

Press release

France, European champion for economic attractiveness for the fifth consecutive year

Paris, May 2, 2024 – EY today publishes its 2024 France Attractiveness Survey. This survey, updated every year, lists foreign investment projects in Europe and focuses on the perception of France among economic decision-makers. It therefore assesses real and perceived economic attractiveness, comparing the main European countries.

Against a backdrop of declining investment decisions in Europe (-23% in the European Union according to the latest UNCTAD data), France has managed to maintain investor confidence and retain its **top place in the European attractiveness rankings for the fifth consecutive year**, with 1,194 projects identified. The United Kingdom (985 projects) and Germany (733 projects) completed the podium. **France was the recipient of 21% of foreign investments destined for Europe in 2023, compared with 18.7% in 2019.** It therefore attracted a larger share of foreign direct investments than in 2019.

The large number of expansions in France (64%) is proof of renewed confidence in France as an investment destination and must be regarded as a real competitive advantage. This significant share is directly linked to the high number of industrial projects identified in our country.

France remains the most attractive country for industrial investment in Europe, with 530 projects recorded, a leading position it has held for more than 20 years. It is also ranked **first in Europe for the number of factories created or expanded and for the number of jobs generated at manufacturing sites.**

France has adopted an ambitious industrial strategy, which ranges from the significant reduction in implementation times permitted by the Green Industry Act, to huge investment in skills and the structuring of real sectors. All these measures make France competitive and an attractive destination for industrial projects.

France has retained its title of champion of innovation in Europe, with 123 projects identified in 2023 in R&D. The clear and ambitious vision conveyed through the "France 2030" plan serves as a real comparative advantage in the face of increased global competition. It provides clear answers and perspectives to investors, thereby establishing innovation over the long term. It is therefore important to emphasize that France is the leading destination in Europe for foreign investment in artificial

intelligence, with 17 projects identified in 2023, ahead of both the United Kingdom (12 projects) and Germany (nine projects).

Five French regions (Ile de France (Paris region), Auvergne-Rhône-Alpes, Grand Est, Hauts de France and Occitanie) are among the fifteen most attractive regions in Europe in terms of the number of foreign investment projects. This illustrates the ability of France's regions to attract foreign investors and not only in large cities. In 2023, nearly one in two foreign investment projects concerned rural areas or medium-sized towns. Throughout France, foreign investors are participating in the revitalization of our regions by creating value added and jobs.

The perception survey, which completes the EY survey, indicates that **76% of the executives polled say they are more confident about France's ability to maintain or even increase its attractiveness** (versus 53% in 2023). This clear increase reflects a notable change in the overall perception of France as a destination for investment and economic development. The French economy appears more attractive in the eyes of the world, which could encourage more foreign investment to choose France.

"I am very pleased to see, for the fifth consecutive year, France recognized as the most attractive country in Europe for foreign investment. This outcome was not achieved by chance: the reforms undertaken since 2017 on the initiative of the President of the French Republic are producing long-term results for the benefit of growth and employment in our regions. We are continuing our momentum for reforms, whether in favor of fiscal stability, the excellence of our talent, support for research and innovation, or the simplification of administrative procedures," said Franck Riester, Minister Delegate for Foreign Trade, Economic Attractiveness, French-Speaking Communities and French Nationals Abroad.

"France is continuing its re-industrialization efforts, it is strengthening and modernizing its economy, and investors have clearly understood this. These results are consistent with those recorded by Business France in terms of foreign investment. The reforms carried out to promote economic activity in our country are proving successful and convincing investors to choose France as a destination for their European operations. In 2023, 58% of projects received tailor-made support from Business France. This represents 67% of jobs created or maintained in France," explained Laurent Saint-Martin, Chief Executive Officer at Business France.

"We are proud to contribute to the attractiveness of France as a land of innovation. Foreign investors recognize the quality of our talent, our infrastructure and our innovative ecosystem, particularly in the field of artificial intelligence, where France has positioned itself as a European leader. Thanks to our tailor-made support, we help them to carry out their projects and to become part of a dynamic of sustainable and responsible growth," said Pascal Cagni, Chairman of Business France and Ambassador for International Investment.

About Business France

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 more than 1,400 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-sector partners responsibility for supporting French SMEs and mid-size companies in the following markets: Belgium, Hungary, Morocco, Norway, the Philippines and Singapore.

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