



Choose FranceTM

Attractiveness,
a major driver
for France's
reindustrialization

PRESS RELEASE
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Attractiveness, a major driver for France's reindustrialization

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French territories and investors at the heart of France's attractiveness

THE PRESIDENT OF THE FRENCH REPUBLIC ANNOUNCES TWO NEW MAJOR INDUSTRIAL INVESTMENTS IN FRANCE BY BASF AND EASTMAN.

The President of the French Republic has made regional attractiveness and reindustrialization a high-priority marker of France's economic strategy.

Due to the current health situation, the 2022 summit cannot take place in person. However, the French President and the Government remain fully committed to securing and facilitating the planned new investments.

During a visit to the Chalampé chemical platform in Haut-Rhin on 17 January 2022, French President Emmanuel Macron will promote a new investment by German company **BASF**, the world's leading chemical company, to build a new plant to produce hexamethylenediamine (HMD), used in the manufacture of nylon. The plant, which will have a production capacity of 170 kt per year, will receive an investment of approximately €300 million, creating around fifty permanent jobs and almost 500 jobs for its construction. This new plant should allow France to achieve a production capacity of HMD of 350 kt/year, representing 65% of European production and 17% of world production. It will position Chalampé as the main European platform for polyamide 6.6 (nylon) production.

The President of France will also receive the CEO of US company **Eastman** at the Elysée, who will announce a significant investment to open a PET plastic chemical recycling plant in France by 2025, representing a total of €850 million and creating nearly 350 jobs. This investment is in line with the waste management strategy of the France 2030 plan, enabling France to meet its plastic recycling targets.

Six Government ministers will be present in the regions on 17 January, highlighting the importance of foreign investment for the regional economic fabric.



Tangible benefits for the economy and employment

ANNOUNCEMENTS FOR 2022: 21 PROJECTS, MORE THAN €4 BILLION IN INVESTMENT AND 10,000 JOBS CREATED THROUGHOUT FRANCE

21 foreign firms are announcing more than €4 billion in investment resulting in the creation of more than 10,000 jobs and over 16,000 temporary jobs.

– **Projects showing the contribution of foreign investors to France's reindustrialisation, especially in strategic sectors (health, ecological transition)** with a major industrial project in Chalampé (Grand-Est), where **BASF** (Germany) will open a 170 kt capacity plant to manufacture HMD, a plastic precursor used in mobility technologies (estimated investment of €300M including R&D and the creation of 60 jobs). In the recycling industry, **EASTMAN** (United States) will commission an industrial scale PET chemical recycling plant (€850M, 350 jobs) and **LOOP INDUSTRY** will build a PET chemical recycling plant in a joint venture with **Suez** (€250 million, 180 jobs). **COLLINS AEROSPACE, RAYTHEON TECHNOLOGIES Corp.** (United States), a leader in technological solutions for aeronautics, spatial and defence sectors, will announce a €30.2 million investment plan in 2022 in green airplanes and in the relocation the manufacturing of critical parts as well as of avionics equipment maintenance chains.

There are several health-related projects, with the announcement by **PFIZER** (United States) of an industrial subcontracting project with Novasep to produce a treatment for Covid-19 and investments in cutting-edge research, in particular in support of French biotech companies (more than €520 million); the investment by **GSK** (United Kingdom) of €118 million across three sites – including €45 million to digitize its vaccine production plant in Saint-Amand-les-Eaux (Hauts-de-France) and €45 million to reduce the carbon footprint of the Evreux site (Normandy). **MERCK** (Germany), the German top company in science and technologies, speeds up the development of its biomanufacturing sites with 500 hiring in Molsheim (Grand Est) and 100 new jobs in Martillac (Nouvelle Aquitaine). The group confirms France's core role as a hub for the production of monoclonal antibodies and products essential for manufacturing vaccines and therapies. **DEDALUS** (Italy), European leader and key global company in eHealth plans to recruit 200 highly qualified employees, mainly in computer engineering in Nouvelle Aquitaine and Ile-de-France

– **Projects showing renewed confidence in the potential of the French market**, such as the investment by **MARS** (United States) of €85 million (70 jobs) to increase its pet food production at its Saint-Denis-de-l'Hôtel site (Centre Val de Loire) and to upgrade (€53 million) its other French sites (Haguenau, Chateaudun, Aimargues, Cambrai, Steinbourg and Ernolseim).

Several companies have recognized the dynamism of the French economy, such as **IKEA** (Sweden), which is strengthening its expansion in France (€650 million over 3 years) with investments focusing on the circular economy and sustainable transport. Similarly, **ALSEA** (Mexico) plans to invest €80 million between 2022 and 2026 to promote the expansion of the Starbucks France brand throughout mainland France (1,500 new jobs) and €20 million in its franchise network and in strategic partnerships. **ENTERPRISE** (United States) has announced the opening of 20 new offices in 2022 (creation of 40 to 60 jobs). **MANPOWER** (United States) plans to recruit 16,000 new temporary workers and Experis, a ManpowerGroup brand specialising in corporate digital transformation, has announced the creation of 600 jobs. **GETIR** (Turkey), a pioneer in ultrafast grocery delivery, plans to invest in a nationwide network of convenience stores in France, creating over 5,000 new jobs. **ACCENTURE** (Ireland) plans to recruit more than 2,000 people in 2022, 50% of whom will be based outside of Ile-de-France (Clermont-Ferrand, Lille, Nantes, Sophia-Antipolis and Toulouse), and will continue its policy of acquisition (AFD.TECH) and support for innovation. **EQUINIX** (United States) will open its tenth datacenter in Saint-Denis (Ile-de-France) in June 2022 as part of a €750 million investment over three years, creating 165 jobs. The agri-food group **FERRERO** (Italy) will invest €36 million over the next 18 months in the digitalization and modernization of the production lines of its factory in Villers-Ecalles (Normandy).

– **Projects demonstrating France's strong position in new technologies and projects capable of developing breakthrough technological solutions**, such as the strategic R&D partnership (€51 million) between the biotechnology company **BIOGEN** (United States) and French start-up Thérapanacéa, which aims to establish seven neuroscience research programmes to develop artificial intelligence and machine learning algorithms for analysing brain scans. **CISCO** (United States) plans to invest in providing support to regional French companies (€50 million over three years) to strengthen their security and provide training to 100,000 people on the challenges of cybersecurity and the industry of the future. **BRISTOL MYERS SQUIBB** (United States), is investing €110m in clinical cancer research and has entered into an industrial partnership (€20m) with a manufacturer to produce active ingredients in France. **MORGAN STANLEY** (United States) is opening a new global centre in applied research for its market activities, creating from 80 to 100 jobs in the years to come, relying on the talent pool available in France in mathematics and quantitative sciences. Driven by an inclusive approach of jobs and talents, this centre will put Paris at the heart of its finance and investment's growth strategy both in the EMEA region and beyond.

UPDATE ON PREVIOUS ANNOUNCEMENTS

Since the first Choose France summit, 55 projects have been implemented, representing a total of nearly €8 billion and more than 13,300 related jobs. Additionally, two cruise liners by MSC have been ordered in early 2020 for €2 billion. These confirmed projects demonstrate the success of the Choose France initiative and France's ability to attract projects in all regions.

International investments creating jobs throughout France

All metropolitan regions will benefit from the projects announced under the Choose France initiative. Although a large proportion of projects are destined for the Ile-de-France region, some regions have also attracted a significant number of projects, such as Hauts-de-France (14% of announced projects) and Grand-Est (11%).

Primarily industrial and innovation projects

Industrial projects make up the majority of the announcements made at the various Choose France summits (representing 56% of projects), confirming the international recognition of Made in France quality. R&D also accounts for a substantial part of the announced projects (38%). The results confirm France's attractiveness for these high value-added sectors: in 2020, France was the leading European destination for industrial projects for the third consecutive year. It was also the leading European destination for R&D investments.

France's attractiveness is multi-sectoral

The investor announcements at the Choose France summits illustrate the variety of sectors in which France has unique and internationally recognised expertise. These investments include strategic sectors such as health (20% of projects), with several leading international companies announcing significant investments in this sector, a sign of the strong recognition of French expertise in the medical field. There are also many projects in the agri-food sector (17% of announced projects), as well as in software and IT services (12%).

Mainly European investors

The Choose France summit projects come from companies in a large number of countries: a total of 15 nationalities are represented. The United States and Germany are the main countries of origin.

Examples of investment projects include:

Business services:

- The Adecco Group (Switzerland): 2,750 jobs created throughout the country
- Fedex (United States): €20 million investment in Ile-de-France
- Manpower (United States): 1,000 full-time and 6,000 temporary jobs created throughout the country

Electronic and electric components:

- Airties (Turkey): 12 jobs created in Ile-de-France
- Ericsson (Sweden): 300 jobs created in Ile-de-France
- Prysmian (Italy): €40 million investment and 45 jobs created in Bourgogne-Franche-Comté and Ile-de-France
- Vorwerk (Germany): €40 million investment and 850 jobs created throughout the country

Health care:

- Astra Zeneca (UK): €500 million investment and 120 jobs created in the Hauts-de-France and Grand-Est regions
- B.Braun (Germany): €15 million investment and 15 jobs created in Nouvelle Aquitaine and Centre Val de Loire
- Becton Dickinson (United States): €176 million investment and 50 jobs created in Auvergne-Rhône-Alpes
- Biogen (United States): €25 million investment and 30 jobs created in Ile-de-France.
- Ecolab (United States): €45 million investment and 130 jobs created in the Hauts-de-France region
- Hartmann (Germany): 30 jobs created in the Grand-Est region
- Merck (Germany): €175 million investment and 500 jobs created in Nouvelle Aquitaine and the Grand-Est region
- Microport (China): €350 million investment and 50 jobs created in Ile-de-France

Transport equipment:

- Envision (Japan/China): €2 billion investment and 2,500 jobs created in Hauts-de-France by 2030
- Toyota (Japan): €400 million investment and 1,200 jobs created in Hauts-de-France
- Transpod (Canada): €20 million investment in Nouvelle Aquitaine

IT services

- Cisco (United States): €60 million investment
- Facebook (United States): €10 million investment and 30 jobs created in Ile-de-France.
- Google (United States): 250 jobs created in Ile-de-France and Brittany
- IBM (United States): 100 jobs created in Ile-de-France
- Mastercard (United States): €1.2 million investment and 15 jobs created in Ile-de-France
- Microsoft (United States): 40 jobs created in Ile-de-France
- SAP (Germany): €750 million investment and 34 jobs created in the South, Ile-de-France and Normandy regions

Agri-food

- East Balt (United States): €37 million investment and 65 jobs created in Ile-de-France
- General Mills (United States): €17 million investment and 80 jobs created in Hauts-de-France
- Hochland (Germany): €90 million investment in the Grand-Est region
- Mars (United States): €155 million investment and 20 jobs created in the Grand-Est, Hauts-de-France and Occitanie regions

- Mondelez (United States): €57 million investment and 20 jobs created in Nouvelle Aquitaine and Hauts-de-France
- SPC (South Korea): €20 million investment and 40 jobs created in Normandy
- CCEP (Coca-Cola), UK: €500 million investment and 46 jobs created in Hauts-de-France
- The Coca-Cola Company (United States): €500 million investment in Hauts-de-France
- Vicky Foods: €62 million investment and 250 jobs created in Bourgogne Franche-Comté

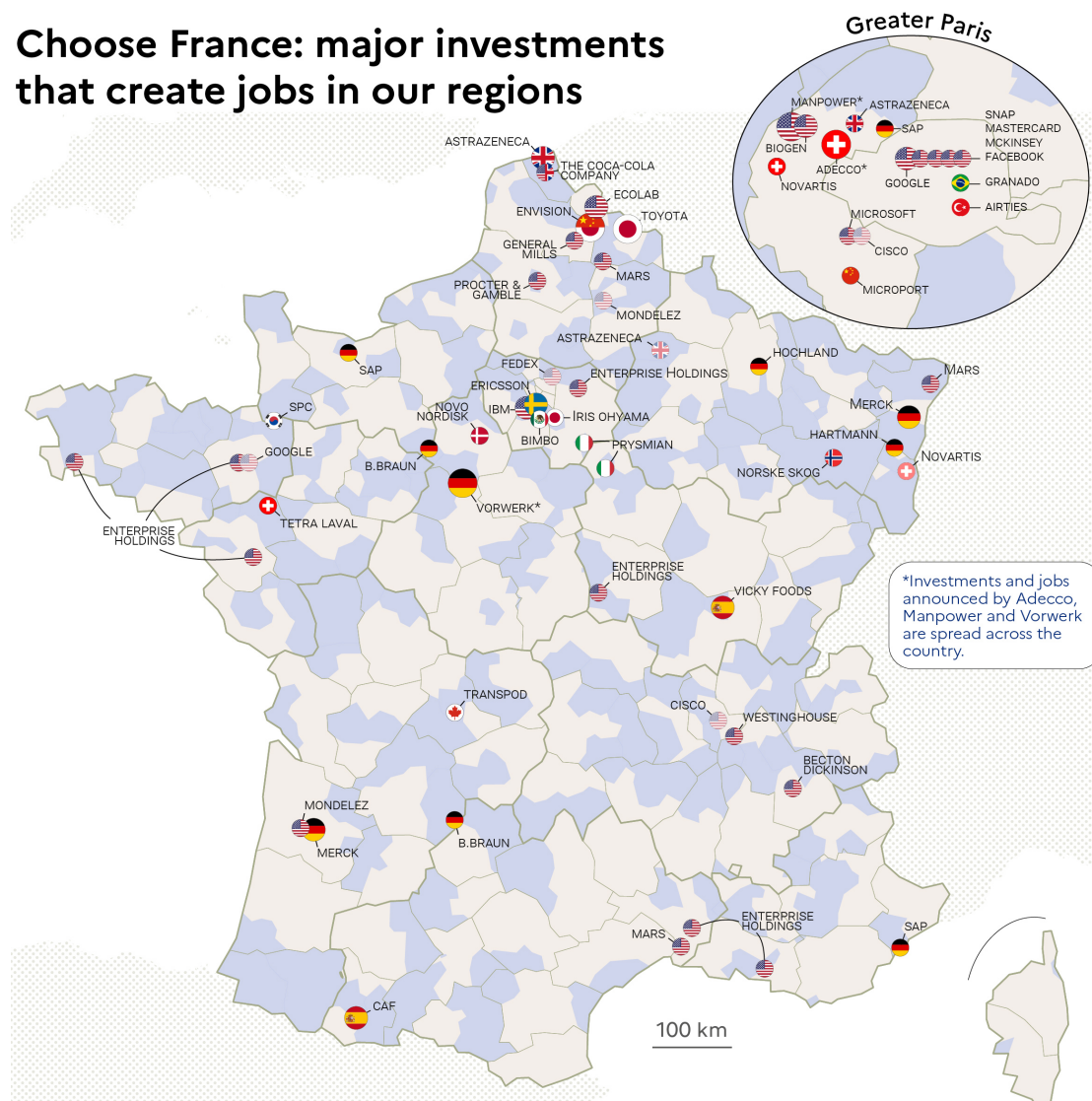
Chemicals, cosmetics, plastics and other materials:

- Iris Ohyama (Japan): €8 million investment and 100 jobs created in Ile-de-France
- Norske Skog (Norway): €260 million investment and 50 jobs created in the Grand-Est region
- Procter & Gamble (United States): €90 million investment and 70 jobs created in the Hauts-de-France region
- Tetra Laval (Switzerland): €100 million investment and 40 jobs created in the Pays-de-la-Loire region

Retail services:

- Enterprise Holdings (United States): 38 jobs created throughout the country
- SNAP (United States): 20 jobs created in Ile-de-France
- Zalando (Germany): €300 million investment and 2,000 jobs created

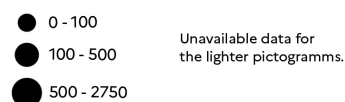
Choose France: major investments that create jobs in our regions



Location of foreign investments per country



Number of jobs created over the studied period



Source : Business France 202
Realisation : ANCT pôle ADT • Cartographie • 12/202



France, the most attractive country in Europe

A COHERENT, EFFECTIVE ECONOMIC STRATEGY

The economic measures implemented since 2017 have enabled France to become **the leading destination for foreign investment in Europe**, ahead of the UK and Germany, according to the annual EY Attractiveness Survey.

Since 2018, France has retained **the top position in the European ranking of manufacturing foreign direct investment for the third year running**, with a total of 341 projects to establish and expand production sites, ahead of Turkey (153), the United Kingdom (112) and Russia (107) (source: EY France Attractiveness Survey 2021). Industrial activities account for a quarter of investments in France and are the main contributors to employment, with 12,875 jobs, or 37% of total jobs created (Business France, Annual Report 2020).

France **ranks No. 1 in Europe for R&D investments**, with the creation of R&D centres in particular. The EY Attractiveness Survey lists 115 new investments for 2020.

Familiar with the country's structural assets, international investors have been convinced by France's ambitious and coherent reform agenda:

- **Taxation** has been reduced and the tax environment now offers predictability and stability to economic players:
 - Gradual reduction of the corporate tax rate: from 33% to 25% between 2017 and 2022, moving towards the European average.
 - Massive and permanent reduction of production taxes: €20 billion over the period 2021-2022 as part of the France Relance recovery plan.
 - Continuation of the Research Tax Credit (CIR), a system that places France in second place among OECD countries for R&D financing.
 - Transformation since 2019 of the competitive and employment tax credit (CICE) into a permanent reduction in health insurance social security contributions.

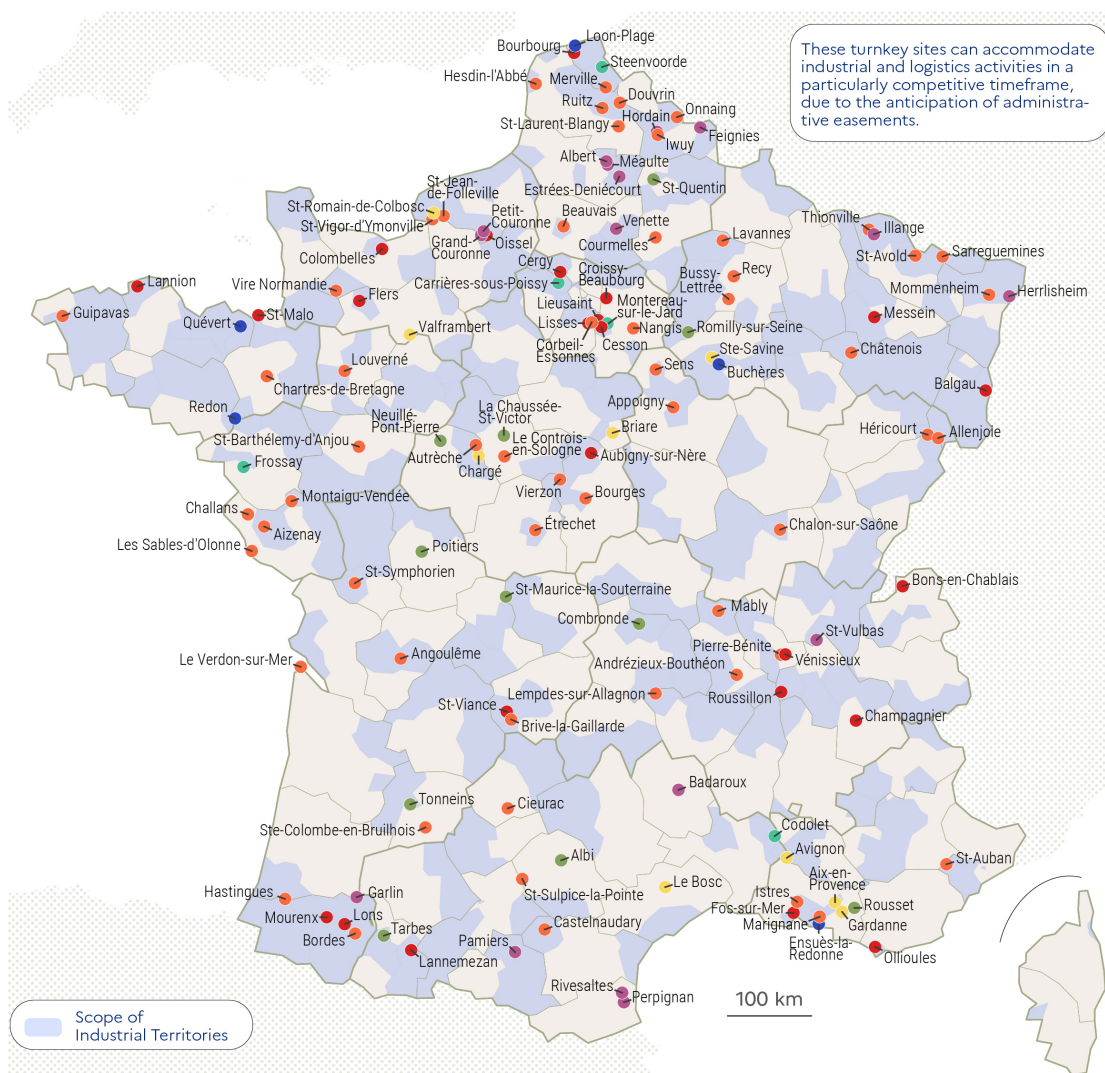
– A new French **social model** has been developed, based on the «Work Orders» of 2017. Implemented before the health crisis, it has enabled the renewal and resilience of the labour market, offering more flexibility for employers, establishing a simplified, secure and predictable framework for economic redundancy and termination of the employment contract, and facilitating social dialogue for negotiations that closely meet the needs of employees and companies. The reformed social model has been complemented by a range of measures to promote employment, training and apprenticeships, adapting employee skills to labour market changes and new production technologies, while stimulating recruitment. This is the objective of the Skills Investment Plan (PIC) launched in 2018 with funding of €15 billion over 5 years aimed at job seekers and young people.

– The **administrative environment** has been considerably simplified, with the PACTE, ESSOC and ASAP Acts. This has resulted in the grouping of the old social thresholds on three levels (11, 50 and 250 employees), enshrining the right to correct errors, simplifying and ensuring better co-ordination of administrative procedures to speed up and secure the establishment of industrial projects or the provision of turnkey industrial sites, and offering investors shorter and better controlled deadlines for setting up new plants by anticipating administrative procedures relating to urban planning, preventive archaeology and the protection and preservation of the environment. In addition to the 78 sites identified in 2020, 49 new sites were secured in September 2021.

– Major investments have been implemented in order to support reindustrialization of the French economy through the France Relance recovery plan. Nearly 600 manufacturing relocations have been supported, which created or maintained almost 77,000 manufacturing jobs. In the future, the France 2030 plan will make France one of the most innovative countries in Europe, by investing more than €30 billion in promising sectors, especially in the manufacturing sector, healthcare, the ecological transition and transport.

Investors make long-term decisions and are therefore interested in transformation policies that prepare for the future. **The France 2030** plan, which will enable France to catch up in certain historical sectors and move one step ahead by creating new industrial and technological sectors to support the ecological and digital transition, will support the attractiveness of the country with more than €34 billion dedicated to foster investment projects of French and foreign firms throughout its territory.

127 turnkey sites to facilitate local investment



Source : Business France 202
Realisation : ANCT pôle ADT • Cartographie • 12/202

INTERNATIONAL INVESTMENT CREATING JOBS IN FRANCE

Over the period 2017 to 2020, Business France has identified more than 5,300 foreign investment projects that have created or maintained almost 140,000 jobs.

In 2020, France attracted 1,215 foreign investment projects, creating or maintaining 34,567 jobs, the second best year in the last decade after 2019, when the record number of 1,468 foreign investment projects was registered, creating or maintaining 39,542 jobs. Half of the projects concern new creations, while subsidiaries already set up in France continue to expand their presence in the regions (see Business France, Annual Report 2020)

France benefits from multi-sectoral attractiveness, with French expertise recognised internationally in many different areas. Manufacturing accounts for 39% of these jobs (25% of projects).

Consulting and business services account for 11% of employment, on a par with IT services (also 11%). Wholesale and retail (10%) and the automotive industry (8%) remain attractive sectors for foreign investors.

Investment projects are mainly based in smaller towns. Although Paris attracted a significant proportion of investment projects in 2014-2020 (19% of projects), 41% of investments were made in towns with fewer than 20,000 inhabitants and 70% in towns with fewer than 200,000 inhabitants.

The diversity of France's regions, coupled with their high-quality infrastructure and workforces, are powerful drivers of attractiveness to investors. Investment decisions are spread throughout the country and generate employment in almost all regions.