

FINTECH IN FRANCE

KEY INFO IN

10

POINTS

1

▶ A VIBRANT FINANCIAL SECTOR

With more than 800,000 direct and 400,000 indirect jobs, the financial industry is at the heart of the French economy. Finance accounts for over 4% of France's GDP, and is the third-largest sector by employment in Ile de France (Paris region). France has nearly 750 FinTech firms, which combine finance with technology. (Paris Europlace)

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▶ FINANCIAL SERVICES, SIMPLIFIED

FinTech firms use technology to rethink financial and banking services. Among customers who choose to use FinTechs, 43.4% do so for ease of account-opening, 15.4% for incentive rates and fees, and 12.4% for access to various products and services. (Ecoreuil.fr survey)

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▶ FRANCE: INVESTING IN FINTECHS

France is the leading major European country for the use of online banking services (Banque de France). In France, investment in FinTechs has surged by more than 750%, rising from €19 million in 2014 to €167 million in 2015. (Accenture)

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▶ A FAVORABLE ECOSYSTEM

In 2015, Truffle Capital, a leading manager of innovation investment funds, launched France's first FinTech incubator. Meanwhile, France FinTech, launched in 2016, brings together 60 stakeholders in the sector. The French Prudential Supervisory Authority (ACPR) and the French Financial Markets Authority (AMF) have set up a specific one-stop shop for FinTechs.

5 ▶ DYNAMIC STARTUPS

French FinTech firms raised significant funding in 2016. SME loan crowdfunding platform Lendix raised €12 million, KissKissBankBank €5.3 million, Ulule €5 million, Tiller €4 million and Wynd €30 million. Compte Nickel has developed a bankless, no-overdraft account that takes five minutes to open at a newsagents; the startup, valued at €200 million, was acquired by BNP Paribas in 2017.

6 ▶ FINTECHS STAND OUT FROM THE PACK

In France, FinTechs stand out in four sectors: electronic payments and money, with 24 payment institutions licensed by the ACPR and six electronic money institutions; budget management and savings tools, including robo-advisors; crowdfunding, with nearly 90 registered platforms; and day-to-day banking services, such as Compte Nickel. (Xerfi, 2016)

7 ▶ A HOST OF FLEDGLING FRENCH FIRMS

France's FinTech sector has dozens of promising startups. These fledgling companies offer a variety of services: asset management (Advize, The Assets); bitcoin (Paymium, Utocat), crowdlending (Younited Credit, Lendosphere.com, Prexem); crowd equity (Anaxago, Wisseed); advice (Fundshop, Alphametry); cash management (Bankin', Kyriba); and payments (Leetchi, Payname).

8 ▶ INNOVATIVE ENTREPRENEURS

The 2016 international report on the top 100 most innovative FinTechs, published by KPMG and H2 Ventures, includes three French FinTechs: online lending platform Lendix; online money pot Leetchi; and insurance management application Fluo.


9 ▶ FRANCE ATTRACTS FOREIGN FINTECHS

Foreign FinTechs are setting up in France. One example is UK startup SETL, which has developed a private blockchain network that can move billions of real financial products each day.



▶ KEY FINTECH EVENTS

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There are an increasing number of events in France for FinTechs. In January 2017, the Paris FinTech Forum – the international digital finance and FinTech event – brought together 2,000 participants. In March, 1,000 people attended the FinTech Revolution, the France FinTech event, in Paris. Its goal is to demonstrate that FinTechs are now fully-fledged players in the financial ecosystem.

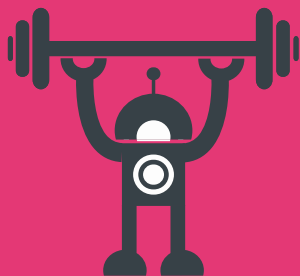


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€2 MORE THAN
billion

**RAISED IN VENTURE CAPITAL
IN 2016 BY STARTUPS
IN FRANCE**

(EY)



ONLY

3.5

**DAYS REQUIRED IN 2016
TO FOUND A COMPANY IN FRANCE**

(WORLD BANK, DOING BUSINESS, 2017)



FRANCE: 1st
IN EUROPE FOR THE NUMBER
OF FAST-GROWING COMPANIES
IN THE TECHNOLOGY SECTOR

**(FT 1,000: EUROPE'S FASTEST
GROWING COMPANIES)**



+750%

**SURGE IN INVESTMENT
IN FINTECHS IN FRANCE
(2014-2015)**

(ACCENTURE)