



# DOING BUSINESS IN FRANCE

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## Market profile

France is a member of the European Union (EU) and is subject to EU trade regulatory requirements.

## Economy and business structure

France is the 7th largest economy in the world and the 2nd largest in the EU. France is the 7th exporter of goods and the 4th exporter of services in the world. As an open economy, France is the most attractive country for foreign investments in Europe. Almost 17 000 foreign companies have subsidiaries in France.

France has the third largest area in Europe. In addition to the metropolitan area, France has four overseas territories: Guadeloupe, Guyana, Martinique and Réunion.

## Key industries and their trends

**Digitalization, IoT, AI, cybersecurity, 5G and quantum computing** are all current hot topics in France. They are themes that concern widely different sectors of activity.

**Green transition, Sustainability & Circular Economy** are themes that touch the vast majority of French industries. The French government is committed to its objective to cut France's CO2 emissions by 40% by 2030. Amongst other objectives, the national recovery plan includes a € 30 bn investment in green transition out of which € 2 bn is aimed to fund the development of hydrogen industry.

**Relocation** became a current topic due to the problems in global supply chains highlighted by the Covid-19 crisis. The national recovery plan dedicates € 1 bn to industrial relocation projects and there is currently an increase in investments in industrial projects that take place in France.

**Key industries in France:** Aerospace; Automotive; Chemical; Financial Services; Food & Beverage; Healthcare; Fintech; Design.

## Important things to consider when doing business in FRANCE

Knowledge of the French language is definitely an advantage when doing business in France. However, not knowing how to speak French is not anymore an obstacle for entering the market; English has become a common language in the business world, but there are differences between industries. It still remains important to hire a native French speaker to the local team. In France, it is important to provide information and materials in French.

### FACTS

- Merchandise exports: 2.7 BEUR
- Service exports: 830 MEUR
- Capital: Paris
- Official language: French
- Area: 543 940 sq km
- Population: 68 million

French business culture is rather hierarchical. With business partners, it is important to address them correctly and use the pronoun "vous" instead of "tu". It is also good to note that business correspondence is a lot more formal than in Finland. With start-ups, correspondence is usually more casual.

### **Establishing a business in France**

When starting a business in France, it is important to choose the right legal structure and tax regime for your company. A French bank account is essential for establishing a business in France and consider that opening a bank account might take up to two months.

[Regional development organisations](#) such as [Choose Paris Region](#) can help foreign companies to set-up their business in France.

For more information about establishing a business, please contact Business Finland in Paris

## **Market data sources and other useful links**

- [French-Finnish Chamber of Commerce](#)
- [French Chambers of Commerce and Industry](#)
- [The French Association of Competitiveness Clusters](#)