



Invest in France Agency

Expect more from France

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investinfrance.org





Invest In France Agency - Index

- **Invest in France mission and services**
- **Direct Investments in France**
- **New measures**
- **Myth & Reality**

Invest in France Presentation

Invest in France Agency (IFA) is a national body created by the French government to **support and facilitate direct foreign investments**



Our mission is to:

- **Help Foreign Businesses in France**

The IFA supports and facilitates direct foreign investments in France, providing assistance at every stage of the investment process. The IFA works closely with 23 French regions to act as your main contact, providing legal and tax advice and help during the set up process and after-care service.

- **Recommend to the Government Measures Designed to Boost the Attractiveness of France**

The IFA listens to foreign investors in France and relays any proposals to the French government

- **Promote and Improve France's Business Climate**

To improve the attractiveness of France for international investors is a priority for the French government. This commitment has led to the creation of organizations responsible for advising and making recommendations, and also a significant number of specific measures.

Invest in France Presentation

1963: creation of the DATAR : the French Government body in charge of regional development was born

1969: first overseas bureau in New York – Invest in France Agency (IFA)

1972: European posts were inaugurated in London, Stockholm and Frankfurt

1992: creation of Invest in France Network (IFN), a coalition of regional development organizations, leading industrial corporations, financial institutions and consultants.

1992: creation of the International Investment Department (DII) by the Ministry of Economy to conduct and coordinate activities to promote France.

2001: merger of IFA, IFN and DII to create the sole national agency for international investment in France



Invest in France Presentation

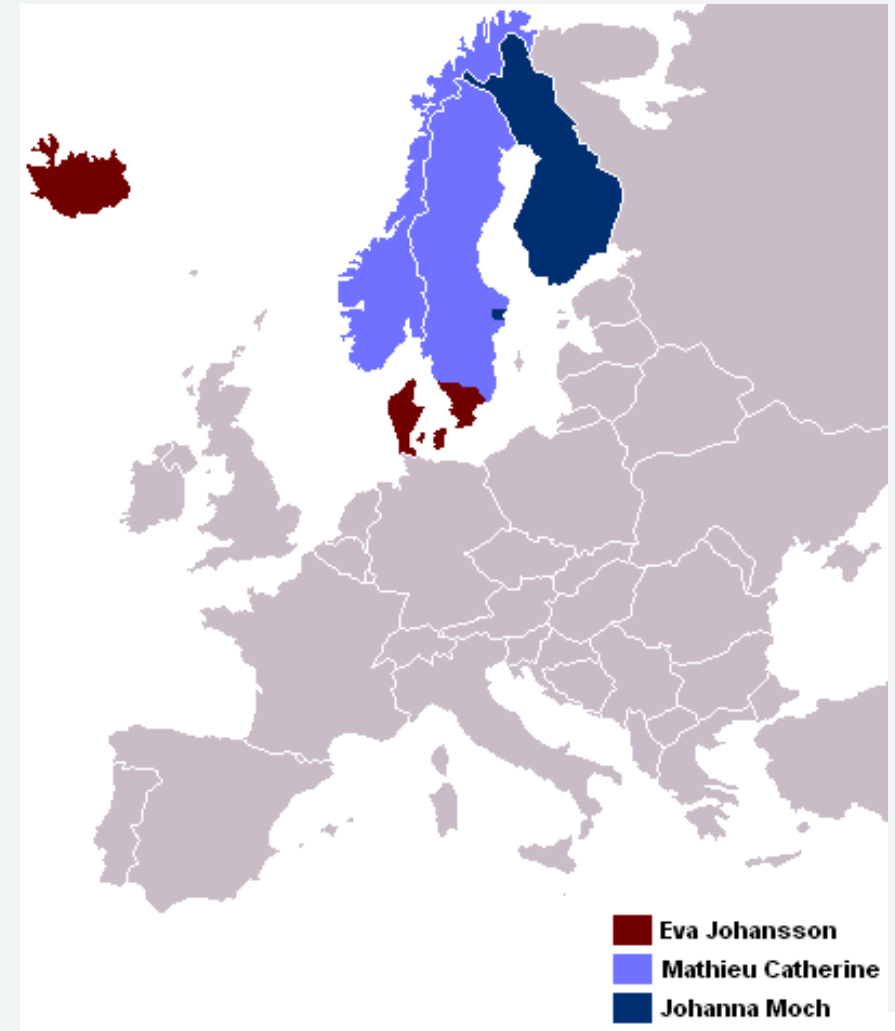


Invest in France Agency (IFA) has over **160 staff members** including the head office in Paris, 22 offices worldwide and 5 correspondents, all working towards making France Europe's leading destination for international investment.

Invest in France Presentation

Since 1972 we have been operating in the Nordic Countries. We are currently present in **Denmark, Finland, Iceland, Norway and Sweden.**

We are a team of 6 people, located at Kungsgatan 58 in Stockholm **dedicated to provide Nordic companies** with assistance and support for the French market.



Invest in France Presentation

A total of **400 people** help us deliver any information companies need on doing business according to specific requirements.

With **23 regional partners** created by the regional authorities



Invest in France services

Creation of new operations in France (production, logistics, R&D, sales, etc.)

- Comprehensive information on business opportunities in France, key business sectors
- Tailor-made information and practical advice on how to proceed when setting up a business in France
- Comprehensive information on human resources, industry and service facilities in every part of France
- Finding suitable real estate for company's office, production plant or warehouse
- Assistance in finding and arranging visits to the most suitable locations in France
- Support for expatriates and their families
- Design the fiscal and financial incentives package

Invest in France services

Extension of existing operations in France

- Up-to-date information on French corporate tax system, labour legislation and government aid
- Negotiating the best business conditions with local authorities and utility providers
- Design the fiscal and financial incentives package
- Support in case of downsizing of sites

Invest in France services

Business take-over in France

- Support in finding companies for possible acquisitions, take-overs, joint ventures or other forms of cooperation
- Fiscal and juridical advice
- Contact with local and national authorities
- Design the fiscal and financial incentives package

Our partners

Establishment services

➔ Scandi Bureau



Recruitment services

➔ HeadLight International



Other partners and services

➔ Franska Institutet

➔ French Swedish Chamber of Commerce

➔ Exportrådet

➔ Svenska Klubben





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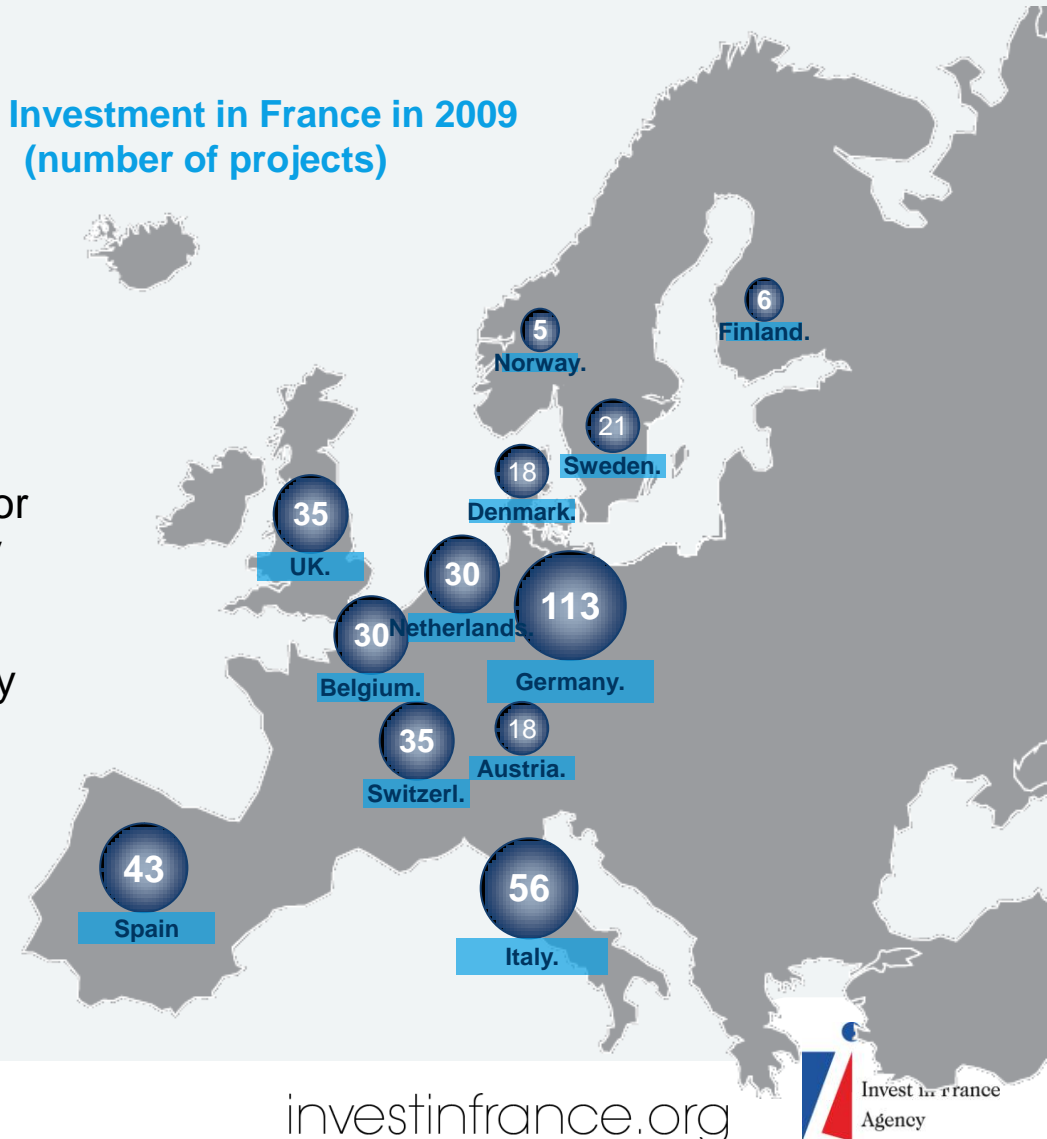
Direct Investments in France in 2009

Direct Investment in France in 2009
(number of projects)

Despite of the crisis in 2009 **the number of foreign investment projects remains stable (639 in 2009 compared to 641 in 2008).**

These investments will enable 29,889 jobs to be created or maintained (versus 31,932 jobs in 2008), which is broadly in line with the annual average since 2000 (30,400).

The main investment countries are Germany, the US, Italy and Spain. Those 4 countries stand for 50% of the investments.

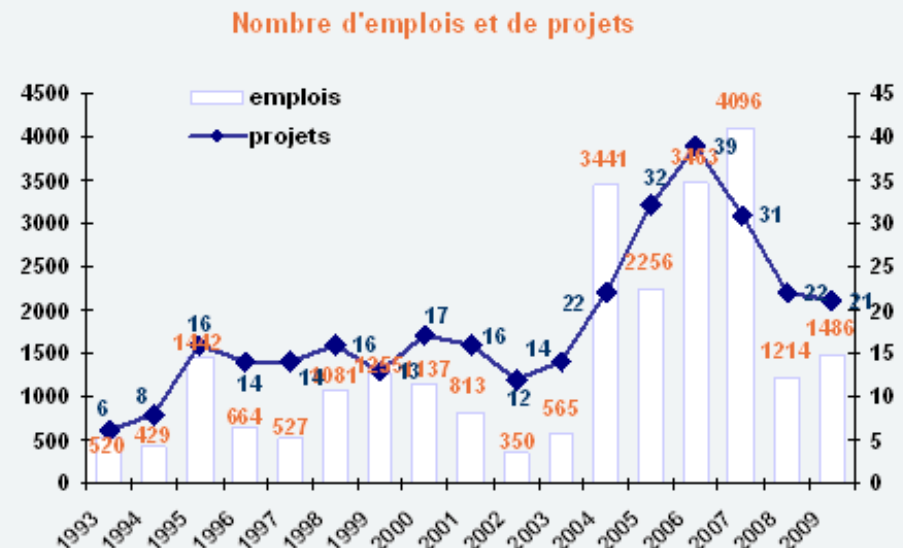


Swedish Direct Investments in France

Sweden has been the **fourth largest foreign investor in France since 2004**. In 2007, Sweden reached an all-time record in terms of jobs created and maintained when it became France's second largest foreign investor, exceeding the 4,000 jobs mark for the first time. **However we have noticed a decrease since then.**

Number of projects and employments since 1993

Since 1993, Swedish companies have carried out **313 investment projects in France** (average of 18 projects per year) **creating or consolidating 24739 jobs in France** (an average of 1445 jobs per year).



Swedish investments in France

Swedish employers in France from the area



KANTHAL



Source : Invest in France ; radius 100 km from Örebro



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New measures from the French Government

More flexibility in France

■ More flexible working hours (since 2007)

- Working hours are negotiated in each company
- Time worked over 35 hours is overtime, paid at higher hourly rates of 25% for the first 8 overtime hours and/or entitling the worker to additional days off in lieu
- Maximum of 48 hours a week (cf. European Union regulations)

■ More flexible labor laws (since 2008 & 2009)

- Extended employee trial periods
- Introduction of a new form of short-term contract (from 18 to 36 months maximum)
- Introduction of a new form of contract termination (mutual consent)
- Simplified and more flexible regulations governing Sunday business opening

■ Modified trade union laws (since 2008)

- Trade unions need 10% of the total vote to be representative
- Trade unions need 30% of the total vote to sign an agreement



New measures from the French Government

An attractive tax system which encourage investment

- **Abolition of local business tax on productive investments** as of January 1, 2010 (generating €6.3 billion annual tax cut for businesses; tax relief will amount to €12.3 billion in 2010). In practical terms, **this will lower the cost of productive investments made over 10 years by more than 20%.**
- **The most attractive Research Tax Credit in Europe**
- **Favorable tax regime for expatriates:** exemption from income tax on up to 50% of total remuneration
- **Boost for international cinema productions produced in France:** 20% of production costs refunded in the form of a research tax credit or rebate



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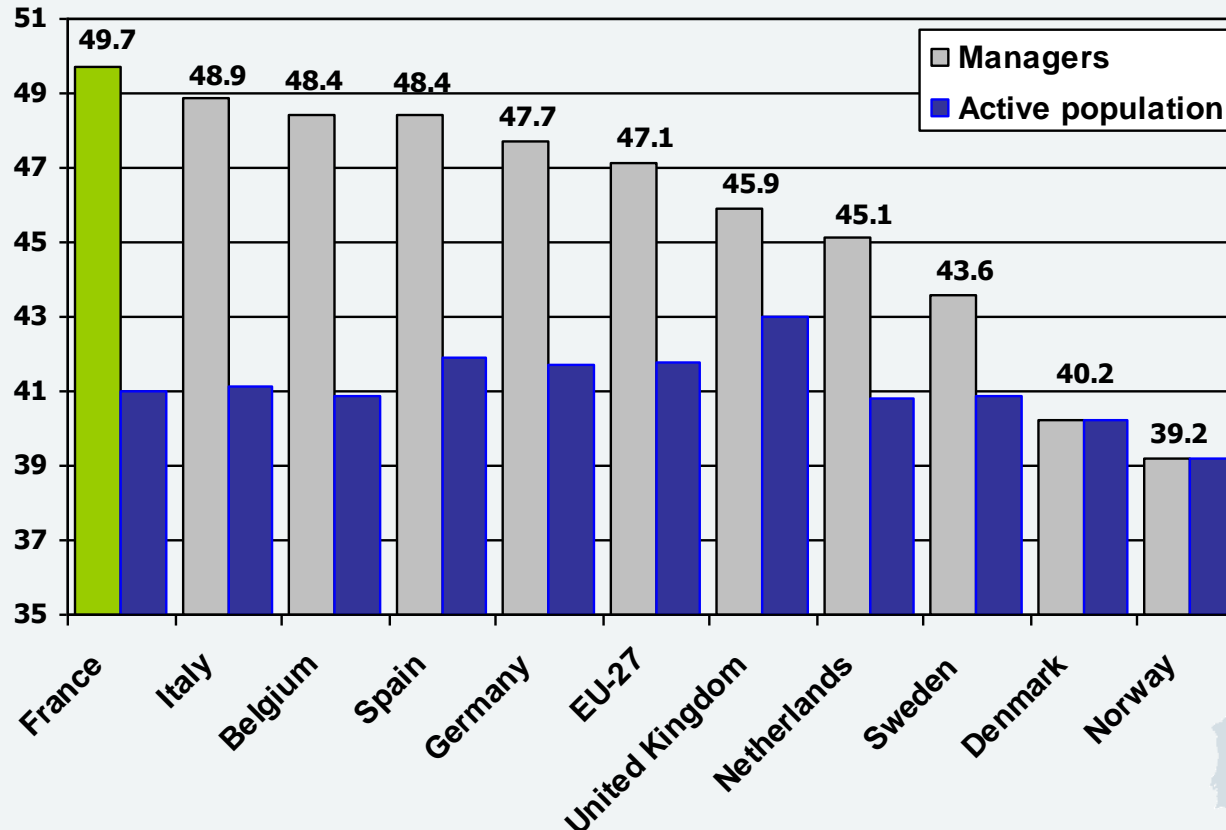
Myth & Reality about France

The French are lazy



Myth & Reality about France

French managers work longer hours than their European counterparts (nearly 50 hours a week)



Myth & Reality about France

The French don't speak English



Myth & Reality about France

More than 80% of the Swedes and the Danes are able to speak a “fluent” English according to the European Commission. Even if the Figure for Norway is not included, a good estimation would be to say that the percentage would be at the same level

The three most widely known languages in each country in 2005
(a total of 29328 people aged 15 years and over were interviewed)

DE	FR	UK	SE	ES	DK	FI	IT	CZ	HU	PO
English (56%)	English (36%)	French (23%)	English (89%)	English (27%)	English (86%)	English (60%)	English (29%)	German (28%)	German (25%)	English (29%)
French (15%)	Spanish (13%)	German (9%)	German (30%)	French (12%)	German (58%)	Swedish (38%)	French (14%)	English (24%)	English (23%)	Russian (26%)
Data non available	German (8%)	Spanish (8%)	French (11%)	non available	French (12%)	German (17%)	Other (6%)	Russian (20%)	Other (11%)	German (19%)

Myth & Reality about France

France is expensive



Some of the most cost-effective locations in Europe

France offers particularly attractive payroll, real estate and electricity costs compared to its leading Western European rivals.

Electricity rates for manufacturers in 2008 (€/kWh inc. VAT)

Germany: 0.13

UK: 0.12

France: 0.07

Consumption between 2,000 and 20,000 MWh

Source: Eurostat, July 2009

Gross payroll costs in 2008

(inc. all social security contributions, € per year)

	<i>Director</i>	<i>R&D Engineer</i>	<i>Skilled Worker</i>
GERMANY	€187,380	€62,710	€41,665
FRANCE	€173,280	€47,370	€30,650
UK	€139,950	€31,250	€17,970

Source: fDi Benchmark/FT 2009

Prime office rents in 2009 (m²/an)

London (centre): €988

Paris (centre): €720

Frankfurt: €438

Lyon: €230

Source: Atisreal, *Europe Quarterly* 2009 T1

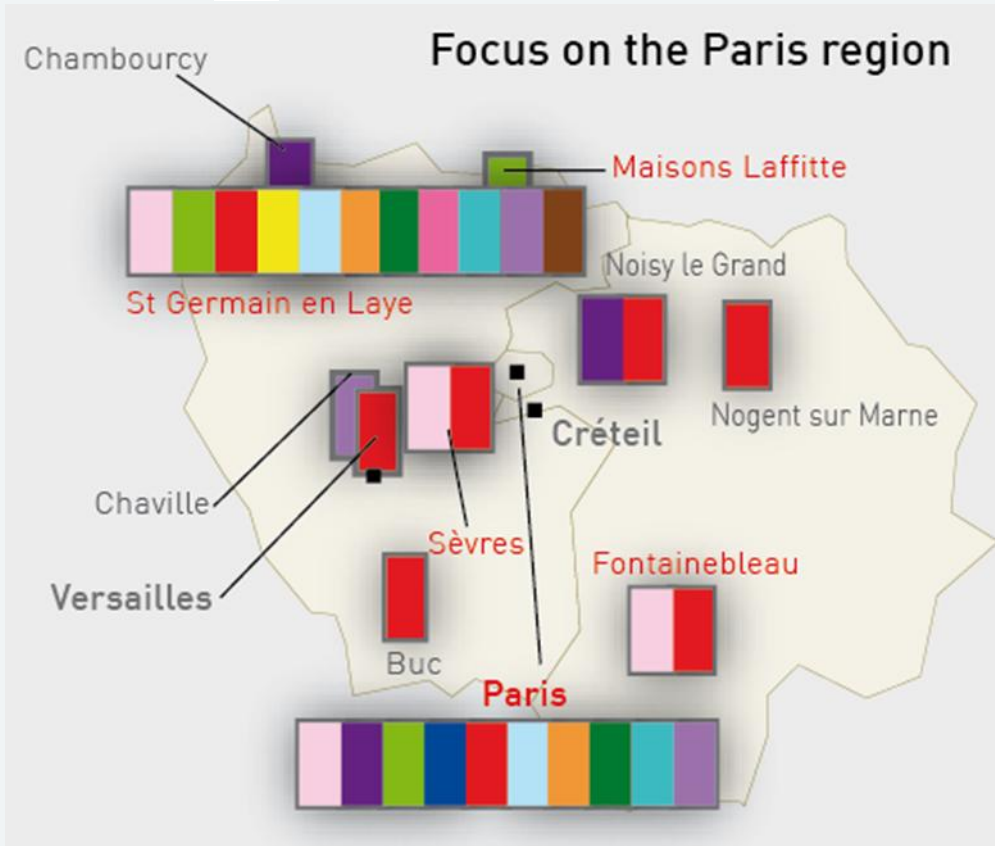
Myth & Reality about France

Investors are fleeing France ?



Is Paris as international as London or New York?

- **After Tokyo**, but ahead of Beijing and New York, **Paris hosts more head offices** of Fortune Global 500 companies than any other city in the world ;
- 28 million tourists visited Paris in 2008 ;
- 39.2% of the equity of companies listed in the CAC 40 is under foreign ownership.
- Large number of international sections at schools in the Ile-de-France region ;



Myth & Reality about France

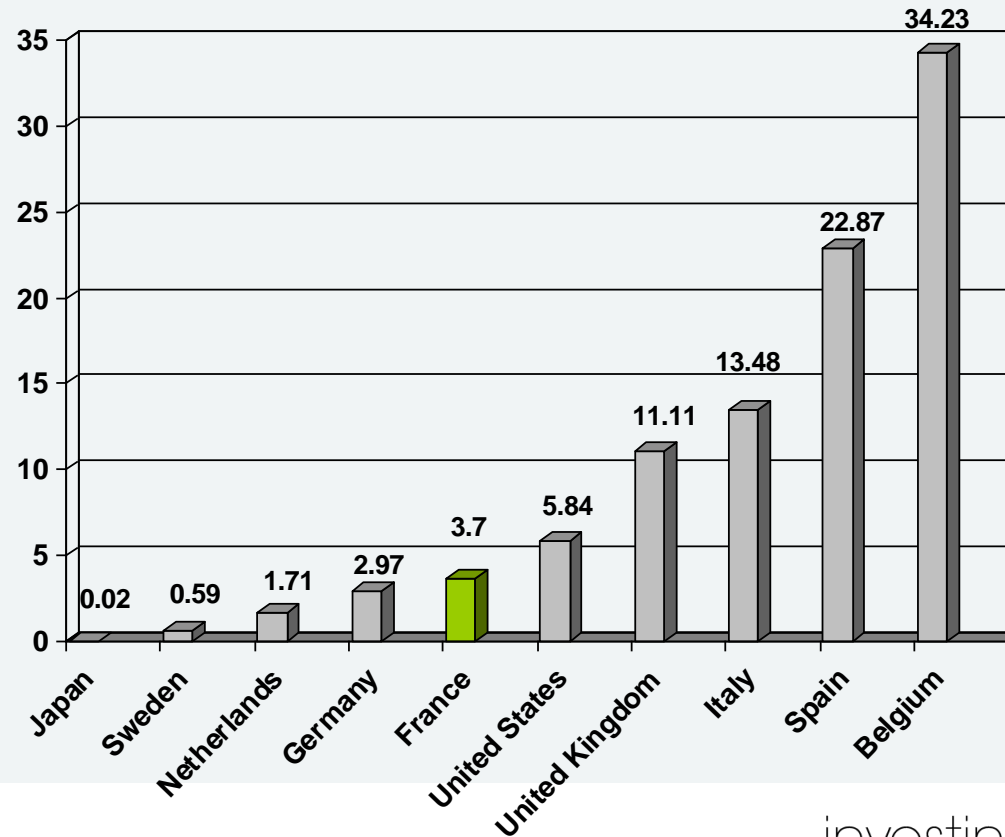
The French are always on strike



Myth & Reality about France

Comparatively few days lost to strike action in the private sector in France.

Average number of working days lost every year to strike action* per 1000 inhabitants (2005-2007)



Myth & Reality about France

How come a country with 350 sorts of cheeses can succeed in the 21st century ?



France offers a diverse and robust economy

- the Agri-food industry,
- the Pharmaceutical industry,
- the Aerospace industry...

...are the largest in Europe.

Source: Ania (2009) - LEEM (2009) - GIFAS (2009)

- the Chemical Industry,
- the Automotive industry,
- the Financial sector...

...are the 2nd largest in Europe.

Source: UIC (2009) - Sessi (2009) - PE (2009)

- The IT sector is the 3rd largest in Europe.

Source: EITO (2009)

17 of the world's top
200 companies are
French





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