

Press Release

France: A new El Dorado for entrepreneurs

Paris, February 8, 2018. The inaugural edition of the “Entrepreneurship Scoreboard” published today provides **analysis of entrepreneurial trends in France in comparison with other OECD countries**, illustrating business development and growth based on specific performance indicators. France has become one of the most entrepreneurial players on the international business stage over the last quarter-century, and is now the leading source of startups in Europe.

At a recent government-business summit at the Palace of Versailles on January 22, no fewer than 140 foreign chief executives reaffirmed their confidence in France, announcing nearly €3.5 billion in investments and pointing to the presence of large talent pools and a generation of innovative, forward-looking entrepreneurs whose aspirations are unrivalled in Europe. France’s attractiveness as a business location is on the up, reflected not only by numerous opinion polls, but also in the economic indicators that Business France follows closely.

The Entrepreneurship Scoreboard highlights the positive trends identified by various observers, providing **objective insight into the cultural shift underway in France through data analysis and corporate success stories** from leading multinationals (such as Bénéteau, Armor, Nutriset, and Toyota) that have made international expansion a key part of their strategies to develop, diversify and stay competitive.

Business trends

France is **one of the leading OECD countries for enterprise creation, with an unprecedented 591,000 businesses founded in 2017, up 6.7% from 2016**. Turning conventional wisdom about the country on its head, the longevity of French businesses emerges as a key indicator of the robust nature of entrepreneurship in France. Moreover, France’s **enterprise death rate in 2015 was only 5.3%**, one of the lowest figures in Europe, with bankruptcies in 2016 down 8% year-on-year.

Business finance

Market-based finance costs in France are also at an exceptionally low level for non-financial corporations, with **interest rates on corporate bonds falling to a record low in August 2016 (0.6%)**, before stabilizing in 2017 at 0.8%.

In 2017, EY’s most recent venture capital survey found that France was the **second leading country in Europe for the number and value of venture capital deals** secured by startups, with a 19% average annual increase in funds raised over three years. This trend reflects the confidence of the financial sector in French startups, which are now increasingly going global. In these cases, once again, a new, more adventurous, less inhibited development model is emerging.

International business development

According to Eurostat, France was **Europe’s leading host country for foreign subsidiaries** in 2015, with **more than 28,000**, compared with 27,700 in Germany and 22,200 in the United Kingdom. French businesses also have a greater international presence than any of their European counterparts, with more than **39,000 foreign subsidiaries** in 2014, ahead of Germany (27,600) and Italy (22,400).

“With the number of firms created and the rate of enterprise creation among the highest in Europe – and the business failure rate among the lowest – France’s entrepreneurial momentum, as demonstrated through this Scoreboard, continues to go from strength to strength. What’s more, various surveys have revealed a sea change in the French psyche, with entrepreneurs becoming creators of the future. We need to build on such positive energy in our international promotion of this new look to business in France,” said Christophe Lecourtier, CEO of 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 1,500 personnel, both in France and in 64 countries throughout the world, who work with a network of public- and private-sector partners.

For further information, please visit: www.businessfrance.fr

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