CHOSE FRANCE IN 2020

**Moka (Montréal, Québec):** Founded in 2017 in Montreal, Moka is a startup specializing in mobile applications that enable the general public, especially young people, to save and invest in a simple, automatic and responsible way. Moka is Canada's most popular savings and investment app, which has already acquired over half a million users. Moka was also included in KPMG's 2019 Fintech Top 100, which lists the most innovative FinTechs around the world. After US\$14 million in investments from the National Bank of Canada and Desjardins Capital, two of Canada's leading banking players, Moka decided to focus on the European market. Moka has always had strong links with

France thanks to the country's longstanding relationship with Quebec, and so decided it was essential to launch into Europe, starting with France.

**Premier Tech (Rivière-du-Loup, Québec):** Premier Tech employs 4,600 people across 27 countries and works in the fields of horticulture and agriculture, non-collective sanitation and rainwater recovery, manufacturing industrial packaging equipment and factory connectivity. It is one of the top seven Canadian investors in France and has a very important external growth strategy. In 2020, the investor acquired five companies in France, saving nearly 80 jobs, and has chosen France as the location of the European

headquarters of its Water & Environment and Producers & Consumers business groups.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €13.2 billion.

## CANADIAN BUSINESSES IN FRANCE

There are more than 200 subsidiaries of Canadian businesses established in France, where they employ more than 28,000 people. In 2020, there were 35 new investments from Canada in France, creating or maintaining 1,648 jobs, up 4% from 2019.

Canadian investments were mostly in manufacturing activities (40% of projects) and decision-making centers (29%), while more than one-third of

jobs (37%) were provided in business services.

Sector-wise, IT services (31%) and consulting/business services (14%) welcomed nearly half (46%) of Canadian investments and more than 40% of associated jobs. Around one-third of jobs (31%) were in the aerospace, naval and railway equipment sector, with Canada being the second largest investor in this sector in France and the

leading provider of employment. The "1000 plan" led by Bombardier and the takeover of SII by Magellan, which generated more than 500 jobs, explain this result.

Ile de France (Paris region) (31%) was the main recipient of Canadian investments, followed by Auvergne-Rhône-Alpes (14%), Hauts de France and Pays de la Loire (both 11%).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the second leading European recipient of job-creating investment from Canada, attracting 23% of Canadian projects in Europe, after the United Kingdom (25%) but ahead of Germany (4%).



## TOP 7 CANADIAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
CGI – IT services	12,000+
ONTARIO TEACHERS PENSION PLAN – Financial services and insurance	5,900+
POWER CORP – DESMARAIS Financial services and insurance	4,500 – 5,000
BOMBARDIER INC. – Aerospace, naval and railway equipment	1,500
MCCAIN FOODS – Agri-food	1,100
LINAMAR – Metalworking	1,000
LALLEMAND – Agri-food	1,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	10	9	29%	6%
Manufacturing	14	923	40%	56%
R&D, engineering	1	20	3%	1%
Business services	9	603	26%	37%
Consumer services	1	3	3%	0.2%
<b>Total</b>	<b>35</b>	<b>1,648</b>	<b>100%</b>	<b>100%</b>

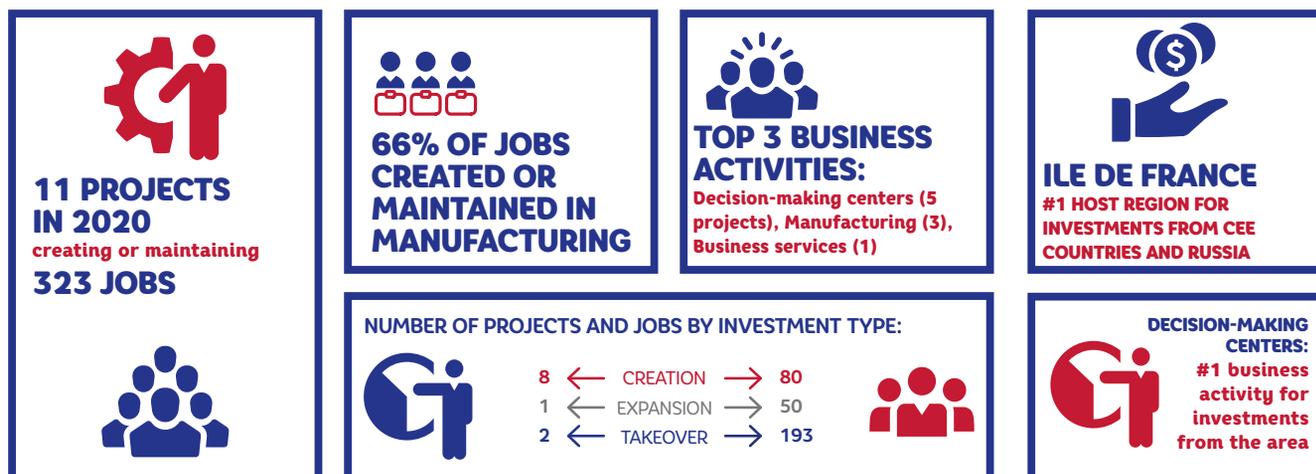
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
IT services	11	495	31%	30%
Consulting and business services	5	199	14%	12%
Medical equipment and devices	3	183	9%	11%
Glass, ceramics, minerals, wood, paper	3	124	9%	8%
Energy and recycling	3	14	9%	1%

Source: Annual Report 2020, Business France

# CENTRAL/EASTERN EUROPE & RUSSIA

There were 11 investment projects from CEE countries and Russia in France in 2020, creating or maintaining 323 jobs.<sup>1</sup>



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Chemet:** This investment from Poland was validated following the decision of the Paris Commercial Court in early 2020. The French manufacturer of gas cylinders GLI (Gaz Liquefiés Industrie), which has factories in Bischwiller (Grand Est) and Civray (Nouvelle Aquitaine), as well as a network of 14 GLI service points and tank depots throughout France, was acquired by its Polish competitor, the Chemet group, for €315 million. This takeover will save 180 jobs in Bischwiller (as well as 320 jobs in Civray in the near future) and illustrates the interest of Polish investors in France in large takeover projects.

**Šark:** The Slovenian business Šark specializes in organizing surfing adventures, most of which take place in Spain. In 2020, it opened its first surfing camp in Montalivet, in Nouvelle Aquitaine. The seaside resort is 700m from the Atlantic Ocean and roughly the same distance from the town of Montalivet, which is full of local markets, bars, surfing shops and restaurants. This project, which was supported by the region, also led to the recruitment of 15 dedicated employees and surfing instructors.

## BREAKDOWN BY SOURCE COUNTRY

Source country	Projects	Jobs
Estonia	2	50
Lithuania	2	25
Czech Republic	2	15
Poland	1	180
Russia	1	23
Slovenia	1	15
Hungary	1	10
Bulgaria	1	5
<b>Total</b>	<b>11</b>	<b>323</b>

<sup>1</sup> Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia.

<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019, data available for Bulgaria, Czech Republic, Hungary, Poland, Romania, Russia and Slovakia. FDI stock by ultimate investor as of December 31, 2018 was €1 billion.

## CENTRAL/EASTERN EUROPEAN AND RUSSIAN BUSINESSES IN FRANCE

There are around 300 subsidiaries of Central/Eastern European and Russian businesses established in France, where they employ 6,000 people.

Eleven new investments were recorded in France from CEE countries and Russia in 2020, creating or maintaining 323 jobs.

Among the 11 projects recorded in 2020, five concern the business

activity of decision-making centers, while three affect manufacturing. The takeover of Gaz Liquéfiés Industrie by the Polish group Chemet, which maintained 180 jobs in Alsace (Grand Est region), explains the major share of manufacturing jobs (66%) among jobs created or maintained by the area.

Investments from CEE countries and Russia in 2020 concerned various business sectors, with machinery/

mechanical equipment, IT services and building/construction all recording two projects.

Businesses with projects from this area were mainly located in Ile de France (Paris region) (four projects) as well as Grand Est (two projects) and Provence-Alpes-Côte d'Azur (two projects).

## FRANCE'S POSITION IN EUROPE<sup>3</sup>

Romania is the leading European recipient of job-creating investment from Central and Eastern European countries and Russia, attracting 16% of their projects in Europe, ahead of Germany (12%) and the United Kingdom (12%). France received 5% of projects.

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	5	60	45%	19%
Retail outlets	1	5	9%	2%
Manufacturing	3	213	27%	66%
R&D, engineering	1	5	9%	2%
Business services	1	40	9%	12%
<b>Total</b>	<b>11</b>	<b>323</b>	<b>100%</b>	<b>100%</b>

## TOP 5 CENTRAL/EASTERN EUROPEAN AND RUSSIAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
RZHD – CHEMINS DE FER RUSSE (GEFCO) - Russia Transport, storage	3,000
CZECH MEDIA INVEST – Czech Republic Media, publishing	1,000 - 1,500
CHEMET GROUP - Poland Machinery and mechanical equipment	1,100
WIELTON - Poland Chemicals, plastics	400
PLASTIWELL - Poland Chemicals, plastics	400

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

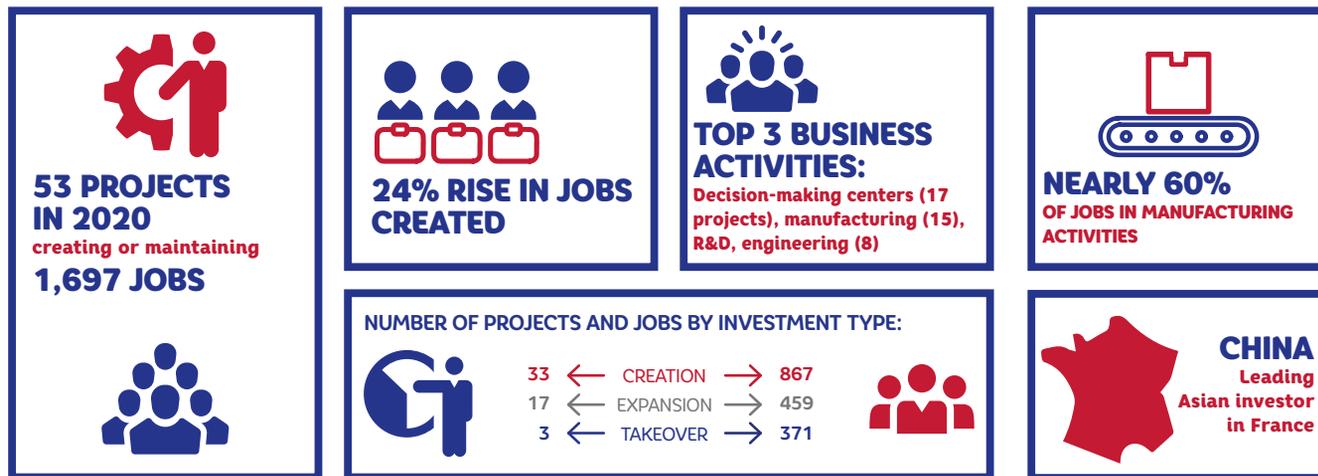
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Machinery and mechanical equipment	2	190	18%	59%
IT services	2	45	18%	14%
Building, construction	2	33	18%	10%
Transport, storage	1	20	9%	6%
Hospitality, tourism and restaurants	1	15	9%	5%

Source: Annual Report 2020, Business France

# CHINA

China<sup>1</sup> remained the leading Asian investor in France in 2020, with 53 projects recorded, creating or maintaining nearly 1,700 jobs, up 24% from 2019.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Wencan:** Founded in 1998, listed on the Shanghai Stock Exchange in 2018 and ranked among the leaders in high-pressure casting for the automotive industry, the Wencan group completed the acquisition of the French business Le Bélier on December 10, 2020. The total investment amount is estimated at €240 million. Based in the Nouvelle-Aquitaine region, Le Bélier specializes in low-pressure casting, mainly for the automotive industry. Employing 3,505 people worldwide, including 230 people across the Gironde département, Le Bélier works for both automakers and equipment suppliers. This acquisition will allow the two companies to access new markets thanks to their

distribution networks and the complementarity of their technologies.

**Microport:** Founded in 1998 in Shanghai, MicroPort invested €45 million in 2019 and 2020, recruiting 45 people in two years within its subsidiary MicroPort CRM, based in Ile de France/Paris region. This development project, led by the world number five for medical devices in the management of cardiac arrhythmias, will enable it to intensify its new R&D projects in Clamart, headquarters of MicroPort CRM since April 2018 and a global center of excellence for development and manufacture of cardiac pacemakers and implantable defibrillators. The group has also confirmed that it still

intends to invest €300 million over five years (2019–2023) in France, as announced during the second edition of the “Choose France” summit in January 2019 in Versailles.

**Fosun:** A subsidiary of the Fosun group, Yuyuan acquired a 55% stake in the French jewelry brand Djula in March 2020. The Chinese firm plans to invest €26 million to accelerate the development of the brand in China and internationally. Founded in 1994 in Paris, Djula now has nine boutiques in Paris, Cannes, New York, Los Angeles and Doha, “shops in shops” within Parisian department stores and has more than 80 retail outlets worldwide.

<sup>1</sup> Including Hong Kong special administrative region.

<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019.

FDI stock by ultimate investor as of December 31, 2018 for China and Hong Kong was €13.2 billion.

## CHINESE BUSINESSES IN FRANCE

There are over 900 subsidiaries of Chinese businesses established in France, where they employ more than 50,000 people.

Fifty-three new investments from China were recorded in France in 2020, creating or maintaining nearly 1,700 jobs, a 24% rise in a year.

Chinese businesses invested primarily in decision-making centers in terms of project numbers (32% of projects; 12%

of jobs) and manufacturing operations in terms of jobs (28% of projects; 59% of jobs). China also stood out in R&D and engineering activities, accounting for more than 10% of jobs generated by foreign investment in this field.

China distinguished itself for the great diversity of sectors in which it invested in France. The two leading sectors were transport/storage (9% of projects; 10% of jobs), where China was also responsible for 12% of jobs generated

by foreign investment in this sector, and IT services (9% of projects; 4% of jobs).

Two French regions received the majority of investment projects from China: Ile de France (Paris region) (42% of projects; 33% of jobs) and Auvergne-Rhône-Alpes (15% of projects; 10% of jobs).

## FRANCE'S POSITION IN EUROPE<sup>3</sup>

In 2020, France was the leading European location of job-creating investment from China, receiving 26% of Chinese investments in Europe, ahead of Germany (17%) and the United Kingdom (13%).



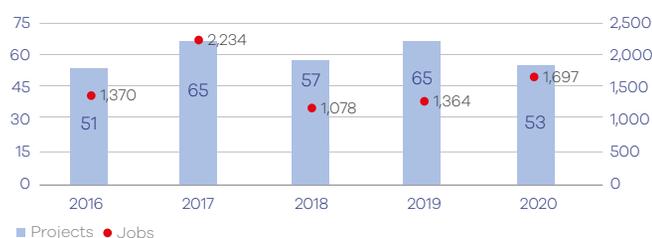
## TOP 5 CHINESE BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
FOSUN (Club Med) (China) Hospitality, tourism and restaurants	10,000 - 15,000
JINING RUYI FASHION DEVELOPMENT CO (SMCP) (China) Textiles and accessories	5,000 - 10,000
JINJIANG INTERNATIONAL (LOUVRE HOTELS GROUP) (China) Hospitality, tourism and restaurants	5,000 - 10,000
CHEMCHINA (China) Chemicals, plastics	3,000 - 5,000
CK HUTCHISON HOLDINGS (MARIONNAUD) (Hong Kong) Wholesale and retail	3,000 - 4,000

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	17	201	32%	12%
Logistics	5	95	9%	6%
Retail outlets	3	26	6%	2%
Manufacturing	15	999	28%	59%
R&D, engineering	8	321	15%	19%
Business services	4	45	8%	3%
Consumer services	1	10	2%	1%
<b>Total</b>	<b>53</b>	<b>1,697</b>	<b>100%</b>	<b>100%</b>

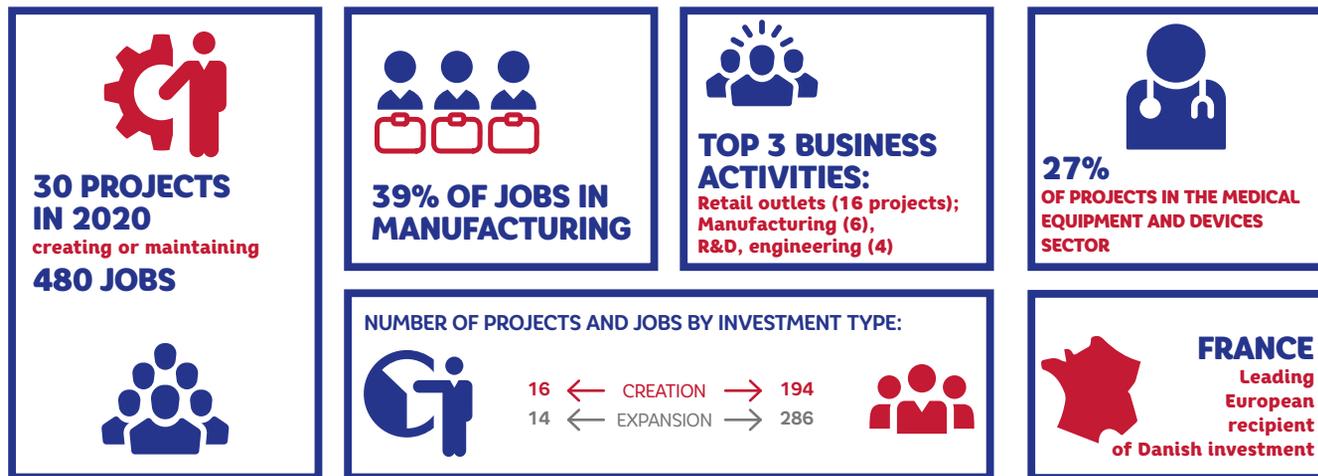
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Transport, storage	5	165	9%	10%
IT services	5	76	9%	4%
Automotive industry	4	131	8%	8%
Agri-food	3	155	6%	9%
Electrical/IT equipment	3	55	6%	3%

Source: Annual Report 2020, Business France

# DENMARK

Thirty Danish investment decisions were recorded in France in 2020, creating 480 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Novo Nordisk:** Novo Nordisk has chosen its site in Chartres (Centre-Val de Loire region) as the precursor of the Circular for Zero program, which consists of making the group a carbon neutral company. Novo Nordisk thus invested €164 million between 2016-2020 to expand the site, create a biomass plant and sign a contract with a green electricity supplier, thereby reducing its CO<sub>2</sub> emissions by 8,500 tonnes per year for this site alone. Thanks to this program, the company won the "Choose France" award on December 10, 2020 in the "Ecological Transition" category.

**Leo Pharma:** This pharmaceutical laboratory has announced that it is investing €39 million in its site in Vernouillet (Centre-Val de Loire region). This investment aims to complete the establishment of a filling line, to finance a high-speed, single syringe candling machine and to adapt the packaging methods to the new syringe format. It will be accompanied by the creation of 80 jobs in production, quality and logistics and will increase the production of low-molecular-weight heparin by 50%. The site should go from 320 employees on permanent contracts in 2019 to 400 by 2023. At the same time, the laboratory has announced that it wants to halve its carbon emissions by 2030.

**VELUX:** The Danish Group, which is the global leader in the roof window and equipment market, has invested €3 million in new production activities for flexible solar-powered roller shutters. Marnay, in Bourgogne-Franche-Comté region, was chosen as the location for this new activity, which led to 32 jobs being created in 2020. In addition, the VELUX Group has invested €6 million in its roof window manufacturing site in Feuquières-en-Vimeu (Hauts de France region) to create a new paint line (€4 million) and one in robotics (€2 million), contributing to the creation of 20 jobs at the site in 2020.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €5.0 billion.

## DANISH BUSINESSES IN FRANCE

There are around 400 subsidiaries of Danish businesses established in France, where they employ nearly 40,000 people.

Thirty Danish investment decisions were recorded in France in 2020, the largest number ever recorded by the Business France Europe Observatory, creating 480 jobs.

More than half of Danish investment

(53%) was in retail outlets, and 40% of jobs, while the expansion in France of the daily reduced price product chain Normal A/S explains the importance of this business activity. Elsewhere, 20% of Danish projects and 39% of jobs created were in manufacturing.

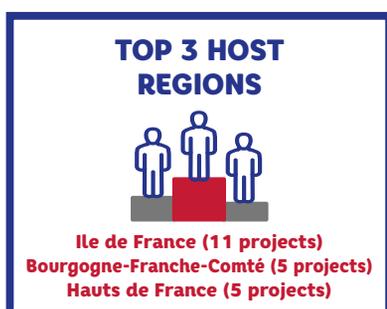
The leading business sectors for Danish investment were wholesale/retail (37% of projects) and medical equipment and devices (27%).

Denmark was responsible for 16% of foreign investment recorded in the latter sector.

Ile de France (Paris region) was the leading recipient of Danish investment, welcoming 37% of projects, ahead of Bourgogne-Franche-Comté (17%) and Hauts de France (17%).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the leading European recipients of job-creating investment from Denmark, attracting 16% of Danish projects in Europe, followed by the United Kingdom (14%).



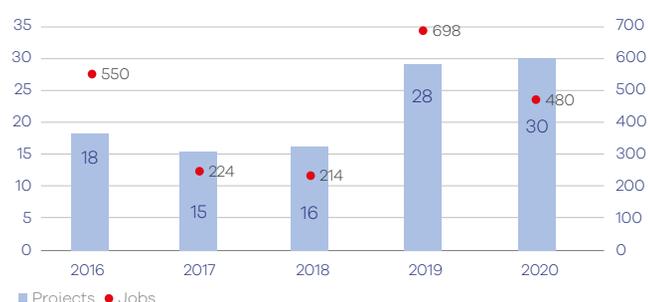
## TOP 5 DANISH BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
ISS WORLD SERVICES Other services	22,000
NOVO NORDISK Pharmaceuticals and biotechnologies	1,600
DEMANT Medical equipment and devices	1,300
CARLSBERG Agri-food	1,200
DSV GROUP Transport, storage	1,100

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Retail outlets	16	194	53%	40%
Manufacturing	6	187	20%	39%
R&D, engineering	4	33	13%	7%
Business services	3	46	10%	10%
Logistics	1	20	3%	4%
<b>Total</b>	<b>30</b>	<b>480</b>	<b>100%</b>	<b>100%</b>

## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Wholesale and retail	11	170	37%	35%
Medical equipment and devices	8	79	27%	16%
Machinery and mechanical equipment	2	62	7%	13%
Building, construction	2	52	7%	11%
Household goods	2	18	7%	4%

Source: Annual Report 2020, Business France

# GERMANY

Germany remained the second largest investing country in France in 2020, with 17% of foreign investment projects in France, helping to create or maintain nearly 4,000 jobs.



**201 PROJECTS IN 2020**  
creating or maintaining  
**3,938 JOBS**




**30% OF PROJECTS IN THE AUTOMOTIVE INDUSTRY.**



**TOP 3 BUSINESS ACTIVITIES:**  
Manufacturing (54 projects),  
Retail outlets (50),  
Business services (25)



**GERMANY**  
LEADING INVESTOR IN  
MANUFACTURING ACTIVITIES

NUMBER OF PROJECTS AND JOBS BY INVESTMENT TYPE:

	93 ← CREATION → 1,333	
	107 ← EXPANSION → 2,478	
	1 ← TAKEOVER → 127	



**FRANCE**  
Leading European recipient of German investment

## KEY FIGURES



**€73.9 BILLION**  
FDI stock in France  
5th place  
Source: Banque de France<sup>2</sup>



**2,300+**  
businesses in France  
Source: Eurostat



**320,000+**  
EMPLOYEES  
Source: Eurostat

## THEY CHOSE FRANCE IN 2020

**Siemens:** For the past few years, the German group has been working to advance in future sectors, such as electric mobility, smart buildings, automation and energy storage. Its French subsidiary recruited 850 people in 2020, including 450 on permanent contracts, particularly at its sites in the Ile de France/ Paris region, including Saint-Denis, Vélizy-Villacoublay and Châtillon, as well as in Toulouse (Occitanie region). New hires ranged from people with two years of experience in higher education to engineers in the fields of energy efficiency, software, cybersecurity, embedded systems and big data.

**Dräger:** Based in Lübeck, Germany, the Drägerwerk Group is a family business specializing in medical and safety equipment, with more than 14,000 employees worldwide. The group has set up a production site in Obernai (Grand Est region) to make FFP2 and FFP3 protective masks in response to the Covid-19 crisis. This factory, which aims to manufacture 100 million masks annually, has already created more than 100 jobs, with the investment amounting to more than €20 million.

**Lidl:** The leading German investor in France by employee numbers, Lidl is investing €70 million to relocate its regional management, creating a new logistics platform in Lacq, in the Nouvelle Aquitaine region. The 25-hectare site will be built on industrial wasteland and will be operational by 2023, creating 150 new jobs.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019.  
FDI stock by ultimate investor as of December 31, 2018 was €79.4 billion.

## — GERMAN BUSINESSES IN FRANCE

There are more than 2,300 subsidiaries of German businesses established in France, where they employ more than 320,000 people.

A total of 201 German investments were recorded in France in 2020, creating or maintaining 3,938 jobs.

German investments in France were made primarily in manufacturing operations (27% of projects), accounting for nearly 40% of all jobs generated, and in retail outlets (25% of projects). Germany was the leading

investor in manufacturing operations and was responsible for more than 20% of logistics projects. This country was important for R&D, with one job in five generated in R&D coming from German businesses.

Sector-wise, wholesale/retail was the leading recipient of German investments (26% of projects), marked by the expansion of the Lidl Group nationwide. German investments were also made in machinery/mechanical equipment (9% of projects) and energy/recycling (8%). Germany also stood

out in the automotive industry and medical/surgical equipment sectors, with 30% of projects and 28% of jobs nationwide, respectively.

The main regions for attracting German investments were Grand Est (16% of projects; 15% of jobs), Auvergne-Rhône-Alpes (14% of projects; 13% of jobs) and Ile de France (Paris region) (13% of projects and jobs).

## — FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France remained the leading European recipient of job-creating investment from Germany, attracting 31% of German projects in Europe, followed by Spain (11%), the United Kingdom (10%) and Poland (8%).



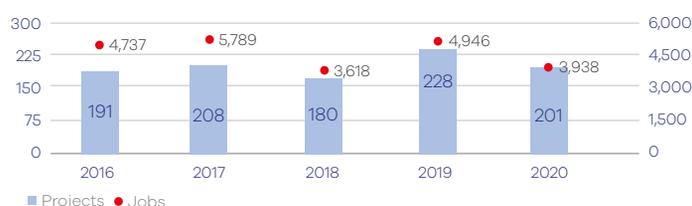
## — TOP 5 GERMAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
SCHWARZ BETEILIGUNGS GMBH (LIDL) Wholesale and retail	30,000
ALDI NORD Wholesale and retail	16,000
ALLIANZ SE Financial services and insurance	9,000
ROBERT BOSCH GMBH Automotive industry, electrical equipment	7,300
SIEMENS AG Electrical/IT equipment	7,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	23	397	11%	10%
Logistics	16	560	8%	14%
Retail outlets	50	579	25%	15%
Manufacturing	54	1,521	27%	39%
R&D, engineering	23	433	11%	11%
Business services	25	219	12%	6%
Consumer services	10	229	5%	6%
<b>Total</b>	<b>201</b>	<b>3,938</b>	<b>100%</b>	<b>100%</b>

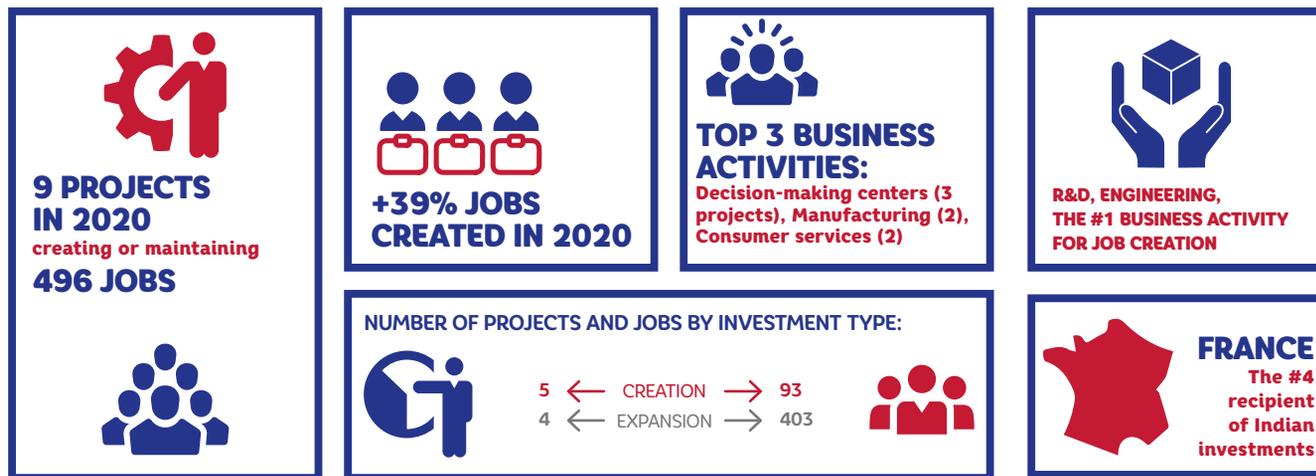
## — TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Wholesale and retail	53	853	26%	22%
Machinery and mechanical equipment	18	471	9%	12%
Energy and recycling	16	262	8%	7%
Automotive industry	15	413	7%	10%
Electrical/IT equipment	13	206	6%	5%

Source: Annual Report 2020, Business France

# INDIA

Nine Indian investment projects were recorded in France in 2020, creating nearly 500 jobs, up 39% from 2019.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**HCL Technologies Ltd.:** Indian multinational HCL, a leader in IT services such as outsourcing and software integration, has decided to significantly increase its presence in France, especially at its Saint-Priest site (Auvergne-Rhône-Alpes region), where the group recruited around a hundred IT engineers in 2020. HCL hopes to double its workforce in the Lyon region and to recruit a further 250 employees over the next three years.

**Mixe.Store:** Operational in Ile de France (Paris region) since November 2020, Mixe.Store was created by an Indian citizen and HEC alumnus and has rapidly grown to establish itself as the leading e-commerce platform in Europe for groceries and cooking products from south-east Asia. A pioneer in price alignment

and in creating a standardized consumer experience in the South Asian food market, Mixe.Store already operates in 12 European countries. The business plans to integrate new product categories (Made in France, Mediterranean, etc.) and to develop in new markets, such as Australia and the United States. The firm has already invested €40,000 and plans to invest an additional €300,000, eventually recruiting around ten people.

**Tata Group:** At the end of 2020, Tata Sons' telecoms subsidiary, Tata Communications, acquired a 58.1% stake in the French eSIM specialist, Oasis, created by Olivier Leroux, which develops online software to remotely reprogram SIM cards. This business is based in Saint-Germain-en-Laye (Ile de France/Paris region) and

Aix-en-Provence (Provence-Alpes-Côte d'Azur region) and employs a few dozen people. Tata Communications and Oasis will now jointly develop innovative products to shape the mobility and IoT of tomorrow.

**Aurobindo Pharma:** This business, which specializes in the production and marketing of generic products, is strengthening its presence in Lyon (Auvergne-Rhône-Alpes region) via the Arrow France laboratory. It has invested €22 million in its logistics packaging and palletizing site at the Plaine de l'Ain industrial park and has recruited 100 people. The group has shown solidarity by providing France with etomidate injections to help with the Covid-19 crisis.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €300 million.

## INDIAN BUSINESSES IN FRANCE

There are around 200 subsidiaries of Indian businesses established in France, where they employ more than 6,000 people.

Nine investment decisions from India were recorded in France in 2020, creating 496 jobs, 39% more than in 2019.

Investments made by HCL Technologies Ltd. on its sites in

Auvergne-Rhône-Alpes and in Ile de France (Paris region) were responsible for 340 of these jobs (70%) and all jobs recorded in engineering and business services. The leading business activity for Indian investment by project numbers however was decision-making centers (three projects).

Among Indian investments in 2020, three were in IT services, while the pharmaceuticals/biotechnologies

and hospitality sectors were each responsible for two projects.

Location-wise, Indian businesses invested primarily in Ile de France (Paris region) and Auvergne-Rhône-Alpes (both three projects), with the remaining projects split between Provence-Alpes-Côte d'Azur (two projects) and Nouvelle Aquitaine (one project).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In the last two years, the leading European recipient of job-creating investment from India was the United Kingdom, attracting 27% of all Indian investment in Europe, followed by Germany (20%) and the Netherlands (9%), while France, in fourth place, received 7%.



## TOP 5 INDIAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
TATA GROUP (TATA SONS, TATA CONSULTANCY SERVICES) IT services / Metalworking	3,230
SAMVARDHANA MOTHERSON GROUP (SMC, SMRC) - Automotive industry	2,000
CENTUM ELECTRONICS LTD. Electrical/IT equipment	575
UPL LTD. Chemicals, plastics	570
MAHINDRA & MAHINDRA LTD. Automotive industry	500

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	3	50	33%	10%
Manufacturing	2	63	22%	13%
R&D, engineering	1	290	11%	58%
Business services	1	50	11%	10%
Consumer services	2	43	22%	9%
<b>Total</b>	<b>9</b>	<b>496</b>	<b>100%</b>	<b>100%</b>

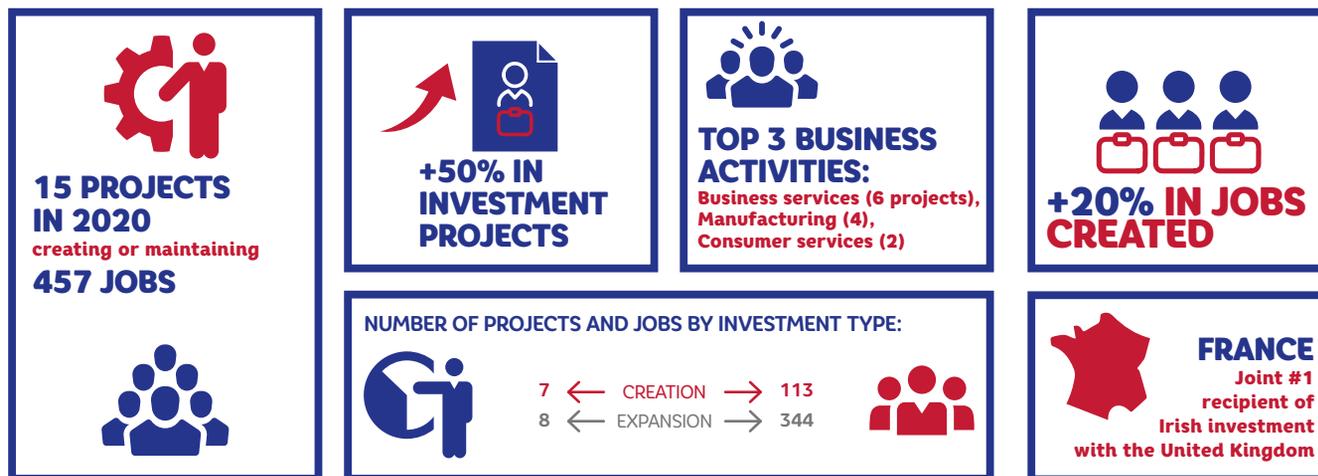
## BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
IT services	3	365	33%	74%
Pharmaceuticals and biotechnologies	2	63	22%	13%
Hospitality, tourism and restaurants	2	43	22%	9%
Consumer electronics	1	15	11%	3%
Wholesale and retail	1	10	11%	2%

Source: Annual Report 2020, Business France

# IRELAND

With investment decisions in France rising by 50% and jobs created by 20%, Ireland recorded sharp growth in its investments in 2020.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Accenture:** A major player in consulting and technology worldwide, Accenture supports its clients in their technological and human transformation. The business is part of the Fortune Global 500 and has 514,000 employees in 120 countries. France, a priority country for the group, employs more than 7,000 people. In 2020, despite a complex health and economic situation, Accenture continued its investments in France, by recruiting nearly 1,000 new employees and integrating four other businesses, OpusLine, Gekko, Sentelis and Azéo, to strengthen its expertise in the fields of healthcare, cloud computing and artificial intelligence data.

**Amarenco:** This independent producer of photovoltaic energy based in Ireland acquired the Carré group in 2016, which became Amarenco France. Amarenco has decided to strengthen its presence in France with the recruitment of around 40 people at the Lagrave site (Occitanie region), as well as through the acquisition of Synergetik, a business based in Montélimar (Auvergne-Rhône-Alpes region) specializing in the energy transition of France's regions. The group, which now has more than 140 people across the country, wishes to continue to expand in France, with additional hires in the coming years.

**Ryanair:** One of Europe's leading airlines, Irish-based Ryanair now carries more than 142 million passengers per year on nearly 2,400 daily flights, connecting 1,800 destinations across 37 countries. Ryanair arrived in France in 2018, with a desire to establish a lasting presence in the country and to double its traffic in France over the next three to four years. After its first three bases in France opened, in Marseille and Bordeaux in 2018 and in Toulouse in 2019, Ryanair decided to open a fourth base in Beauvais, despite the challenges of the current health crisis. Ryanair then operated two aircraft at its new base, thereby saving jobs and ultimately creating 60 roles.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €5.6 billion.

## IRISH BUSINESSES IN FRANCE

There are more than 150 subsidiaries of Irish businesses established in France, where they employ around 35,000 people.

Fifteen new investments from Ireland were recorded in France in 2020, creating 457 jobs.

The leading business activity served by these investments was business services (40% of projects; 58% of

jobs), most of which came from the expansion of the consulting and strategy firm Accenture plc, followed by manufacturing (27% of projects).

One-third of Irish investments in France in 2020 concerned consulting and business services, with more than half (54%) of jobs created belonging to this sector. The transport/storage and energy/recycling sectors were placed joint second, each with 13% of projects.

The Auvergne-Rhône-Alpes region was the most popular region for Irish investors in 2020, attracting one-third of all projects, followed by Hauts de France (20% of projects) and Ile de France (Paris region) (13%).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France and the United Kingdom were the leading European recipients of job-creating investment from Ireland, attracting 31% of Irish projects in Europe, ahead of Germany (10%).



## TOP 5 IRISH BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
ACCENTURE PLC Consulting and business services	7,000
SMURFIT KAPPA GROUP Glass, ceramics, minerals, wood, paper	5,500
CRH PLC Building, construction	3,000 - 3,500
KINGSPAN GROUP PLC Building, construction	1,000
ICON PLC. Pharmaceuticals and biotechnologies	450

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	2	17	13%	4%
Logistics	1	3	7%	1%
Manufacturing	4	87	27%	19%
Business services	6	265	40%	58%
Consumer services	2	85	13%	19%
<b>Total</b>	<b>15</b>	<b>457</b>	<b>100%</b>	<b>100%</b>

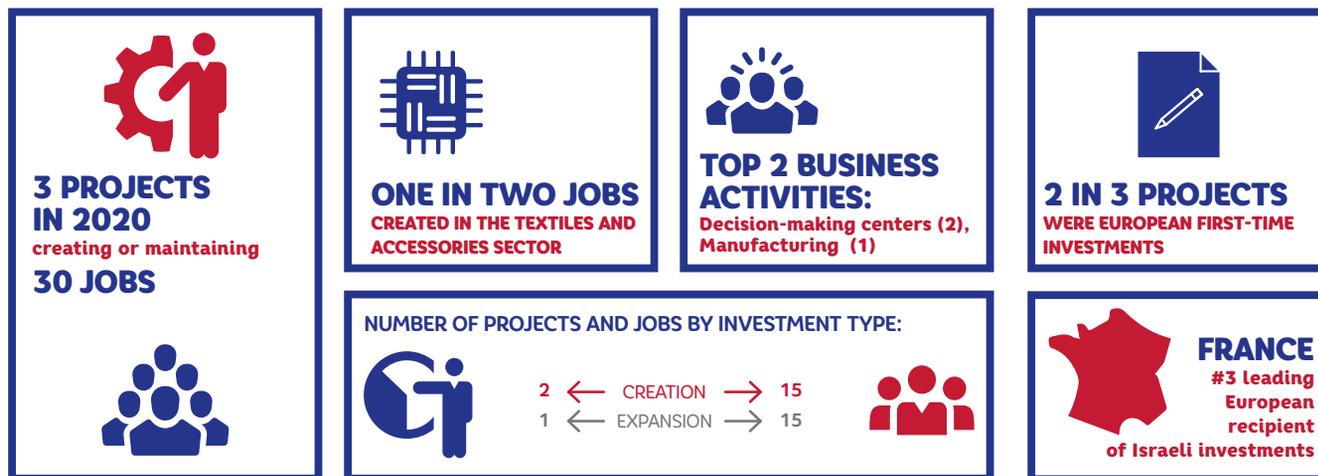
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Consulting and business services	5	247	33%	54%
Transport, storage	2	63	13%	14%
Energy and recycling	2	52	13%	11%
Agri-food	1	40	7%	9%
Building, construction	1	25	7%	5%

Source: Annual Report 2020, Business France

# ISRAEL

Three Israeli investment projects were recorded in France in 2020, creating 30 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE

**Syreny:** Syreny is a company at the forefront of innovation in the field of medical injection devices. It specializes in the design, development and manufacture of connected electronic syringes, which remove the undesirable post-injection effects of fillers in aesthetic medicine and facilitate injection and its control by the doctor. This medical device may also be used in other medical disciplines. The new startup has chosen to set up its European headquarters in the Provence-Alpes-Côte d'Azur region, within the Marseille Innovation incubator.

**Sony Semiconductor Israel Ltd.** (formerly Altair Semiconductor Ltd.): This Israeli company, which is owned by the Sony group, is one of the main suppliers of cellular Internet of Things (IoT) chips and has positioned itself as a leader in the manufacture of long-term evolution (LTE) chipsets, particularly for the IoT universe. This allows the business to be a fundamental entry point to the gigantic market for connected devices and connectivity, in areas such as smart home, smart city, automobile, infrastructure, etc. The opening of an R&D center in the Ile de France/Paris region, which relies on a dozen engineers, further strengthens Sony's presence in France.

**Pontifax:** Launched 15 years ago, the Israeli venture capital investment fund specializes in life sciences and currently handles nearly US\$750 million. Already present in France, where it has invested in several French companies, Pontifax took part in a fundraising round table in 2019 for the Lyon-based business Alizé Pharma 3. This €3 million investment confirms Pontifax's desire to seek out other investment opportunities in France in this sector.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €11 billion.

## ISRAELI BUSINESSES IN FRANCE

There are around fifty subsidiaries of Israeli businesses established in France, where they employ nearly 3,400 people.

Three investments were recorded from Israel in France in 2020, creating 30 jobs.

Israeli investment decisions were split between decision-making centers (two projects; 15 jobs) and manufacturing (one project; 15 jobs).

These investments were in the textiles/accessories, consulting/business services and pharmaceuticals/biotechnologies sectors. The firm Eminence, held by the Delta Galil group, stood out during the health crisis by

readapting its production of underwear to produce protection masks, and plans to recruit around fifteen employees.

Israeli investment targeted three regions, Occitanie (50% of jobs), followed by Ile de France (Paris region) (33%) and Provence-Alpes-Côte-d'Azur.

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the third leading European recipient of job-creating investment from Israel, attracting 13% of Israeli projects in Europe, in line with the United Kingdom and Spain, and after the Netherlands and Germany.



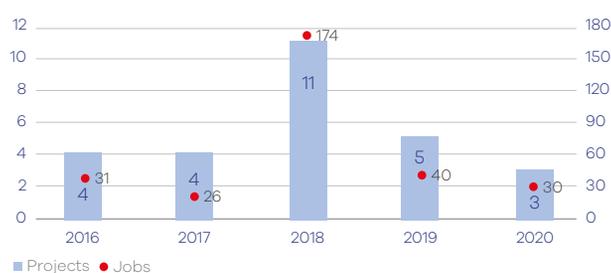
## TOP 5 ISRAELI BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
TEVA PHARMACEUTICAL INDUSTRIES LTD. Pharmaceuticals and biotechnologies	500 - 1,000
DELTA GALIL Textiles and accessories	400 - 500
ALROV PROPERTIES & LODGINGS LTD. Hospitality, tourism and restaurants	400 - 500
MAABAROT (ALGAIA) Agri-food	100 - 150
PLASAN (AMEFO) Chemicals, plastics	100 - 150

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	2	15	67%	50%
Manufacturing	1	15	33%	50%
<b>Total</b>	<b>3</b>	<b>30</b>	<b>100%</b>	<b>100%</b>

## BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Textiles and accessories	1	15	33%	50%
Consulting and business services	1	10	33%	33%
Medical equipment and devices	1	5	33%	17%

Source: Annual Report 2020, Business France

# ITALY

Italy was once again the fourth leading investor in France in 2020, with 94 new investment projects, creating or maintaining 1,139 jobs, and Italian firms responsible for 12% of R&D projects in France.



**94 PROJECTS IN 2020**  
creating or maintaining  
**1,139 JOBS**





**12% OF PROJECTS**  
recorded in R&D/engineering  
were Italian



**TOP 3 BUSINESS ACTIVITIES:**  
Manufacturing (30 projects),  
Decision-making centers (21), R&D, engineering (18)



**#1 INVESTOR**  
AND SOURCE OF EMPLOYMENT  
IN THE BUILDING AND  
CONSTRUCTION SECTOR

NUMBER OF PROJECTS AND JOBS BY INVESTMENT TYPE:

	40 ← CREATION → 433	
	51 ← EXPANSION → 567	
	3 ← TAKEOVER → 139	



**FRANCE**  
Leading European  
recipient  
of Italian investment

## KEY FIGURES



**€25.5 BILLION**  
FDI stock in France  
8th place  
Source: Banque de France<sup>1</sup>



**1,700+**  
businesses in France  
Source: Eurostat



**63,000+**  
EMPLOYEES  
Source: Eurostat

## THEY CHOSE FRANCE IN 2020

**Barilla:** The Barilla group has been operating in France for more than 50 years. It has nearly 2,000 employees and achieved revenues of €600 million in France (2019). The group has five production sites, as well as several logistics hubs in the regions. In July 2020, Barilla announced an exceptional investment plan of around €30 million for 2020-2022, including €26.4 million for the creation of a new Harry's "100% mie" (crust-free bread) in the Pays de la Loire region. The group also completed the expansion of organic sweet products production in Hauts de France, as well as the expansion to the storage capacity (+2,000 sq. m.) of the plant based in Centre-Val de Loire. Finally, it should be

noted that the Barilla group makes annual investments amounting to €12 million to modernize industrial equipment at Barilla France. In total, the Barilla group has invested €200 million in France over the past 10 years.

**Fila:** Fila is one of the global leaders in the fine arts sector and has been operating in France since 1999. In 2016, Fila finalized the takeover of the ailing French business Canson and then continued its expansion in France with the acquisition in 2020 of the French company Arches for €43.6 million. Since the 15th century, the company has been making premium fine art paper, recognized worldwide and used mainly for watercolor painting, oil painting, art

publishing, printing, writing and photographic editing. The Vosges plant which was the subject of this operation has been awarded the Living Heritage Company (EPV) label. Thanks to this acquisition, Fila has strengthened its portfolio of brands and products with a complementary range that offers it new opportunities for growth.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €272 billion..

## — ITALIAN BUSINESSES IN FRANCE

There are over 1,700 subsidiaries of Italian businesses established in France, where they employ more than 63,000 people.

A total of 94 new investments from Italy were recorded in France in 2020, as many as in 2018, creating or maintaining 1,139 jobs.

Italian investments were mostly in

manufacturing operations (32%), decision-making centers (22%) and R&D/engineering (19%), which together made up more than 80% of jobs. Italy was responsible for 12% of projects recorded in R&D/engineering.

Italian businesses invested mostly in building/construction (13%), textiles/accessories (11%) and agri-food (9%) sectors. Investments in building/

construction were particularly dynamic, with Italy being responsible for one-quarter of projects and jobs created in this sector nationwide.

Italian investments were mostly based in Ile de France (Paris region) (24% of projects), Provence-Alpes-Côte d'Azur (16%) and Auvergne-Rhône-Alpes (12%).

## — FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the leading European recipient of job-creating investment from Italy, attracting 40% of Italian projects in Europe, followed by Spain (15%) and Germany (15%).



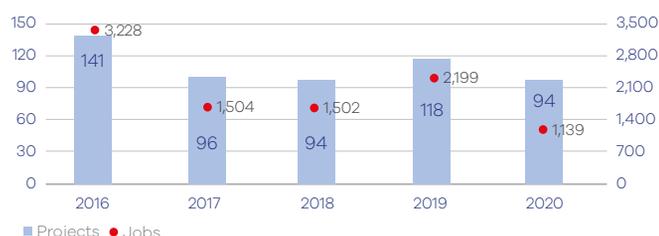
## — TOP 5 ITALIAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
ASSICURAZIONI GENERALI Financial services and insurance	7,000
FCA GROUP (STELLANTIS) Automotive industry	7,000
PRYSMIAN S.P.A. Electronic components	3,000+
EDIZIONE HOLDING (AUTOGRILL) Hospitality, tourism and restaurants	3,000
COMPAGNIE INDUSTRIALI RIUNITE S.P.A. Automotive industry	2,000+

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	21	297	22%	26%
Logistics	6	33	6%	3%
Retail outlets	10	105	11%	9%
Manufacturing	30	514	32%	45%
R&D, engineering	18	122	19%	11%
Business services	8	63	9%	6%
Consumer services	1	5	1%	0,4%
<b>Total</b>	<b>94</b>	<b>1,139</b>	<b>100%</b>	<b>100%</b>

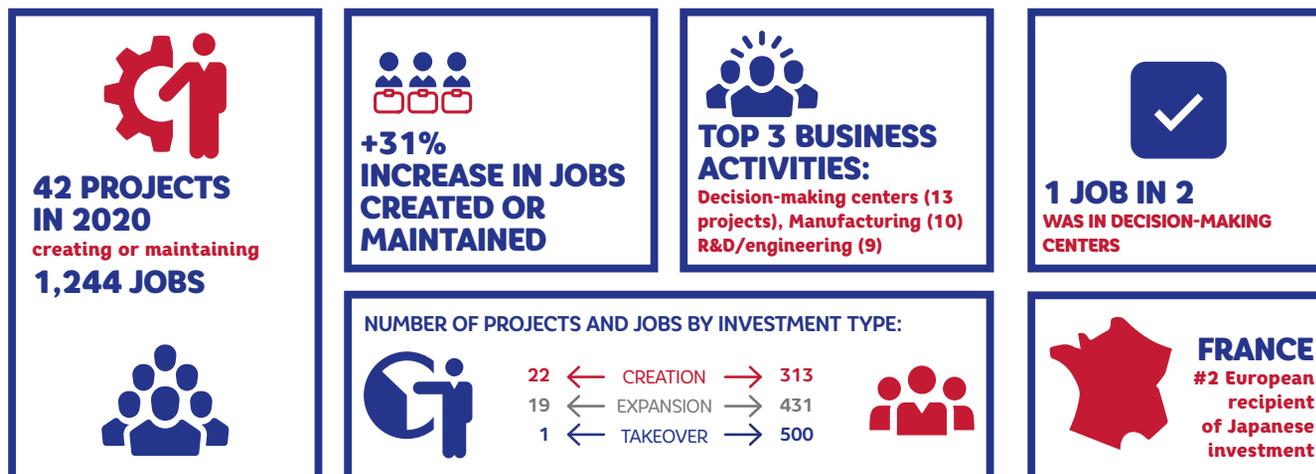
## — TOP 6 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Building, construction	12	200	13%	18%
Textiles and accessories	10	105	11%	9%
Agri-food	8	110	9%	10%
Electrical/IT equipment	6	78	6%	7%
Household goods	6	50	6%	4%
IT services	6	50	6%	4%

Source: Annual Report 2020, Business France

# JAPAN

Japan was responsible for 42 investment projects in France in 2020, creating or maintaining 1,244 jobs. The number of jobs generated by Japanese investments in France was up 31%.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Iris Ohyama:** After opening its new factory in Lieusaint (Ile de France/Paris region) in 2019, Iris Ohyama, which specializes in the production of a wide variety of interior and everyday products for the general public, decided to set up a surgical mask manufacturing line there, which until now it produced only in China. This €8 million investment, decided on at the height of the Covid-19 crisis in April 2020, will be operational in the first quarter of 2021. Thirty machines will be installed, with a production capacity of 40 million masks per month, resulting in the creation of 70 jobs. Even before this project was launched, and faced with the shortage of medical equipment seen at the start of the crisis in Europe, the

Japanese firm had agreed to donate 500,000 masks to healthcare professionals in France.

**Nipro:** Nipro, the Japanese leader in disposable medical equipment (glass tubes, injection needles, transfusion equipment, etc.) decided to expand its factory of glass tubes for pharmaceutical use located in Aumale, Normandie (Nipro Pharmapackaging France). This project will comprise the construction of a new building, as well as the installation and commissioning of two new furnaces for 2022 and 2024. The firm has decided to launch this major investment to meet the glass shortage that exists on the French and European markets and the needs of large

pharmaceutical company customers, such as Sanofi Pasteur, who have "premium" quality requirements for drawn glass tubes intended to be used for vaccines. This project, worth €45 million, will create 30 new jobs within two years.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €16.3 billion.

## JAPANESE BUSINESSES IN FRANCE

There are over 850 subsidiaries of Japanese businesses established in France, where they employ more than 91,000 people.

A total of 42 new investments from Japan were recorded in France in 2020, creating or maintaining 1,244 jobs.

Japanese investments were mainly made in decision-making centers (31%), where Japan was responsible for 16% of all jobs created. The takeover

of Antalis by the Kokusai Pulp & Paper group enabled several hundred jobs to be safeguarded explains this result. Manufacturing received 24% of all investments.

Japanese investments principally targeted the financial services/insurance (14%), automotive industry (10%), household goods (10%), pharmaceuticals/biotechnologies (10%) and electrical/IT equipment (10%) sectors. Japan stood out particularly

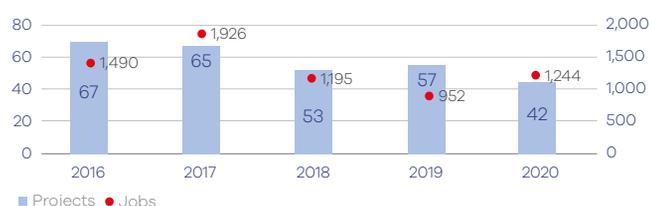
in the glass/ceramics/minerals/wood/paper sector (leading provider of employment) and the household goods sector (third largest investor and second largest source of jobs).

Japanese investments were most often located in Ile de France (Paris region) (52% of projects), followed by Grand Est (12%) and Auvergne-Rhône-Alpes (12%).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the second leading European recipient of job-creating investment from Japan, attracting 24% of Japanese projects in Europe, after Germany (25%) but ahead of the United Kingdom (12%).

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	13	641	31%	52%
Logistics	3	38	7%	3%
Retail outlets	3	80	7%	6%
Manufacturing	10	334	24%	27%
R&D, engineering	6	47	14%	4%
Business services	4	67	10%	5%
Consumer services	3	37	7%	3%
<b>Total</b>	<b>42</b>	<b>1,244</b>	<b>100%</b>	<b>100%</b>

## TOP 5 JAPANESE BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
TOYOTA MOTOR CORP. Automotive industry	4,000 - 4,500
NTN CORP. Automotive industry	4,000 - 4,500
FAST RETAILING CO. LTD. Textiles and accessories	3,500 - 4,000
NIDEC CORP. Machinery and mechanical equipment	2,000 - 2,500
RICOH CO. LTD. Electrical/IT equipment	1,500 - 2,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Financial services and insurance	6	57	14%	5%
Automotive industry	4	140	10%	11%
Household goods	4	105	10%	8%
Pharmaceuticals and biotechnologies	4	82	10%	7%
Electrical/IT equipment	4	74	10%	6%

Source: Annual Report 2020, Business France

# LATIN AMERICA

In 2020, 11 new investment projects from Latin American businesses<sup>1</sup> were recorded, creating 91 jobs in France.



**11 PROJECTS IN 2020**  
creating or maintaining  
**91 JOBS**





**55%**  
OF ALL JOBS CREATED  
WERE IN IT SERVICES



**TOP 3 BUSINESS ACTIVITIES:**  
Decision-making centers (7 projects), R&D, engineering (3), Manufacturing (1)



**ILE DE FRANCE WAS THE #1 DESTINATION FOR LATIN AMERICAN INVESTMENT IN FRANCE**

**NUMBER OF PROJECTS AND JOBS BY INVESTMENT TYPE:**



8 ← CREATION → 67

3 ← EXPANSION → 24





**FRANCE**  
Fourth largest recipient in Europe of Latin American investment

## KEY FIGURES



**€774 MILLION**  
FDI stock in France  
Source: Banque de France<sup>2</sup>



**200+**  
businesses in France  
Source: Orbis



**8,500+**  
EMPLOYEES  
Source: Business France

## THEY CHOSE FRANCE IN 2020

**Terramar:** The leading Chilean supplier of ingredients for the production of food has invested with the French group LDC in Mayenne (Pays de la Loire region) to build and operate a production facility for processed animal proteins. This investment will result in the creation of more than 30 direct jobs and a large value chain in Mayenne.

**Q4Tech:** An innovative Argentinian company with 22 years of experience in mobile business solutions, Q4Tech is opening a sales office in Paris, hiring developers and salespeople. The business supplies customers across more than 30 countries. Through its service offering and strong strategic alliances with partners in Lyon and

Bordeaux (Auvergne-Rhône-Alpes and Nouvelle Aquitaine), the company wishes to support the digital transition on the French market and to expand in Europe.

**SoftExpert:** This innovative Brazilian company, which provides solutions and services for automation and business management, regulatory compliance and corporate governance, has opened a sales office in Lyon (Auvergne-Rhône-Alpes region) and hopes to create around twenty jobs for developers and salespeople in the region within the next three years.

## BREAKDOWN BY SOURCE COUNTRY

Source country	Projects	Jobs
Chile	4	44
Brazil	4	23
Colombia	1	15
Argentina	1	5
Mexico	1	4
<b>Total</b>	<b>11</b>	<b>91</b>

<sup>1</sup> Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Salvador, Suriname, Uruguay, Venezuela.

<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €3 billion.

### LATIN AMERICAN BUSINESSES IN FRANCE

There are around 200 subsidiaries of Latin American businesses established in France, where they employ 8,500 people.

Eleven new Latin American investments were recorded in France in 2020, creating 91 jobs.

Around two-thirds of projects (64%) and jobs (70%) were made in decision-making centers, followed by R&D and

engineering activities (27% of projects; 21% of jobs from Latin American investment).

The IT services sector welcomed the most projects from Latin America (45% of projects; 55% of jobs), while the chemicals/plastics and consulting/business services received two Latin American projects each (18% of projects).

They were most often located in Ile de France (Paris region) (five projects), the leading French region for attracting Latin American investment, and Bourgogne-Franche-Comté (two projects).

### FRANCE'S POSITION IN EUROPE<sup>3</sup>

In 2020, Spain was the leading European recipient of Latin American investments (44% of projects), followed by Portugal (19%), the United Kingdom (15%) and France (7%).

### CHANGE IN PROJECTS AND JOBS



### BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	7	64	64%	70%
Manufacturing	1	8	9%	9%
R&D, engineering	3	19	27%	21%
<b>Total</b>	<b>11</b>	<b>91</b>	<b>100%</b>	<b>100%</b>

### TOP 5 LATIN AMERICAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
CEMEX - Mexico Building, construction	3,000
SIGMA - Mexico Wholesale and retail Agri-food	1,500
JBS S.A. (MOY PARK) - Brazil Agri-food	700
SIGDO KOPPERS - Chile Building, construction, Metalworking	650
BIMBO (East Balt) - Mexico Agri-food	600

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

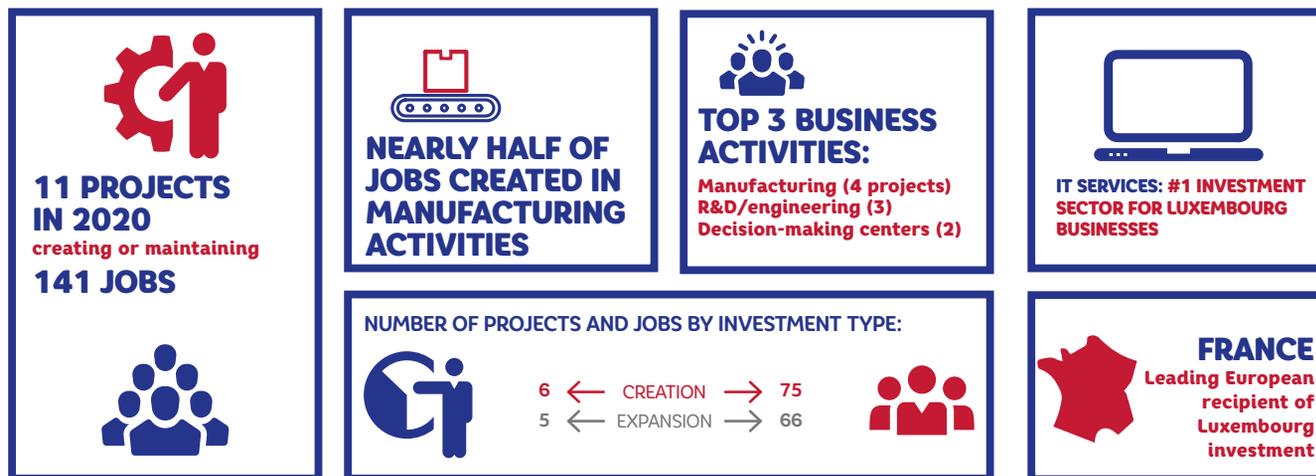
### BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
IT services	5	50	45%	55%
Chemicals, plastics	2	19	18%	21%
Consulting and business services	2	9	18%	10%
Agri-food	1	10	9%	11%
Machinery and mechanical equipment	1	3	9%	3%

Source: Annual Report 2020, Business France

# LUXEMBOURG

Eleven investment decisions were recorded in France from Luxembourg in 2020, creating or maintaining 141 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**ArcelorMittal:** The steel giant is beginning its shift towards Industry 4.0 by creating two digital hubs in Moselle (Grand Est region) on big data, maintenance 4.0 and quality, and in the Hauts de France region in energy, the environment and security. Work began in 2020 and should be completed in 2021. This digitization is an opportunity for the two regions to connect the ecosystem and accelerate its digital transition. The two units will have separate yet complementary positions and will operate in close interaction.

**UnitedCaps:** The Luxembourg-based manufacturer of caps has invested €12 million to expand a new unit at its production facility in Alençon (Normandie region), after choosing the area, near the A28 and A88 motorways and many agri-food businesses. With revenues of €137 million, the family business already has a R&D center in the Jura (Bourgogne-Franche-Comté region). The new 4,000 sq. m. factory will be able to quickly cover the manufacturing of all United Caps products, with 25 new employees in 2020 and more hires set to be added to the site in due course.

**Openfield:** Created in 2004, this information systems management consulting firm, specializing in digital transformation, IT project management and data security, has 28 employees. They opened an office in Metz (Grand Est) to be able to best support French customer requests and to promote business relations between the two countries. The French subsidiary hired new employees in 2020.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €71.2 billion.

## LUXEMBOURG BUSINESSES IN FRANCE

There are more than 1,300 subsidiaries of Luxembourg businesses established in France, where they employ nearly 70,000 people.

Eleven investments were recorded from Luxembourg in France in 2020, creating or maintaining 141 jobs.

Luxembourg businesses mainly invested in manufacturing operations (four projects; 56 jobs) and R&D/engineering (three projects; 30 jobs).

Three sectors grouped seven projects and 60% of jobs: IT services (three projects; 45 jobs), consulting/business

services (two projects; 30 jobs) and metalworking (two projects; 10 jobs).

These investments were mostly located in Hauts de France (three projects; 29 jobs), Grand Est (three projects; 35 jobs) and Ile de France (Paris region) (two projects; 25 jobs).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

Between 2018 and 2020, France was the leading European recipient of job-creating investment from Luxembourg, receiving 47% of Luxembourg projects in Europe, ahead of Germany (13%), the United Kingdom (6%) and Italy (6%).

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	2	25	18%	18%
Manufacturing	4	56	36%	40%
R&D, engineering	3	30	27%	21%
Business services	1	10	9%	7%
Consumer services	1	20	9%	14%
<b>Total</b>	<b>11</b>	<b>141</b>	<b>100%</b>	<b>100%</b>

## TOP 5 LUXEMBOURG BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
ARCELORMITTAL Metalworking	16,000
SOLUTION 30 SE Telecoms, internet service providers IT services	3,000
APERAM S.A. Metalworking	2,600
ARDAGH GROUP S.A. Glass, ceramics, minerals, wood, paper Metalworking	1,000 - 1,500
INTERNATIONAL TECHNOLOGY SOLUTIONS (ITS) (FRANCE LOISIRS) Wholesale and retail	1,000 - 1,500

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

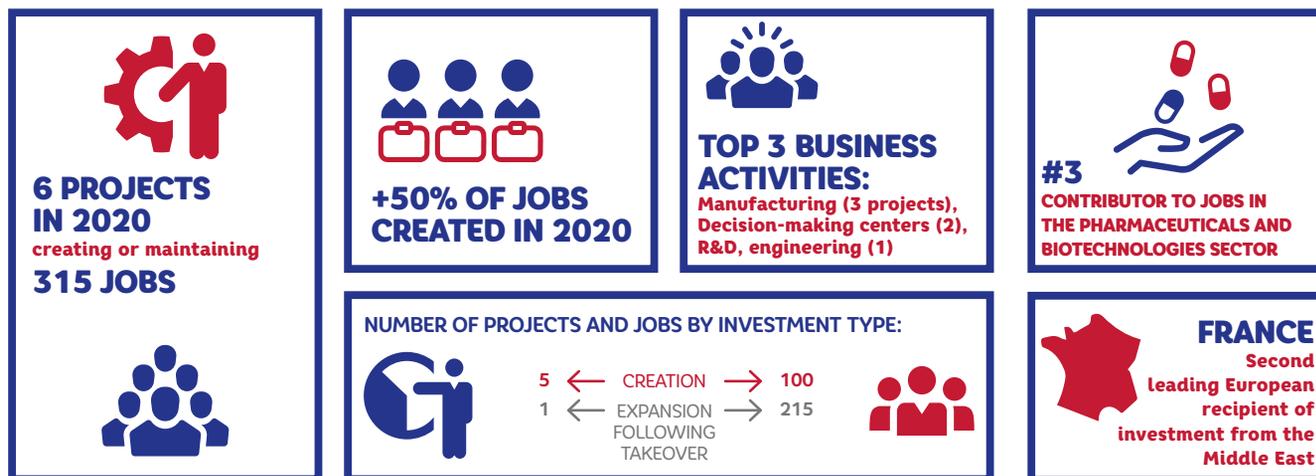
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
IT services	3	45	27%	32%
Consulting and business services	2	30	18%	21%
Metalworking	2	10	18%	7%
Chemicals, plastics	1	25	9%	18%
Hospitality, tourism and restaurants	1	20	9%	14%

Source: Annual Report 2020, Business France

# MIDDLE EAST

Six new job-creating investment decisions were made in France in 2020 by businesses from countries in the Middle East, creating or maintaining 315 jobs, 50% more than in 2019.<sup>1</sup>



## KEY FIGURES



## THEY CHOSE FRANCE

**Aramco:** In partnership with the IFP New Energies group, the Saudi company Aramco is investing €2 million in the creation of an R&D center to strengthen Saudi technological capacities in the petroleum and petrochemical sectors. This €2 million investment will create 10 jobs, with roles comprising mainly engineers and researchers.

**Agility:** The Kuwaiti leader in logistics, Agility is creating a 26,000 sq. m. multimodal platform in Blotzheim (Grand Est region). This €5 million investment will create 10 jobs in 2020 in addition to the 20 roles that already exist. This multimodal platform is strategically located, near to Basel-Mulhouse Airport, Weil-am-Rhein (Germany) and Mulhouse. It also offers transport services via the Rhine to Antwerp and Rotterdam.

## BREAKDOWN BY SOURCE COUNTRY

Source country	Projects	Jobs
Lebanon	3	230
Bahrain	1	65
United Arab Emirates	1	10
Jordan	1	10
<b>Total</b>	<b>6</b>	<b>315</b>

<sup>1</sup> Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates, Yemen.

<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €13.0 billion.

## MIDDLE EASTERN BUSINESSES IN FRANCE

There are around 650 subsidiaries of Middle Eastern businesses established in France, where they employ 36,000 people.

Six new job-creating investment decisions in France from Middle Eastern countries were recorded in 2020, creating or maintaining 315 jobs, 50% more than in 2019 and a return to job levels seen in 2018.

Among the six projects recorded by the area, half of them concerned manufacturing, two were in decision-making centers and one was in R&D/engineering.

The two leading sectors served by investments from Middle Eastern countries were textiles/accessories and IT services (two projects each). Jobs created or maintained in

pharmaceuticals/biotechnologies amounted to 15% of jobs recorded in this sector in France, making Middle Eastern countries the third largest contributor to employment in this sector in 2020.

Geographically, Middle Eastern investments were made in a number of regions, with Provence-Alpes-Côte-d'Azur (two projects) standing out.

## FRANCE'S POSITION IN EUROPE<sup>3</sup>

Since 2019, the United Kingdom was the largest European recipient of job-creating investment from Middle Eastern countries, attracting 30% of their projects in Europe, followed by Germany (12%), Spain (12%) and France (12%).



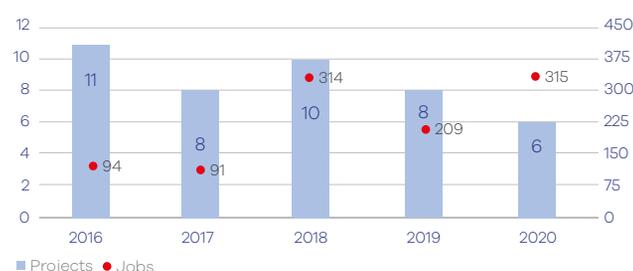
## TOP 5 MIDDLE EASTERN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
AL MANNAI CORPORATION (GFI INFORMATIQUE) - Qatar - Financial services and insurance / IT services	20,000
MERIT CORPORATION (J. SAADE) (CMA CGM) - Lebanon - Transport, storage	4,000
DIVINE INVESTMENT (PRINTEMPS) - Qatar - Financial services and insurance / Wholesale and retail	2,500 - 3,000
KATAR HOSPITALITY (PENINSULA) - Qatar - Hospitality, tourism and restaurants	1,000 - 1,500
CONSTELLATION HOTELS - Qatar - Hospitality, tourism and restaurants	500 - 1,000

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	2	20	33%	6%
Manufacturing	3	290	50%	92%
R&D, engineering	1	5	17%	2%
<b>Total</b>	<b>6</b>	<b>315</b>	<b>100%</b>	<b>100%</b>

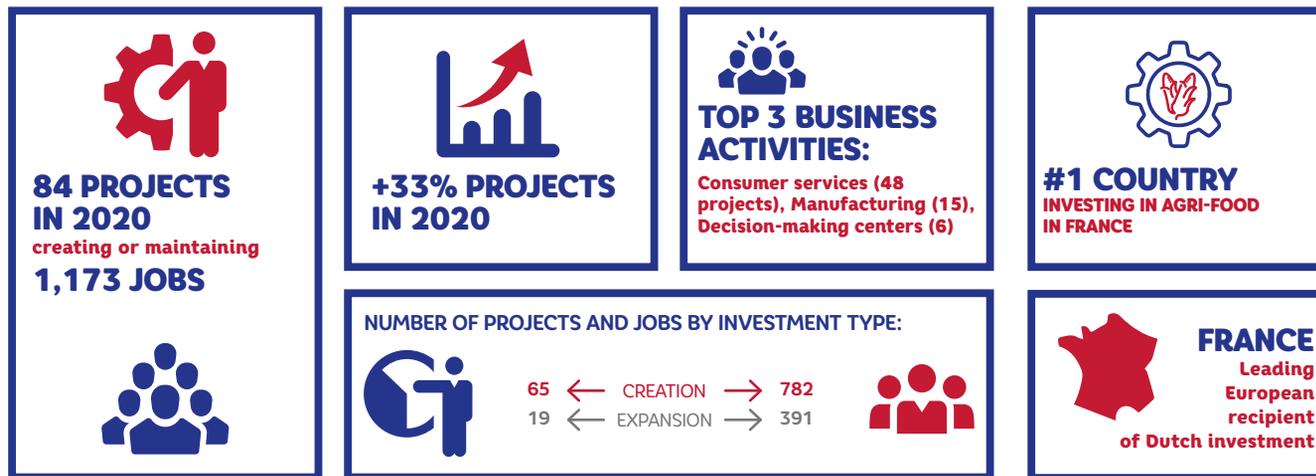
## BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Textiles and accessories	2	75	33%	24%
IT services	2	15	33%	5%
Pharmaceuticals and biotechnologies	1	215	17%	68%
Agri-food	1	10	17%	3%

Source: Annual Report 2020, Business France

# NETHERLANDS

There were 84 Dutch investment projects in France in 2020, a rise on the previous year, creating or maintaining nearly 1,200 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**The Surgical Company Group (TSC):** Axxess Vision Technology, acquired by TSC in 2017, is based in Joué-lès-Tours (Centre-Val de Loire region), employs 44 people and innovates in the field of single-use endoscopes. Already showing strong growth, the company has seen its sales volumes increase sharply since the start of the health crisis, recruiting 14 new employees in 2020. Sixty percent of components are manufactured in France, with the device being assembled in Touraine. The business relies heavily on its R&D department to ensure an optimum design for its endoscopes (camera, image optimization algorithms, etc.).

**Plukon:** DUC, a major player in the poultry sector in France, became part of the Dutch group Plukon in 2017 and has since undergone restructuring. Since September 2019, the company has shown positive net results. The increase in capital and investments made are bearing fruit, enabling DUC to expand. In 2020, the business's main site, located in the Bourgogne-Franche-Comté region, saw its workforce increase by 12. DUC also made investments to increase production capacity, thereby preparing the future of the site.

**Nowos:** Active since 2019, the Nowos startup offers a repair and reconditioning service to extend the lifespan of lithium-ion batteries for use with electric bicycles and scooters. Driven by immediate success, the new startup took steps to set up a new office and a factory in France. In November 2020, the project developed further, with the opening of a site in Amplepuis (Auvergne-Rhône-Alpes region). They hope to hire 25 people by the end of 2021 and around 100 over three years.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €30 billion.

### DUTCH BUSINESSES IN FRANCE

There are around 1,000 subsidiaries of Dutch businesses established in France, where they employ more than 190,000 people.

There were 84 Dutch investments recorded in France in 2020, up from 2019, creating or maintaining 1,173 jobs.

Investments by Dutch businesses in 2020 were made primarily in consumer services (57% of projects;

40% of jobs), such as Dutch firm Basic Fit's sport centers, which continued to expand throughout France, as well as in manufacturing operations, particularly concerning employment (18% of projects; 38% of jobs).

Dutch investments tended to be found in the sport and leisure sector (37% of projects; 21% of jobs) and wholesale/retail (17% of projects; 14% of jobs). The Netherlands stands out in the agri-

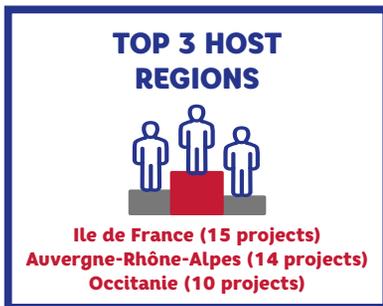
food sector, where it is the leading investing nation and is responsible for 20% of jobs generated by foreign investment in this sector.

Dutch projects were recorded mainly in Ile de France (Paris region) (18% of projects; 18% of jobs) and Auvergne-Rhône-Alpes, the leading region for employment (17% of projects and 27% of jobs).

### FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France remained the leading European recipient of job-creating investment from the Netherlands, attracting 34% of Dutch projects in Europe, ahead of Germany (15%), Spain (12%) and the United Kingdom (10%).

### CHANGE IN PROJECTS AND JOBS



### BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	6	70	7%	6%
Logistics	1	25	1%	2%
Retail outlets	6	52	7%	4%
Manufacturing	15	441	18%	38%
R&D, engineering	5	83	6%	7%
Business services	3	31	4%	3%
Consumer services	48	471	57%	40%
<b>Total</b>	<b>84</b>	<b>1,173</b>	<b>100%</b>	<b>100%</b>

### TOP 5 DUTCH BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
RANDSTAD Consulting and business services	9,600
HEINEKEN Agri-food	4,000
AKZO NOBEL Chemicals, plastics	1,600
REFRESCO Agri-food	1,200 - 1,300
HENDRIX GENETICS Agri-food	1,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

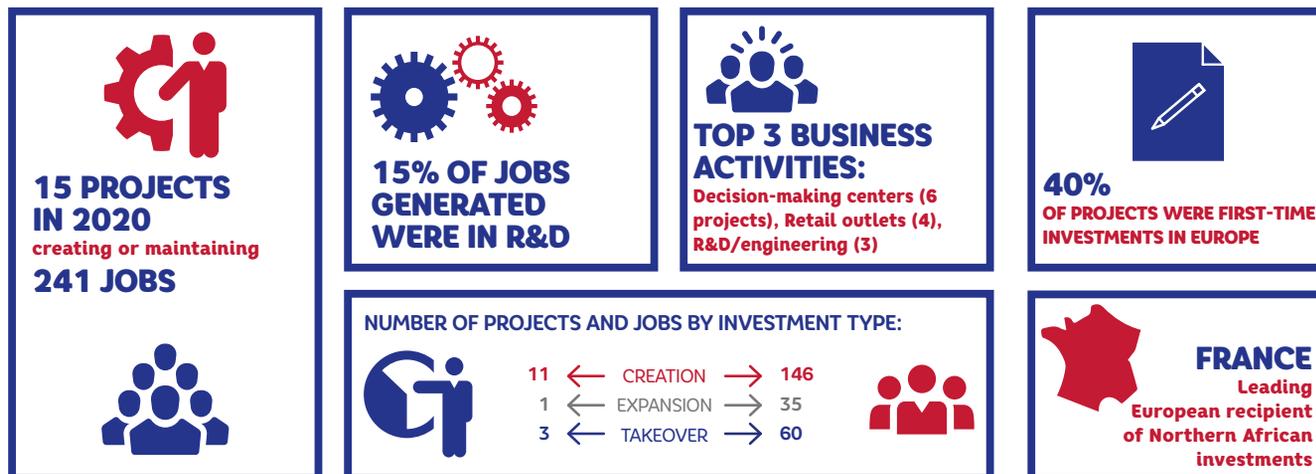
### TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Sport and leisure	31	245	37%	21%
Wholesale and retail	14	162	17%	14%
Agri-food	9	213	11%	18%
Energy and recycling	5	170	6%	14%
Chemicals, plastics	3	105	4%	9%

Source: Annual Report 2020, Business France

# NORTHERN AFRICA

Fifteen investment decisions were made in France in 2020 by businesses from Northern African<sup>1</sup> countries, just as many as in 2019, creating or maintaining 241 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**SmartWash:** With several years of experience in the Tunisian market, the leader of this startup with a strong social impact, which proposes to digitize the automatic washing market by optimizing the impacts on the environment and on job creation, has decided to establish SmartWash International in France. This holding company aims to cover the markets of French-speaking Europe (France, Belgium, Luxembourg and Switzerland) and Africa (primarily Morocco, Senegal, Ivory Coast and Cameroon), raise funds and develop R&D activities. As part of this project, which has chosen the Bond'Innov incubator, around 40 jobs will be created in France over three years.

**Lycom:** The Moroccan startup Lycom Consulting, specializing in SaaS solutions for HR management in terms of employee engagement and talent retention, has set up its European office BTPW Europe in Rouen (Normandie region) to recruit an R&D team (artificial intelligence and big data themes), to facilitate its international development (particularly on the African continent, but also on the European and American markets) and to raise funds. This project will create ten jobs over three years.

**Seabex:** The Tunisian startup Seabex, specializing in solutions for precision agriculture, has set up its decision-making center in Orléans (Centre-Val de Loire).

It seeks to benefit from the local AgTech ecosystem to develop R&D activities, raise funds and also boost international development with its first subsidiary in Tunisia. This project will create around 15 jobs over three years.

## BREAKDOWN BY SOURCE COUNTRY

Source country	Projects	Jobs
Tunisia	8	194
Morocco	6	40
Algeria	1	7
<b>Total</b>	<b>15</b>	<b>241</b>

<sup>1</sup> Algeria, Egypt, Libya, Mauritania, Morocco, Tunisia.

<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €3.2 billion.

## NORTHERN AFRICAN BUSINESSES IN FRANCE

There are more than 1,300 subsidiaries of Northern African businesses established in France, where they employ around 7,400 people.

Fifteen Northern African job-creating investments were recorded in France in 2020, creating or maintaining 241 jobs.

Investments from this area were mostly in decision-making centers (six projects), retail outlets (four projects)

and R&D/engineering (three projects). Of note was that all the investments in decision-making centers were first-time investments in Europe.

Sector-wise, Northern African investments were mostly made in wholesale/retail (five projects), with the takeover of the NAF brand by Turkish-Tunisian group SY International going some way to explain the importance of this sector. In addition, three projects

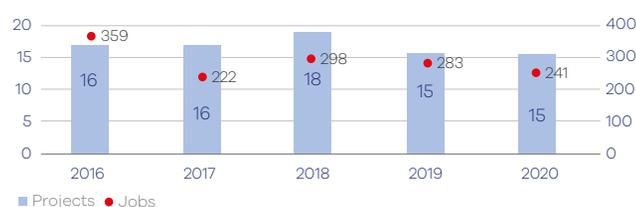
were recorded in IT services, resulting in 23% of all jobs.

In terms of location, Ile de France (Paris region) led the way, welcoming five projects from Northern African businesses, followed by Hauts de France (three projects) and Grand Est (two projects).

## FRANCE'S POSITION IN EUROPE<sup>3</sup>

In 2020, France was the leading European recipient of job-creating investment from the North African countries, attracting 60% of North African projects in Europe, ahead of the United Kingdom (20%) and Romania (20%).

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	6	66	40%	27%
Retail outlets	4	65	27%	27%
R&D, engineering	3	35	20%	15%
Business services	1	35	7%	15%
Consumer services	1	40	7%	17%
<b>Total</b>	<b>15</b>	<b>241</b>	<b>100%</b>	<b>100%</b>

## TOP 5 NORTHERN AFRICAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
AL MADA (ATTIJARIWABA BANK, OPTORG), Morocco Financial services and insurance	2,000 - 2,500
CEVITAL (BRANDT, OXOX EVOLUTION, ISLA MONDIAL), Algeria Chemicals, plastics	1,500 - 2,000
BANQUE CHAABI DU MAROC, Morocco Financial services and insurance	200 - 400
BMCE BANK (BMCE EUROSERVICES, BBI, BOA), Morocco Financial services and insurance	200 - 300
GROUPE OUTSOURCIA, Morocco Consulting and business services	200 - 300

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

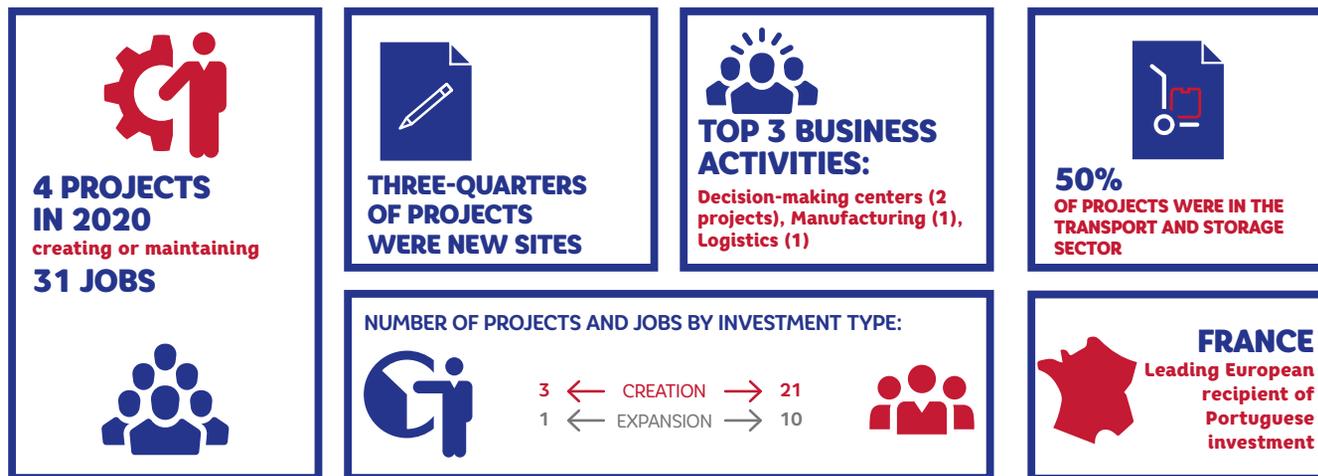
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Wholesale and retail	5	72	33%	30%
IT services	3	55	20%	23%
Transport, storage	1	40	7%	17%
Other services	1	39	7%	16%
Electrical/IT equipment	1	11	7%	5%

Source: Annual Report 2020, Business France

# PORTUGAL

Four new job-creating investment decisions were made by Portuguese businesses in France in 2020, creating 31 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE

**Grupo Proef:** Founded in 1984, this Portuguese company specializes in energy efficiency. After setting up in Ile de France (Paris region) and Auvergne-Rhône-Alpes, Grupo Proef chose Occitanie in 2019 as the location for a new subsidiary intended to roll out a fiber optic network in the region. With the creation of 30 jobs, this was Portugal's largest business creation in 2019.

**Purever:** In 2018, this Portuguese company bought the French business Dagard, its main competitor in Europe, specializing in modular walls for cold rooms, isothermal enclosures and cleanroom envelopes for the health and research sectors. The company plans to create an additional 100 jobs within three years, with 360 positions having already existed before the acquisition, and hopes to make France its export platform to the international market.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €2 billion.

## — PORTUGUESE BUSINESSES IN FRANCE

There are more than 700 subsidiaries of Portuguese businesses established in France, where they employ around 7,700 people.

Four Portuguese investments were recorded in France in 2020, creating 31 jobs.

Among these investments were two involving decision-making centers, where two-thirds of jobs (20) were created. One investment in manufacturing created 10 jobs.

Portuguese investments took place in a variety of sectors, transport/storage

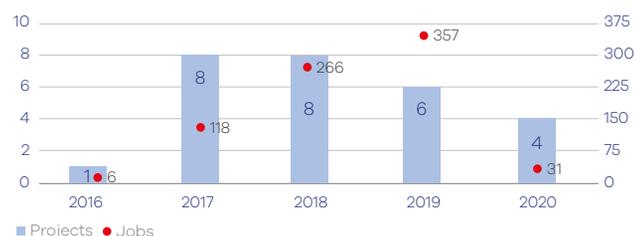
(two projects), energy/recycling and machinery/mechanical equipment (one project each).

Auvergne-Rhône-Alpes received two projects in 2020, with Hauts de France and Pays de la Loire receiving one each.

## — FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the leading European recipient of job-creating investment from Portugal, attracting 26% of Portuguese projects in Europe since 2019, ahead of Spain (21%), Germany (11%) and Italy (11%).

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	2	20	50%	65%
Logistics	1	1	25%	3%
Manufacturing	1	10	25%	32%
<b>Total</b>	<b>4</b>	<b>31</b>	<b>100%</b>	<b>100%</b>

## — TOP 5 PORTUGUESE BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
GRUPO VISABEIRA Telecoms, internet service providers	2,000 - 2,500
PUREVER NEGÓCIOS E GESTÃO, SGPS, S.A. Building, construction	500 - 550
INAPA - INVESTIMENTOS, PARTICIPAÇÕES E GESTÃO, S.A. Wholesale and retail	350
SIMOLDES PLASTICOS Chemicals, plastics	250
L.T.T. LIZMONTAGENS THERMAL TECHNOLOGIES Building, construction	200

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

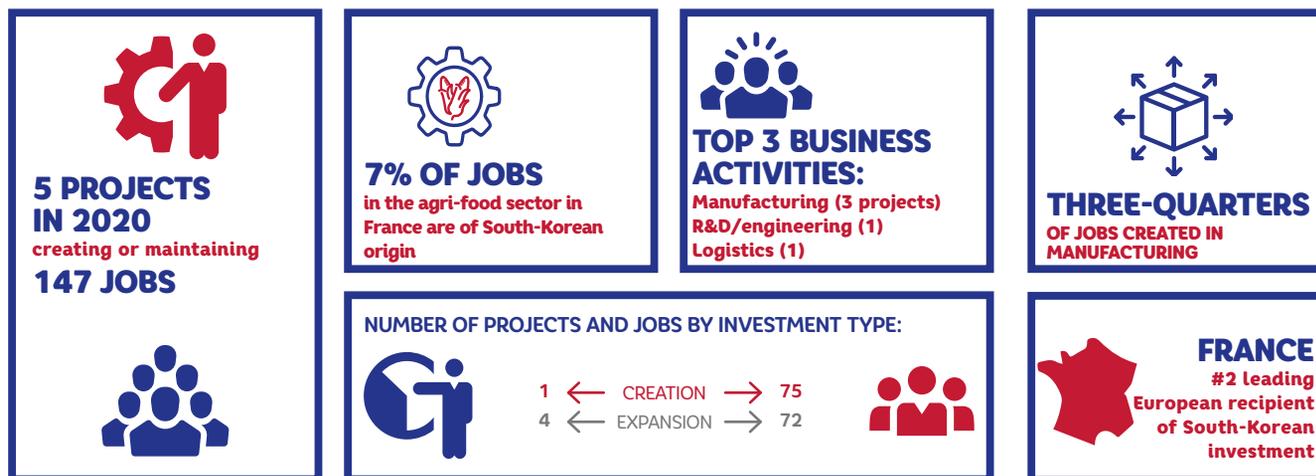
## — BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Transport, storage	2	11	50%	35%
Energy and recycling	1	10	25%	32%
Machinery and mechanical equipment	1	10	25%	32%

Source: Annual Report 2020, Business France

# SOUTH KOREA

Five investment decisions by South Korean businesses in 2020 created 147 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE

**SIAS Co. Ltd.:** This large South Korean agri-food SME, specializing in the production of frozen meals and the manufacture of sauces and seasonings, has decided to set up a production site in Roye (Hauts de France). The CEO of the company is a Francophile and decided to create its European production facility in France. This project, with an investment of €4.5 million and creating 75 new jobs over three years, will make SIAS the leading South Korean producer in France of ready-made Asian dishes and ethnic sauces.

**Samsung Ventures:** The venture capital investment arm of the Samsung group has invested in French startup Aryballe Technologies. Founded in 2014, the Grenoble-based startup is recognized for its innovative aroma detection process, thanks to its use of artificial intelligence and machine learning. The startup successfully concluded its latest fundraising with the participation of Samsung Ventures and various international investors, bringing the total raised by Aryballe Technologies to €17 million.

**Celltrion Healthcare:** After opening a branch in 2018, the leading South Korean producer of biosimilars and innovative medicines decided to create a sales and marketing office in Paris to strengthen its operations and to develop its own sales network in the French market. Already a leader in the infliximab market in Europe, Celltrion intends to expand its product portfolio with value-added and bio-innovative medicines, creating around ten jobs through this expansion.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019.  
FDI stock by ultimate investor as of December 31, 2018 was €519 million.

## — SOUTH KOREAN BUSINESSES IN FRANCE

There are more than 70 subsidiaries of South Korean businesses established in France, where they employ more than 5,300 people.

Five new investments from South Korea created 147 jobs in France in 2020.

South Korean projects were split between manufacturing activities (three projects; 114 jobs), R&D/engineering (one project; 30 jobs) and

logistics (one project; three jobs).

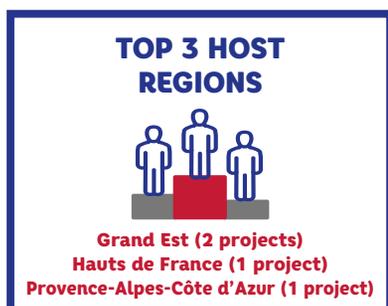
These investments were made in a number of different sectors: agri-food, energy/recycling, the automotive industry, machinery/mechanical equipment and textiles. It should be noted that the agri-food sector accounted for more than half of South-Korean jobs. The opening in Roye (Hauts de France region) of a manufacturing site led by SIAS, specializing in making

seasoning and frozen meals, which led to the creation of 75 jobs, explains this result.

South Korean investment projects targeted the Grand Est region (two projects), as well as Hauts de France, Provence-Alpes-Côte d'Azur and Centre-Val de Loire (all one project each).

## — FRANCE'S POSITION IN EUROPE<sup>3</sup>

France was the second leading European recipient of job-creating investment from South Korea in 2020, attracting 17% of South Korean projects, after Hungary (23%) but equal to Germany, the United Kingdom and Poland (all 17%).



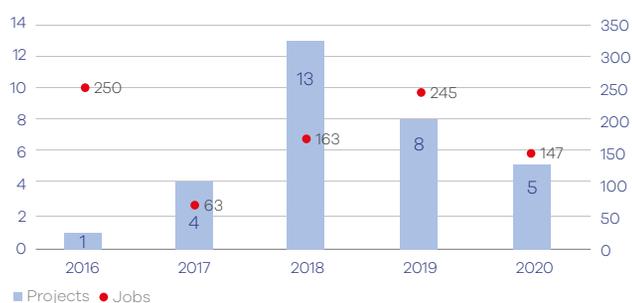
## — TOP 5 SOUTH KOREAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
SAMSUNG ELECTRONICS CO., LTD. Consumer electronics	450 - 500
HAHN & CO. AUTO HOLDINGS CO., LTD. Automotive industry	450 - 500
DOOSAN CORP. Machinery and mechanical equipment	450 - 500
KC GREEN HOLDINGS CO., LTD. Building, construction	350 - 400
LG ELECTRONICS INC. Consumer electronics	200 - 250

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Logistics	1	3	20%	2%
Manufacturing	3	114	60%	78%
R&D, engineering	1	30	20%	20%
<b>Total</b>	<b>5</b>	<b>147</b>	<b>100%</b>	<b>100%</b>

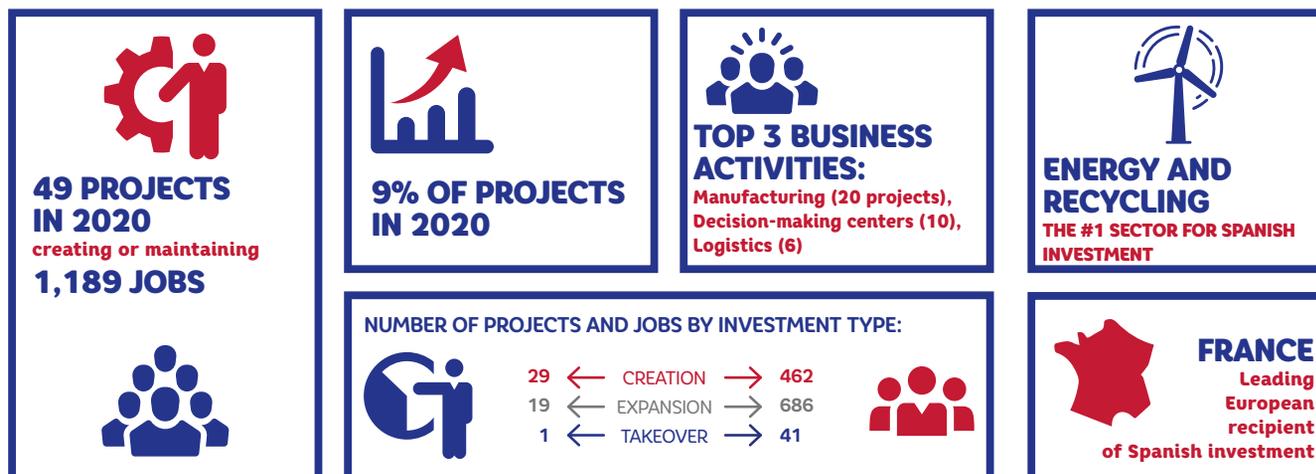
## — BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Agri-food	1	75	20%	51%
Energy and recycling	1	30	20%	20%
Automotive industry	1	24	20%	16%
Machinery and mechanical equipment	1	15	20%	10%
Textiles and accessories	1	3	20%	2%

Source: Annual Report 2020, Business France

# SPAIN

Forty-nine Spanish investment decisions were recorded in France in 2020, creating or maintaining 1,189 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE

**Guideo:** Founded in 2016 in Barcelona, this startup is a marketplace that connects carers with families. The firm generated revenues of €3 million in 2020, has 70 employees and a portfolio of more than 70,000 carers. Guideo chose France as its first international destination and started operations in Paris in October. This project will create 30 direct jobs within three years and more than 2,000 indirect jobs. The Covid-19 crisis and the ageing of the world population have highlighted the need to structure the Silver Economy sector, the presence of new players such as Guideo thereby making it possible to promote the development of this sector of the future.

**Grupo Sifu:** This “adapted” company specializes in the provision of services promoting the socio-professional inclusion of its workers, 90% of whom are disabled. This socially responsible project has created 200 jobs in the Nouvelle Aquitaine region since its establishment in the region in September 2018. The business plans to create up to 800 jobs across France within three years.

**Casa Terradellas:** Spanish firm Casa Terradellas, the parent company of the Herta brand, invested at its site in Illkirch-Graffenstaden (Grand Est region), specializing in the production of meat products. Thanks to its €25 million investment announced in 2020, the group is to modernize the site, build extra capacity and expand the quality laboratory.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €19 billion.

## SPANISH BUSINESSES IN FRANCE

There are around 850 subsidiaries of Spanish businesses established in France, where they employ 58,000 people.

Forty-nine new investments from Spain were recorded in France in 2020, creating or maintaining 1,189 jobs.

Investments by Spanish businesses were made primarily in manufacturing operations (41% of projects; 56% of jobs created or maintained), while

decision-making centers were the second leading business activity, with 20% of projects.

The energy/recycling sector was the leading sector for Spanish investment, with seven Spanish projects (14%) being recorded in 2020, versus only one in 2019. There then followed machinery/mechanical equipment and hospitality/tourism/restaurants, which each received 8% of projects in 2020.

Ile de France (Paris region) was the leading host region of Spanish investment in 2020, receiving 24% of projects, followed by Occitanie (12%) in second place and Auvergne-Rhône-Alpes, Bretagne (Brittany) and Pays de la Loire in joint third (10%).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the leading European recipient of job-creating investment from Spain, attracting 31% of Spanish projects in Europe, ahead of Portugal (20%) and the United Kingdom (12%).



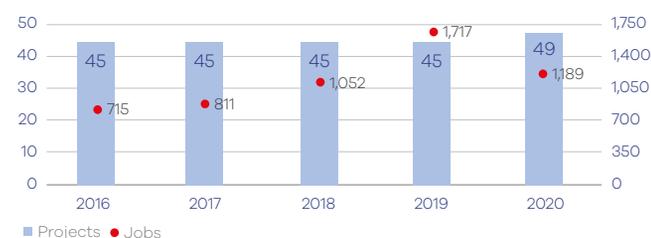
## TOP 5 SPANISH BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
INDITEX Textiles and accessories	9,000
AMADEUS IT services	4,000 - 4,500
SAICA (SOCIEDAD ANONIMA INDUSTRIAS CELULOSA ARAGONESA) Glass, ceramics, minerals, wood, paper	2,000 - 2,500
PUNTA NA HOLDING (MANGO) Textiles and accessories	2,000
GESTAMP - SOFEDIT Automotive industry	2,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	10	136	20%	11%
Logistics	6	52	12%	4%
Retail outlets	1	12	2%	1%
Manufacturing	20	668	41%	56%
R&D, engineering	3	30	6%	3%
Business services	4	205	8%	17%
Consumer services	5	86	10%	7%
<b>Total</b>	<b>49</b>	<b>1,189</b>	<b>100%</b>	<b>100%</b>

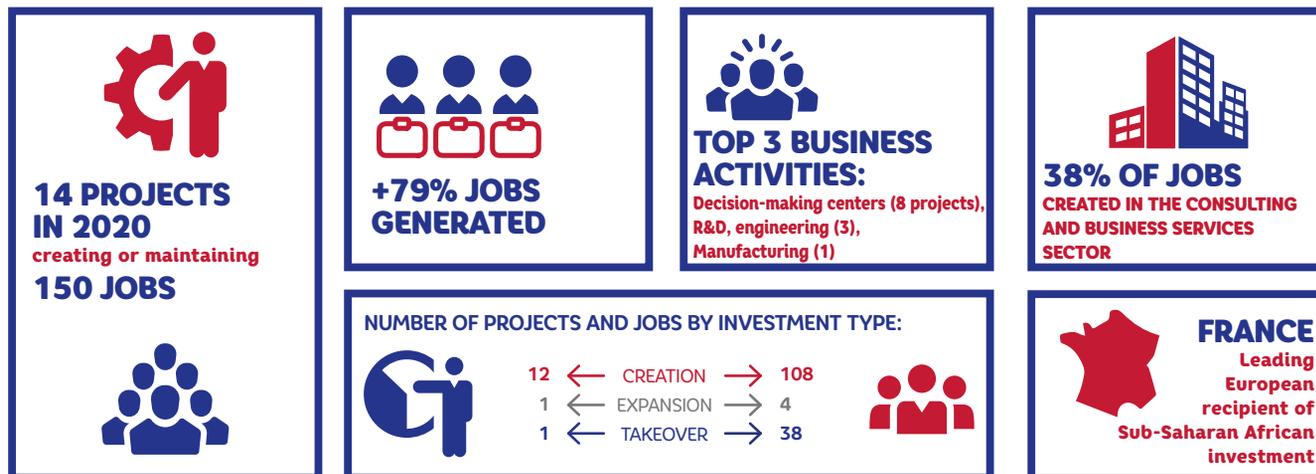
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Energy and recycling	7	104	14%	9%
Machinery and mechanical equipment	4	158	8%	13%
Hospitality, tourism and restaurants	4	77	8%	6%
Chemicals, plastics	3	71	6%	6%
Transport, storage	3	40	6%	3%

Source: Annual Report 2020, Business France

# SUB-SAHARAN AFRICA

Fourteen investment decisions were recorded in France from Sub-Saharan African countries<sup>1</sup> in 2019, creating or maintaining 150 jobs. There was one further project than in 2019 and a 79% increase in jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Ibriz:** This Senegalese startup, specializing in offering digital solutions based on the use of photovoltaic energy applied to the agricultural sector, has chosen to set up its international hub in Rennes (Bretagne/Brittany region) and R&D activities linked to the local ecosystem. The aim is also to raise funds to finance future growth and support strong anticipated development in Africa, with the support of structures such as Bpifrance, the French Development Agency (AFD) and Proparco. As part of this project, the startup will create a dozen jobs over three years, a third of which will be in R&D.

**CinetPay:** This Fintech startup based in Abidjan, Côte d'Ivoire, has developed a secure, flexible and multi-network payment platform, integrating different means (mobile payment, bank cards) and already covering several French-speaking African countries (Cameroon, Ivory Coast, Mali, Togo, Guinea, Democratic Republic of Congo, Burkina Faso and Senegal). It created a subsidiary in France as a digital springboard to accelerate growth in French-speaking Africa, to develop R&D activities (blockchain and artificial intelligence) and also to raise funds. Based in Bondy (Ile de France/Paris region), the startup will integrate the Swave accelerator and create eight jobs over three years.

## BREAKDOWN BY SOURCE COUNTRY

Source country	Projects	Jobs
Ivory Coast	4	86
Senegal	3	17
South Africa	3	14
Mali	2	13
Madagascar	1	15
Mauritius	1	5
<b>Total</b>	<b>14</b>	<b>150</b>

<sup>1</sup> Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Djibouti, DR Congo, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, São Tomé and Príncipe, Senegal, Seychelles, Somalia, Sierra Leone, South Africa, South Sudan, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

<sup>2</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €6.0 billion.

### SUB-SAHARAN AFRICAN BUSINESSES IN FRANCE

There are more than 100 subsidiaries of Sub-Saharan African businesses established in France, where they employ more than 11,000 people. Fourteen job-creating investment decisions were recorded in France from Sub-Saharan African countries in 2020, creating or maintaining 150 jobs (+79% on 2019).

More than half of these investments involved decision-making centers (57% of projects; 49% of jobs) and this

year, we recorded three investment decisions in R&D/engineering activities, which generated 29 jobs.

Sector-wise, investments from Sub-Saharan African countries were mostly made in consulting/business services (five projects), energy/recycling (two projects) and transport/storage (two projects) sectors, with these sectors responsible for more than half (53%) of jobs. Of particular note was the chemicals/plastics sector, which

recorded nearly forty jobs (25%) linked to the takeover project of Stefany Emballages et Services by the Ivorian business Plastica.

They were primarily located in Ile de France (Paris region) (four projects), followed by Bourgogne-Franche-Comté, Bretagne (Brittany), Provence-Alpes-Côte d'Azur and Occitanie (two projects each).

### FRANCE'S POSITION IN EUROPE<sup>3</sup>

In 2020, France was the joint leading recipient in Europe of foreign investments from Sub-Saharan African countries, welcoming 25% of projects, equal to the United Kingdom (25%) and ahead of the Netherlands (17%).

### CHANGE IN PROJECTS AND JOBS



### BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	8	73	57%	49%
Logistics	1	6	7%	4%
Manufacturing	1	38	7%	25%
R&D, engineering	3	29	21%	19%
Consumer services	1	4	7%	3%
<b>Total</b>	<b>14</b>	<b>150</b>	<b>100%</b>	<b>100%</b>

### TOP 5 SUB-SAHARAN AFRICAN BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
ASPEN PHARMA HOLDINGS LIMITED South Africa Pharmaceuticals and biotechnologies	500 - 1,000
IBL LTD. Mauritius Real estate	100 - 250
ECOBANK TRANSNATIONAL INC. Togo Financial services and insurance	80 - 100
CAREDas / ROGERS GROUP Mauritius Hospitality, tourism and restaurants	70 - 160
BGFIBANK Gabon Financial services and insurance	50

Source: Orbis, Bureau Van Dijk

<sup>3</sup> Business France, Europe Observatory

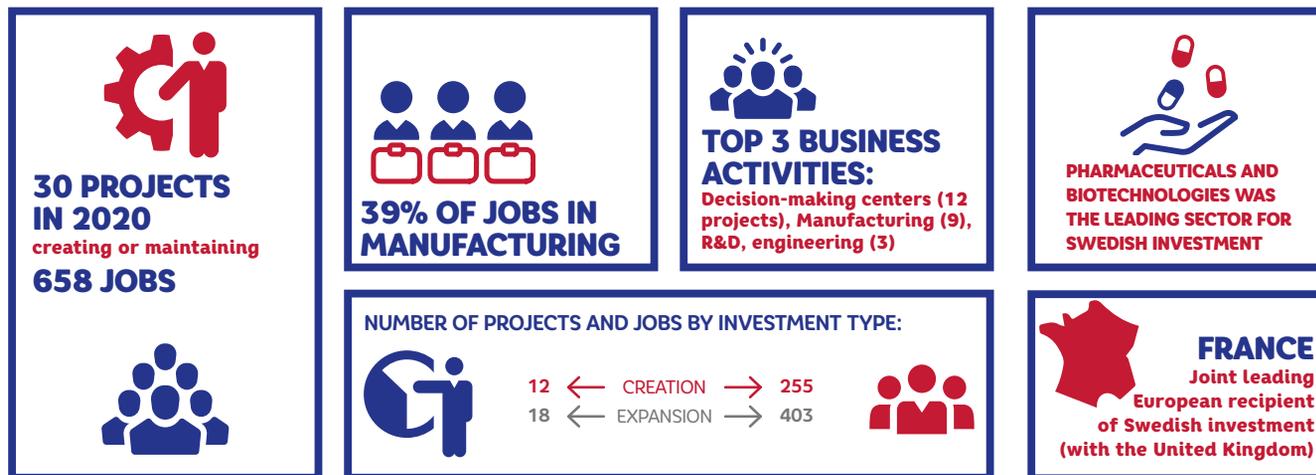
### TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Consulting and business services	5	57	36%	38%
Energy and recycling	2	12	14%	8%
Transport, storage	2	11	14%	7%
Chemicals, plastics	1	38	7%	25%
Media, publishing	1	15	7%	10%

Source: Annual Report 2020, Business France

# SWEDEN

Thirty new job-creating investment decisions were made in 2020 by Swedish businesses in France, creating or maintaining 658 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Future Closets:** The eco-responsible startup Hack Your Closet offers a rental service for second-hand and unsold clothing, delivered directly to consumers. Building on its Swedish success, the firm, whose recent fundraising has just generated more than SEK 20 million, or around €2 million, recently created a subsidiary, Future Closets SAS, in Strasbourg (Grand Est region). This, in addition to opening the business to the French market and internationally, is due to create 120 jobs by 2022. Its founder sees the French market as a test of its ability to penetrate other markets in the future.

**Recipharm:** Recipharm has signed a contract with Moderna for the pharmaceutical formulation of their vaccine. It is a vaccine against Covid-19, which is based on innovative mRNA technology. At the same time, the Swedish group has decided to build additional production capacities to cope with recurring requests for vaccines against viral pandemics. This investment relates to the construction of a new production facility, comprising a vial production line and a pre-filled syringe line worth around €60 million, resulting in around 100 jobs at the site.

**Ericsson:** The Ericsson group has opened its first R&D center in France, in Massy, within the Paris-Saclay innovation cluster (Ile de France/Paris region). This R&D center, dedicated to 5G software and security, aims to accelerate 5G dynamics in Europe and will be able to accommodate up to 300 researchers and engineers.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €7.4 billion.

## — SWEDISH BUSINESSES IN FRANCE

There are around 460 subsidiaries of Swedish businesses established in France, where they employ 95,000 people.

Thirty job-creating investments were recorded by Swedish businesses in 2020, creating or maintaining 658 jobs.

Decision-making centers were the first business activity served by these investments, accounting for 40% of

projects and 30% of jobs, followed by manufacturing (30% of projects; 39% of jobs). The automotive industry and pharmaceuticals/biotechnologies accounted for two-thirds of projects and 80% of jobs in manufacturing.

The leading recipient of Swedish investments was the pharmaceuticals/biotechnologies sector, with five projects or 10% of all projects received by France in this sector in 2020. The

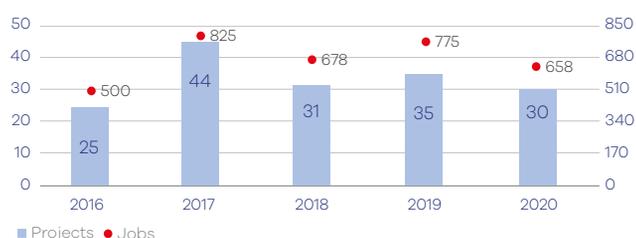
leading sector for job creation from Sweden was the automotive industry, with 22% of jobs created.

Location-wise, the most Swedish investments were made in Ile de France (Paris region) (33% of projects), with 13% in both Auvergne-Rhône-Alpes and Grand Est, and 10% in Hauts de France.

## — FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the joint leading European recipient, along with the United Kingdom, of job-creating investment from Sweden, attracting 19% of Swedish projects in Europe, ahead of Germany in third position (9%).

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	12	200	40%	30%
Retail outlets	2	60	7%	9%
Manufacturing	9	258	30%	39%
R&D, engineering	3	73	10%	11%
Business services	3	30	10%	5%
Consumer services	1	37	3%	6%
<b>Total</b>	<b>30</b>	<b>658</b>	<b>100%</b>	<b>100%</b>

## — TOP 5 SWEDISH BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
SECURITAS AB Consulting and business services	17,000
AB VOLVO Automotive industry	11,500
IKEA Household goods	9,500
HENNES & MAURITZ (H&M) Textiles and accessories Wholesale and retail	7,500
LOOMIS AB Other services	4,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

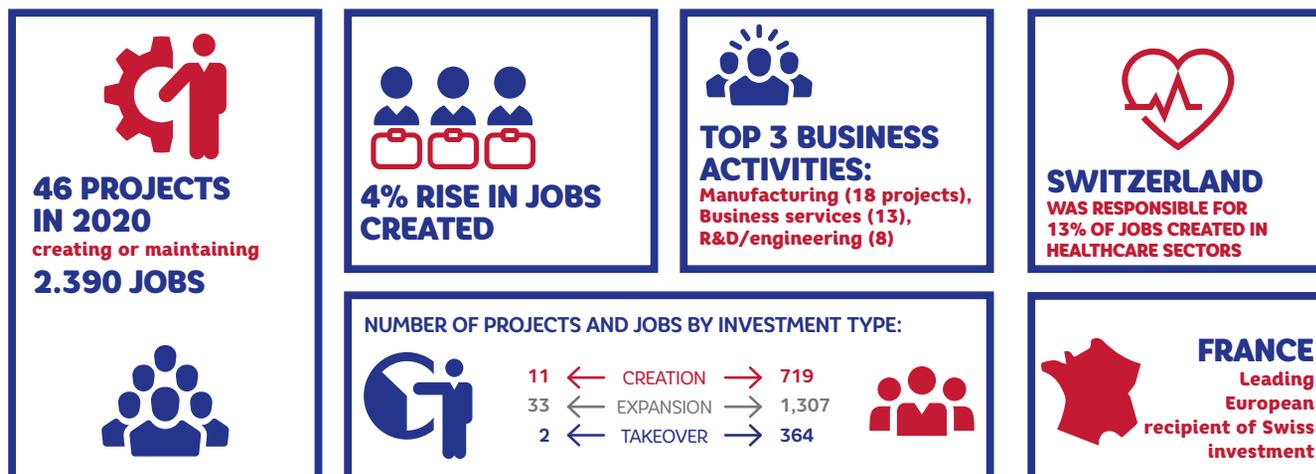
## — TOP 6 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Pharmaceuticals and biotechnologies	5	79	17%	12%
Automotive industry	4	143	13%	22%
Energy and recycling	2	57	7%	9%
Financial services and insurance	2	32	7%	5%
Machinery and mechanical equipment	2	15	7%	2%
IT services	2	15	7%	2%

Source: Annual Report 2020, Business France

# SWITZERLAND

Forty-six Swiss investments were recorded in France in 2020, creating or maintaining nearly 2,400 jobs, up 4% from 2019. A significant number of financial projects (business buyouts, safeguarding investments) complete the picture, confirming that Swiss investment in France remained high in 2020.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**M3 Group:** The Swiss group has invested in a 25,000 sq. m. mask factory in Ploufragan (Bretagne/Brittany region) in response to the Covid-19 crisis. The firm intends to produce around 250,000 masks per year, but also a complete range of sanitary products, such as gowns, hygiene caps and hydroalcoholic gel. On-site activities have already started and there are plans to hire around 110 people.

**Novartis:** Novartis is launching Biome Paris, its first digital innovation laboratory in Europe. Biome Paris will enable Novartis to bring concrete solutions to patients by working closely with players in the digital ecosystem, both in France and internationally. Partnerships with and cooperation between businesses, ranging from startups to mature businesses in the sector, will also enable Novartis' employees to explore new agile methods to accelerate project development.

**Lonza:** The Swiss group is one of the global leaders in the development, manufacture and marketing of chemicals, pharmaceuticals, biotechnology and specialty ingredients. It operates on 53 production and R&D sites in 30 countries. Since June 2017, and the acquisition of the American company Capsugel, specializing in biotechnologies and dosing solutions, Lonza has had a large production site in Colmar (Grand Est region). This site, which employs 315 people, will benefit from new investments to increase its encapsulation capacities. Some 35 additional jobs are expected to be created.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €82.3 billion.

## — SWISS BUSINESSES IN FRANCE

There are more than 1,000 subsidiaries of Swiss businesses established in France, where they employ nearly 280,000 people.

Forty-six Swiss investments were recorded in France in 2020, creating or maintaining 2,390 jobs, up 4% from 2019.

Swiss investors focused on manufacturing operations (39% of projects; 52% of jobs), with Switzerland being responsible for 10% of all jobs

generated by investment in this business activity. Business services also accounted for a substantial share of these investments (28% of projects; 28% of jobs).

Sector-wise, Swiss businesses invested mainly in consulting/business services (24% of projects; 28% of jobs), with Switzerland standing out in the healthcare sectors (18% of projects; 16% of jobs), where it was responsible for 13% of all jobs generated by foreign investment in this sector. Buoyed

by investments by the Swiss group STMicroelectronics, Switzerland created 52% of all jobs in the electronic components sector.

The leading recipients of Swiss investments were Ile de France (Paris region) (24% of projects; 27% of jobs), Auvergne-Rhône-Alpes (17% of projects; 18% of jobs) and Pays de la Loire (11% of projects; 17% of jobs).

## — FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France remained the leading European recipient of job-creating investment from Switzerland, attracting 31% of Swiss projects in Europe, ahead of Germany (18%) and Spain (11%).

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	5	35	11%	1%
Logistics	1	350	2%	15%
Manufacturing	18	1,231	39%	52%
R&D, engineering	8	92	17%	4%
Business services	13	672	28%	28%
Consumer services	1	10	2%	0,4%
<b>Total</b>	<b>46</b>	<b>2,390</b>	<b>100%</b>	<b>100%</b>

## — TOP 5 SWISS BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
NESTLE S.A. Agri-food	13,000
KÜHNE HOLDING AG Transport, storage	11,000
STMICROELECTRONICS Electronic components	10,000
EMIL FREY HOLDING AG Wholesale and retail	9,100
ADECCO SA Consulting and business services	9,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

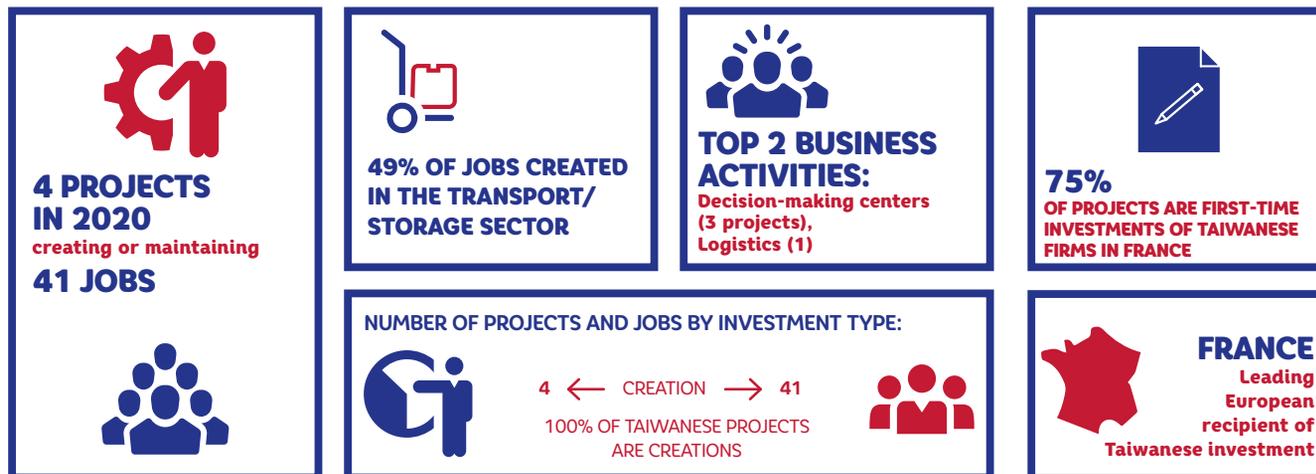
## — TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Consulting and business services	11	662	24%	28%
Machinery and mechanical equipment	6	163	13%	7%
Pharmaceuticals and biotechnologies	5	198	11%	8%
Electronic components	3	264	7%	11%
Medical equipment and devices	3	189	7%	8%

Source: Annual Report 2020, Business France

# TAIWAN

Four Taiwanese investment projects were recorded in France in 2020, as many as in 2019, creating 41 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE

**ASE:** ASE, the global leader in semiconductor packaging and encapsulation, has strengthened its position in areas outside Asia with the acquisition of the French group Asteelflash, specializing in the subcontracting of electronic products, for an amount of US\$450 million. This buyout was made through the Chinese subsidiary of ASE USI, a business also specializing in the subcontracting of electronic products. Thanks to this merger, the group benefits from a global presence, with new market segments and new clients, but also provides its customers with complementary technological capabilities. The current management of Asteelflash will be integrated

into that of the USI group, as well as its 6,000 employees worldwide, including 800 in France. Importantly, this acquisition constitutes the first transaction of this type outside Asia for the Taiwanese group ASE, illustrating the desire for a presence in Europe.

**Industrial Technology Investment Corporation:** The Taiwanese quasi-sovereign fund belonging to the Taiwanese public research and development organization (ITRI) has invested in a Grenoble-based world-leading startup in the testing of magnetic memory (MRAM). This fund is also looking for a French partner for the creation of a cross-border fund.

**JPP Holding Company Limited:** This Taiwanese machinery and tooling firm, looking to position itself as a key supplier in the aerospace sector, created a subsidiary in France and bought out for €3.5 million the company Jin Pao Europe, located in Bagnères-de-Bigorre (Occitanie), specializing in surface treatment.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €266 million.

## TAIWANESE BUSINESSES IN FRANCE

There are more than 40 subsidiaries of Taiwanese businesses established in France, where they employ nearly 1,500 people.

Four new Taiwanese investment projects were recorded in 2020, as many as in 2019, creating 41 jobs.

Taiwanese investments corresponded in the majority of cases to decision-

making centers (three projects; 21 jobs), which in two-thirds of cases were first-time investments in Europe. France welcomed one Taiwanese project in logistics by the Yang Ming business, which provided around twenty jobs.

There were Taiwanese projects in the transport/storage, household goods, glass/ceramics/minerals/wood/paper and the IT services sectors.

These investments were located evenly in Provence-Alpes-Côte d'Azur, Hauts de France, Auvergne-Rhône-Alpes and Ile de France (Paris region), which each welcomed one Taiwanese investment project.

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the leading recipient of Taiwanese investment in Europe, receiving 57% of all projects, ahead of the Netherlands (29%) and Italy (14%).



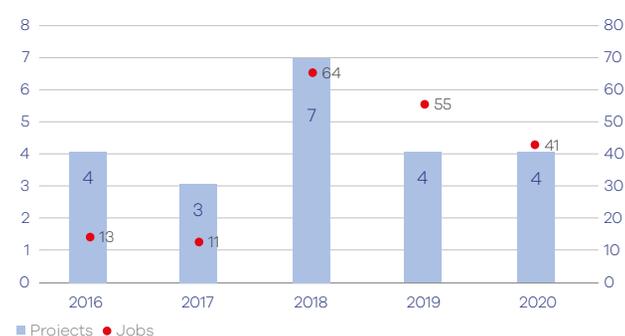
## TOP 5 TAIWANESE BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
MEI TA INDUSTRIAL CO., LTD. Machinery and mechanical equipment	1,000
ASTEELFLASH Electronic components	800
TONGTAI MACHINE & TOOL CO., LTD. Machinery and mechanical equipment	100 - 150
ACER INC. Consumer electronics	100 -150
ASUSTEK COMPUTER INC. Consumer electronics	100
JOHNSON HEALTH TECH COMPANY Machinery and mechanical equipment	50 -100

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	3	21	75%	51%
Logistics	1	20	25%	49%
<b>Total</b>	<b>4</b>	<b>41</b>	<b>100%</b>	<b>100%</b>

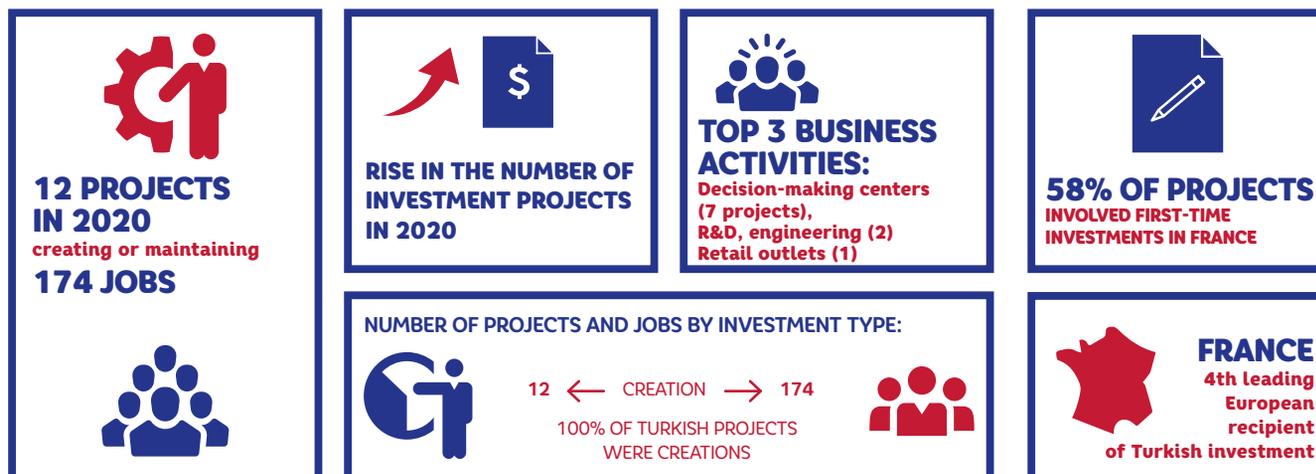
## BREAKDOWN OF PROJECTS BY BUSINESS SECTOR

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Transport, storage	1	20	25%	49%
Household goods	1	10	25%	24%
Glass, ceramics, minerals, wood, paper	1	6	25%	15%
IT services	1	5	25%	12%

Source: Annual Report 2020, Business France

# TURKEY

Twelve Turkish investments were recorded in France in 2020, two more than in 2019, creating or maintaining 174 jobs.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Kleidco:** This Turkish design/architectural firm and manufacturer of aluminum structures for buildings offers tailor-made solutions. Thanks to its innovative offering, particularly in terms of energy efficiency, the firm has established a market in France and has decided to strengthen its presence there by creating a sales and assembly office. It recruited five people upon its establishment and plans to expand, with 10 additional jobs in the coming months.

**Dogus:** Doğuş is one of the leading Turkish conglomerates that operates globally and it is active in various sectors, including food and beverages. One of the global restaurant brands under the Doğuş group, which represents the modern Peruvian cuisine named Coya, has opened in Paris. This investment has created 70 jobs. The Turkish conglomerate puts France among the great gastronomic countries in the world and intends to expand further in other cities of France, following, as always, the same spirit that has made its success in the world until today, by targeting high-class opportunities.

**Sampa:** Aglobalbrand, Sampa manufactures truck parts and is based in Turkey. The firm chose to set up in Corbas, south of Lyon (Auvergne-Rhône-Alpes region), to become a sustainable part of the ecosystem of spare parts distribution in France. It has already formed a team of nine people and intends to continue to grow with the hiring of ten more people. Ultimately, the business wishes to expand its presence in the French market and improve its logistics services.

<sup>1</sup> FDI stock by (immediate investor) as of December 31, 2019.  
FDI stock by ultimate investor as of December 31, 2018 was €363 million.

## — TURKISH BUSINESSES IN FRANCE

There are more than 440 subsidiaries of Turkish businesses established in France, where they employ more than 1,200 people.

Twelve new Turkish investments were recorded in France in 2020, the highest number in five years, creating or maintaining 174 jobs.

These investments mainly involved setting up decision-making centers

(58% of projects; 47% of jobs) and there were also two R&D/engineering projects this year that generated eight jobs.

More than half of Turkish investment (59%) was in the building/construction (25%), automotive industry (17%), and the consulting/business services (17%) sectors, which together accounted for one-third of jobs. Of note was the opening in Paris of the Coya traditional

high-class restaurants belonging to the Doğuş group, which was responsible for 40% of employment.

Geographically, Turkish businesses invested mainly in Ile de France (Paris region) (two-thirds of projects and jobs), followed by Auvergne-Rhône-Alpes (17% of projects; 24% of jobs).

## — FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the fourth leading European recipient of job-creating investment from Turkey, attracting 8% of Turkish projects in Europe, after Germany (17%) and equal with the United Kingdom, Denmark and Spain (all 8%).



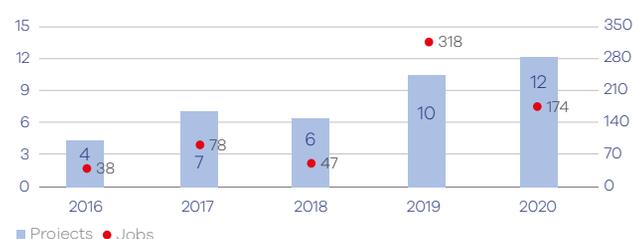
## — TOP 5 TURKISH BUSINESSES BY EMPLOYMENT IN FRANCE

Business	Workforce in France
YILDIZ HOLDING (UNITED BISCUITS) Agri-food	250 - 300
ORHAN HOLDING ANONIM SIRKETI Automotive industry	200 - 300
ECZACIBASI HOLDING ANONIM SIRKETI Ceramics	100 - 150
ÖZLER PLASTIK Chemicals, plastics	100 - 150
ARÇELİK A.S. Consumer electronics	70 - 100

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## — CHANGE IN PROJECTS AND JOBS



## — BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	7	81	58%	47%
Retail outlets	1	70	8%	40%
Manufacturing	1	5	8%	3%
R&D, engineering	2	8	17%	5%
Business services	1	10	8%	6%
<b>Total</b>	<b>12</b>	<b>174</b>	<b>100%</b>	<b>100%</b>

## — TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Building, construction	3	29	25%	17%
Automotive industry	2	17	17%	10%
Consulting and business services	2	13	17%	7%
Hospitality, tourism and restaurants	1	70	8%	40%
Household goods	1	30	8%	17%

Source: Annual Report 2020, Business France

# UNITED KINGDOM

The United Kingdom was the third leading investor in France in 2020 and the second largest source of jobs, with 5,459 or 16% of jobs created or maintained by a foreign investor.



**120 PROJECTS IN 2020**  
creating or maintaining  
**5,459 JOBS**





**#2 COUNTRY FOR JOBS CREATED OR MAINTAINED IN FRANCE**



**TOP 3 BUSINESS ACTIVITIES:**  
Retail outlets (48 projects),  
Decision-making centers (28),  
Manufacturing (17)



**#1 CONTRIBUTOR TO JOBS IN THE AUTOMOTIVE INDUSTRY**

**NUMBER OF PROJECTS AND JOBS BY INVESTMENT TYPE:**

G	92 ← CREATION →	2,700
	22 ← EXPANSION →	741
	6 ← TAKEOVER →	2,018





**FRANCE**  
Leading European recipient of British investment

## KEY FIGURES



**€103 BILLION**  
FDI stock in France  
3rd place  
Source: Banque de France<sup>1</sup>



**1,800+**  
businesses in France  
Source: Eurostat



**182,000+**  
EMPLOYEES  
Source: Eurostat

## THEY CHOSE FRANCE IN 2020

**Ineos:** Ineos Automotive, the automotive arm of Ineos, the UK's leading petrochemical manufacturer, has acquired the German site Daimler located in Hambach (Grand Est region) to manufacture its 4x4 Grenadier all-terrain vehicle. Ineos will continue to manufacture the Smart EQ ForTwo and certain Mercedes-Benz components on site, thereby preserving 1,300 jobs in the region. The group will start to produce the Grenadier in late 2021, with a commercial launch scheduled for 2022.

**SCC (Rigby Group):** The Rigby Group is a diverse family conglomerate, specializing in several areas, including technology/IT solutions through its subsidiary SCC. As the second largest country for IT services activity, France has an important role in Rigby's international development strategy. After having increased its presence in Valenciennes in 2019, the group continues to expand in France, opening a new customer support center on the Recyclea site in Montluçon (Auvergne-Rhône-Alpes region), which will accommodate up to 300 engineers and technicians supporting and monitoring IT infrastructures. The group is committed to a process of hiring staff as part of a

professional reintegration program, as well as those with disabilities.

**Graphcore:** A British unicorn, specializing in the design of micro-processors dedicated to artificial intelligence calculations, Graphcore decided in April 2020 to open a subsidiary in Ile de France (Paris region). The firm intends to develop commercial and R&D activities in France, thereby hoping to reach around fifty employees within three years.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €81 billion.

## BRITISH BUSINESSES IN FRANCE

There are around 1,800 subsidiaries of British businesses established in France, where they employ more than 182,000 people.

There were 120 British investment decisions in France recorded in 2020, creating or maintaining 5,459 jobs.

Among these investments, retail outlets were the most numerous (40% of projects) and were responsible for 31% of all British jobs recorded. The

expansion of the Action group, owned by British investment fund 3i Group plc, and Primark, owned by the AB Food group, explains the importance of retail outlets. In terms of jobs, manufacturing came out on top, with 45% of jobs created, with the takeover of the Hambach site by Ineos, and the 1,300 jobs that were maintained, explaining the extent of employment in this area.

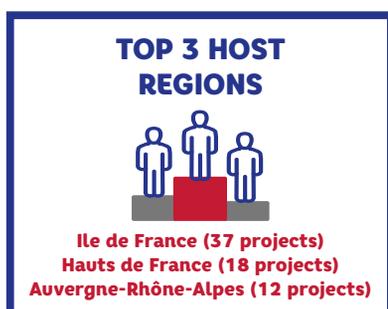
Wholesale/retail was the leading sector for British investment (37% of projects),

while the automotive industry was the leading recipient of jobs (25%). It is worth noting that in 2020 the United Kingdom was responsible for 19% of all investment recorded in the financial services and insurance sector in France.

The leading region for British investments in France was Ile de France (Paris region) (31% of projects), ahead of Hauts de France (15%) and Auvergne-Rhône-Alpes (10%).

## FRANCE'S POSITION IN EUROPE<sup>2</sup>

In 2020, France was the leading European recipient of British job-creating investment, attracting 24% of British projects in Europe, ahead of Germany (12%) and Spain (12%).



## TOP 5 BRITISH BUSINESSES\* BY EMPLOYMENT IN FRANCE

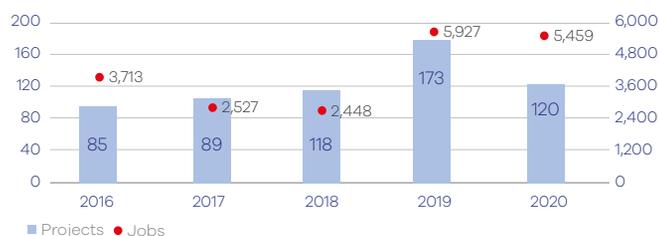
Business	Workforce in France
KINGFISHER PLC (CASTORAMA) Wholesale and retail Household goods	19,000+
COMPASS GROUP PLC Hospitality, tourism and restaurants Consulting and business services	15,000 - 16,000
HSBC HOLDINGS PLC Financial services and insurance	8,000+
ASSOCIATED BRITISH FOODS PLC (Primark) Textiles and accessories	5,000 - 6,000
DS SMITH PLC Glass, ceramics, minerals, wood, paper	4,000

\* Excluding investment funds

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

## CHANGE IN PROJECTS AND JOBS



## BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	28	275	23%	5%
Logistics	5	440	4%	8%
Retail outlets	48	1,710	40%	31%
Manufacturing	17	2,459	14%	45%
R&D, engineering	5	93	4%	2%
Business services	15	441	13%	8%
Consumer services	2	41	2%	1%
<b>Total</b>	<b>120</b>	<b>5,459</b>	<b>100%</b>	<b>100%</b>

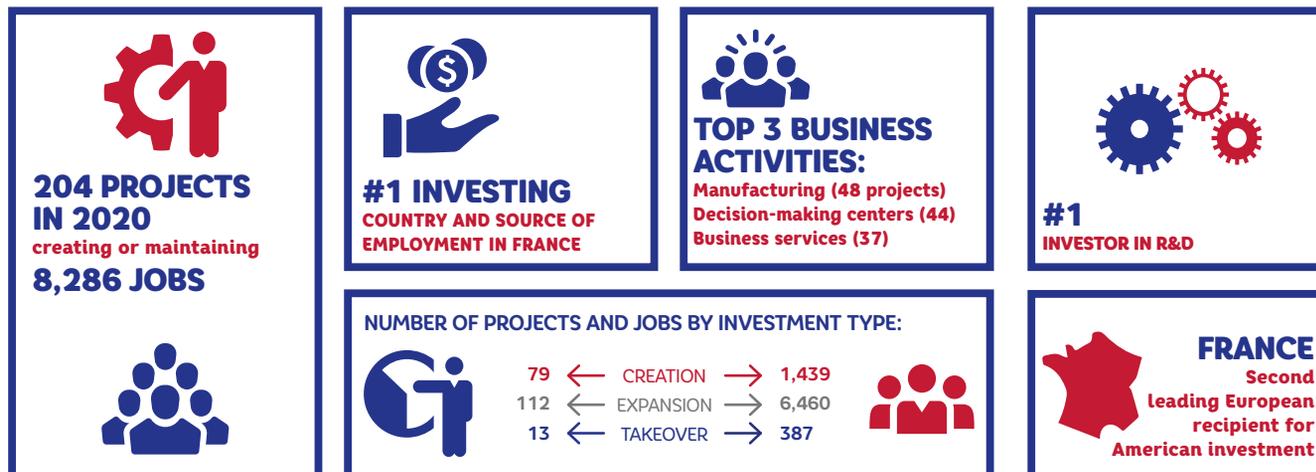
## TOP 5 BUSINESS SECTORS BY PROJECTS

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
Wholesale and retail	44	1,663	37%	30%
Consulting and business services	9	73	8%	1%
Financial services and insurance	8	77	7%	1%
IT services	8	68	7%	1%
Textiles and accessories	7	545	6%	10%

Source: Annual Report 2020, Business France

# UNITED STATES

The United States was the leading source of job-creating foreign investment in France in 2020, with 204 projects creating or maintaining 8,286 jobs (+5% on 2019). The United States remained the leading investor and source of employment in France.



## KEY FIGURES



## THEY CHOSE FRANCE IN 2020

**Becton Dickinson (BD):** Manufacturer and global distributor of medical technology, Becton Dickinson announced in 2020 an investment of US\$176 million in its Pont-de-Claix site in Isère (Auvergne-Rhône-Alpes region). This site acts as a reference center for the production of pre-fillable syringes (over one million a day) and hosts the global R&D center for this business unit. Becton Dickinson also plans to strengthen its presence in the region, with the recruitment of 90 employees following this announcement.

**Collins Aerospace:** A major player in French aerospace with 4,000 employees in the region, including 700 engineers spread over 18 sites, Collins Aerospace has commissioned the Hélices Center of Excellence in Figeac (Occitanie), comprising a new 2,300 sq. m. building for the development, testing and qualification of new technologies, as well as for the manufacture of composite blades. This €32 million investment could generate around 100 hires by 2023. This initiative earned Collins the Choose France “Competitiveness & Innovation” award in December 2020.

**Scalefast:** The California business, founded in 2014, develops a wide range of B2B e-commerce solutions and services. Building on its growth, particularly in Europe, its managers wished to strengthen their commercial presence by establishing an e-commerce center of expertise in Lyon (Auvergne-Rhône-Alpes region), with the recruitment of around fifty people within three years. Despite the current health crisis, Scalefast has set up in the offices in the Confluence area of the city and in particular has recruited a complete team of e-commerce experts.

<sup>1</sup> FDI stock in France (immediate investor) as of December 31, 2019. FDI stock by ultimate investor as of December 31, 2018 was €140.9 billion.

**AMERICAN BUSINESSES IN FRANCE**

There are more than 4,400 subsidiaries of American businesses established in France, where they employ nearly 400,000 people.

A total of 204 investments were recorded from the United States in France in 2020, creating or maintaining 8,286 jobs, 5% more than in 2019.

Investments by American firms were made primarily in manufacturing

(24% of projects), decision-making centers (22%), business services (18%) and R&D/engineering (18%). Of note was that more than half (53%) of jobs generated in France in business services were of American origin.

American investments took place in a wide array of sectors. Among the most popular, the IT services (25% of projects) and the consulting and business services (13%) sectors together accounted for nearly

half of all jobs (49%). There were also 25 projects in the healthcare sector generating nearly 600 jobs. The United States was the leading investing country and source of employment in this sector.

Ile de France (Paris region) attracted nearly one-third of all investments from the United States, followed by Hauts de France (12%) and Auvergne-Rhône-Alpes (12%).

**FRANCE'S POSITION IN EUROPE<sup>2</sup>**

In 2020, France was the second leading destination of job-creating investment from the United States in Europe, attracting 18% of American projects, preceded by the United Kingdom (21%) but ahead of Germany (13%).

**CHANGE IN PROJECTS AND JOBS**



**TOP 3 HOST REGIONS**

**Ile de France (66 projects)**  
**Hauts de France (24 projects)**  
**Auvergne-Rhône-Alpes (24 projects)**

**BREAKDOWN OF PROJECTS BY BUSINESS ACTIVITY**

Business activity	Number		Share	
	Projects	Jobs	Projects	Jobs
Decision-making centers	44	429	22%	5%
Logistics	17	915	8%	11%
Retail outlets	12	393	6%	5%
Manufacturing	48	1,679	24%	20%
R&D, engineering	37	807	18%	10%
Business services	37	3,923	18%	47%
Consumer services	9	140	4%	2%
<b>Total</b>	<b>204</b>	<b>8,286</b>	<b>100%</b>	<b>100%</b>

**TOP 5 AMERICAN BUSINESSES BY EMPLOYMENT IN FRANCE**

Business	Workforce in France
WALT DISNEY CO. Hospitality, tourism and restaurants	16,000+
GENERAL ELECTRIC CO. Machinery and mechanical equipment	15,000+
XPO LOGISTICS, INC. Transport, storage	12,000+
MCDONALD'S CORP. Hospitality, tourism and restaurants	10,000 - 15,000
FEDEX CORP. Transport, storage	9,000
MANPOWER INC. Consulting and business services	8,000
AMAZON.COM Transport, storage	7,000

Source: Orbis, Bureau Van Dijk

<sup>2</sup> Business France, Europe Observatory

**TOP 5 BUSINESS SECTORS BY PROJECTS**

Business sector	Number		Share	
	Projects	Jobs	Projects	Jobs
IT services	52	1,548	25%	19%
Consulting and business services	27	2,515	13%	30%
Medical equipment and devices	15	376	7%	5%
Textiles and accessories	12	244	6%	3%
Chemicals, plastics	11	301	5%	4%

Source: Annual Report 2020, Business France

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**140 BUSINESS FRANCE**

## JOB-CREATING PHYSICAL INVESTMENT SELECTION CRITERIA

The Annual Report on Foreign Investment in France is a way of analyzing foreign investment projects and their contribution to the French economy

Established in 1993 in partnership with France's regional economic development agencies, the Annual Report provides a summary of all foreign investment projects creating sustainable employment in France, listing confirmed projects and detailing the number of jobs that each project generates.

It provides detailed statistical analysis by business sector, business activity, investment type, source country and host region. Data concerning the amounts involved in specific investment projects are not always made available by companies, and so form no part of the analysis.

### COMPANY NATIONALITY

Initial analysis of company nationality depends on the location of its registered office, which determines the jurisdiction that applies. This principle is refined

by the notion of a company's genuine registered office under French law, which is established through jurisprudence. This concept involves determining the place where, inter alia, meetings of the company's management bodies are held, strategic decisions are taken, and key contracts are signed.

Accordingly, and in line with European Union guidelines, the French National Institute for Statistics and Economic Studies (INSEE) considers that the controlling country of a multinational corporation is defined by the country in which the entity possessing operational control is established and where financial information concerning all of its subsidiaries is usually consolidated.



For certain firms, this entity may not necessarily correspond to the head of the group or parent company. Under this definition, the nationality of the firm's leading shareholders has no bearing on that which is assigned to the firm as a whole.

The initial analysis is refined by the notion of control over the activities of the firm's subsidiaries. The statistical criterion chosen for data collection is majority control (ownership of more than 50% of the firm's shares with voting rights). It is assumed that share ownership of more than 50% confers genuine control over the firm, even though in certain cases control may be exercised with less than this amount.

### JOB NUMBERS

The Annual Report is based on the publicly announced number of jobs to be created or maintained over the next three years, which is the approximate time frame that companies use when planning investments.

### DATA GATHERING AND VALIDATION

Three methods are used to select the projects in the Annual Report:

- / An analysis of the competitive environment by consulting observatories of globally mobile investment that track public announcements of job-creating foreign investments in France and Europe;
- / Projects detected by Business France, primarily through its network of international offices;
- / Data collected by France's regional economic development agencies for their areas through contact with economic stakeholders and foreign investors..

**Based on these sources, the Annual Report is compiled using a cross-validation process of each identified project between Business France, France's regional economic development agencies and other regional partners.**

### PROJECT COMPLETION RATE

Reports and rankings published by investment promotion agencies provide a list of investment decisions (or public announcements for some consultants). Business France conducted a retrospective study in 2010 of projects in the 2007 Annual Report to analyze the impact of challenging economic conditions on the project completion rate. In the study sample (320 projects), almost 90% of the decisions recorded in 2007 had been executed. The completion rate for takeovers of ailing companies was 98%.

Concurrently, the study showed that the distinction of being foreign did not protect companies investing in France against the risks inherent in starting a business and the economic climate. As such, 20% of the investment projects reported in 2007 experienced problems, and in some cases ceased trading altogether.

### DISPARITIES BETWEEN THE DATA PUBLISHED BY BUSINESS FRANCE, FDI MARKETS AND EY

The way in which information is recorded in the Annual Report makes it a uniquely reliable database offering unrivalled coverage of recorded investments compared with publications by private consulting firms, such as IBM/PLI, fDi Markets and EY.

Differences in scope and calculation methods – such as the exclusion of retail outlets, the hotel sector, takeovers of ailing sites and expansions following takeovers – offer a partial explanation of the significant disparities observed between these different data sets.

However, beyond such methodological differences, most disparities arise from the fact that numerous investment projects receive no coverage by way of a press article or press release. These projects therefore remain undetected by the business intelligence tools used by private consulting firms. However, Business France has access to this information through data shared by its overseas offices and partners in France's regions.



## INVESTMENT TYPES RECORDED IN THE ANNUAL REPORT

/ **Creations**<sup>1</sup> Jobs created at a new site.

/ **Expansions** Jobs created at a site already occupied by the company.

/ **Takeovers of ailing French companies**<sup>2</sup> Jobs maintained following the takeover by a foreign investor of an ailing company resident in France. The company's difficulties must be proven by either:

- Ongoing bankruptcy or reorganization proceedings brought before the Commercial Court;
- Financial difficulties with the tax and social security collection authorities;
- Short-term risk of site closure (i.e. no successor).

/ **Expansions following takeovers:** Jobs created or maintained by an expansion following the takeover by a foreign investor of an ailing company resident in France.

/ **Expansions following buyouts:** Jobs created following the takeover by a foreign investor of a company resident in France with no financial difficulties. The only jobs counted in the Annual Report are those arising from the expansion.

<sup>1</sup> At regional level, site creations by any firm in any sector are only counted if they do not involve net job destruction.

<sup>2</sup> Takeovers of ailing sites may result in regroupings or site transfers. The Annual Report records the jobs maintained by these transfers.

### CLASSIFICATIONS USED IN THE ANNUAL REPORT

The classifications used are designed to reflect the characteristics of the international investment market

The classification by business sector is based on a 26-item classification compatible with that used by the French National Institute for Statistics and Economic Studies INSEE (NAF 700, revision 2), but which has been adapted to the specificities of the international investment market.

Projects are categorized according to the type of goods or services that they contribute to designing, producing or distributing. These classifications evolve over time to take new market trends into account.

### Classification by business sector

- / Aerospace, naval and railway equipment
- / Agri-food, agriculture and fishing
- / Automotive industry
- / Chemicals, plastics
- / Construction, building materials
- / Consulting, engineering and business services
- / Consumer electronics
- / Education and training
- / Electrical, electronic, IT equipment
- / Electronic components
- / Energy, recycling, other concessions
- / Financial services, banking and insurance
- / Furnishings, household goods
- / Glass, ceramics, minerals, wood, paper
- / Hospitality, tourism and restaurants
- / Machinery and mechanical equipment
- / Media, publishing
- / Medical/surgical equipment and devices
- / Metals, metalworking
- / Other services
- / Perfumes, cosmetics
- / Pharmaceuticals and biotechnologies
- / Real estate and business offices
- / Software and IT services
- / Sporting, recreative activities and leisure
- / Telecoms, internet service providers
- / Textiles, industrial textiles, clothing and accessories
- / Transport, storage
- / Wholesale and retail

### Project business activity

In order to operate effectively, companies rely on various types of business activity.

Aside from manufacturing are tertiary activities such as business services and consumer services, logistics, retail outlets, headquarters, decision-making centers, and R&D/engineering.

A specific index is used in the report to categorize projects by the business activity they fulfill.

## PROJECT BUSINESS ACTIVITY

1	R&D, ENGINEERING	Site whose purpose is to advance scientific knowledge, perfect or apply new technologies or products.
2	DECISION-MAKING CENTERS	First-time investments in France and French headquarters.
3	HEADQUARTERS	Global or European Headquarters. An autonomous site that is responsible for ensuring administrative support activities within the company (human resources, accounting, etc.).
4	MANUFACTURING	Site which combines human resources, capital, goods and services to manufacture goods or provide services.
5	LOGISTICS	Site which contributes to the delivery and storage of goods.
6	BUSINESS SERVICES	Site whose purpose is to provide market services to businesses (consulting, marketing, banking services, data centers, etc.)
7	CONSUMER SERVICES	Site whose main purpose is to sell products and services to consumers (hotels, banking services).
8	RETAIL OUTLETS	All sites where goods are sold.

### THE FOLLOWING ARE NOT INCLUDED IN THE ANNUAL REPORT:

- / Temporary or seasonal jobs.
- / Jobs transferred to another location when a company relocates within France as a result of reorganizing, regrouping or restructuring its business activities.
- / Diplomatic missions, unless they are internationally mobile (an international organization's registered office, for example).

## PRODUCING THE ANNUAL REPORT

### Sources

- / Business France offices
- / Regional economic development agencies
- / France Observatory

### Cross-validation of data

#### Data processed:

- / Verification that project meets the Report's criteria
- / Additional information for some projects

### Annual Report

Regional economic development agencies and Business France validate projects

# — BUSINESS FRANCE —

## Connect – Fast-Track – Succeed

Business France supports the international development of the French economy, advancing and promoting business throughout France, and by French companies abroad.

It is a key player in fostering competitiveness, growth and employment in France, offering clear and efficient access to all corporate development stakeholders and services for all companies, irrespective of their size, sector and nationality.

From exports to investments through to multinational partnerships, from identifying contacts and making connections to providing peace of mind, Business France supports French and multinational companies throughout the lifetime of their projects, and is driven by an efficient, result-oriented working culture.

Thanks to its extensive network and dynamic team of 1,500 professionals, both in France and in 70 countries throughout the world, Business France is involved not only in getting projects off the ground but also in following up and ensuring their long-term success.

With specialisms in different areas of expertise and business sectors, Business France personnel are highly committed and passionate about their work, serving not only individual companies but France as a whole.

*"Founded to serve companies and the nation as a whole, Business France sends out a loud, clear message about the open nature of the French economy. Our agency operates where it counts, pulling out all the stops for businesses to grow and succeed, both in France and abroad."*

### OUR MISSIONS

- / Supporting the international development of businesses set up in France – mid-size companies and SMEs in particular – and their exports to foreign markets.
- / Promoting and facilitating foreign investment in France.
- / Promoting France's companies, business image and nationwide attractiveness as an investment location.
- / Running, promoting and developing the VIE international internship program, thereby enhancing the training received by young French professionals through international experience.



## OUR COMMITMENT

Being able to count on the people supporting and guiding you on the ground to bring your plans to fruition is key to the success of any project. This is the role played by Business France, whose personnel will do all they can to help make your ideas reality.

Business France provides end-to-end support and can stand by you every step of the way, offering legal and tax advice, help with administrative formalities, and guidance in choosing a market or investment location.

Business France and its partners have a wide array of resources at their disposal. We can provide you with a dedicated team to harness all the necessary expertise and solutions to build your international projects stage by stage and oversee their development in the long term.

Standing firmly by your side, Business France's comprehensive network, spanning 70 of the world's largest countries, can get to the heart of your requirements. You can also depend on a focused personal contact among the personnel who staff Business France's 92 offices worldwide.

## OUR PRIORITY

### **Simplifying and fast-tracking project delivery**

Business France offers a holistic approach to your international business project, from decision-making and market analysis to successful completion.

We can provide advice in line with your project's strategic, sector-based and human specificities.

Business France is ready to be your partner of choice, an

interface for all the data you need to deliver your project. From the moment you first make contact, you can ask Business France to serve as your single port of call.

### **Calling upon Business France gives you access to:**

/ The number-one provider of customized services for French and foreign businesses, supporting them and the success of their international projects from start to finish.

/ Objective and detailed market analysis, macroeconomic analysis, benchmarks, observatories, maps, etc. We provide you with all the tools you need to make the best choice.

/ Support and expertise from a partner network of international development experts and a fully-fledged community of stakeholders, including chambers of commerce in France and abroad, Bpifrance, Coface and France's foreign trade advisors (CCEF), as well as banks, auditing firms, expert consultants, transport companies, lawyers, etc.

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

Responsible for fostering export growth by French businesses, as well as promoting and facilitating international investment in France.

It promotes France's companies, business image and nationwide attractiveness as an investment location, and also runs the VIE international internship program.

Business France has 1,500 personnel, both in France and in 55 countries throughout the world, who work with a network of partners.

Since January 2019, as part of the reform of the state support system for exports, Business France has given private partners responsibility for supporting French SMEs and mid-size companies in the following markets: Belgium, Hungary, Morocco, Norway, the Philippines and Singapore.

For further information, please visit: [www.businessfrance.fr](http://www.businessfrance.fr)

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