

DOING BUSINESS IN FRANCE

Government Support & Finance



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The basics

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The “Doing Business in France” practical guides are intended to inform you about all the legal, tax and social aspects of your investment and your subsidiary’s operations in France.

They provide you with clear, reliable and detailed information to ensure the success of high-potential projects.



#1 BUSINESS FRANCE: THE AGENCY SERVING FOREIGN INVESTORS IN FRANCE

Exporting, investing and expanding abroad

Simplify and fast-track project delivery

Business France provides you with made-to-measure, confidential support to succeed with your investments in France, whatever projects they involve:

- Discover France's key advantages
- Plan a new investment
- Boost your presence at existing sites
- Find industrial or technological partners
- Evaluate acquisition opportunities or financial investments

Connect - Fast-track - Succeed

At every stage of the project, Business France personnel work with their network of public, private, national and regional partners to facilitate and accelerate project delivery.

Their aim:
For investment projects to succeed.

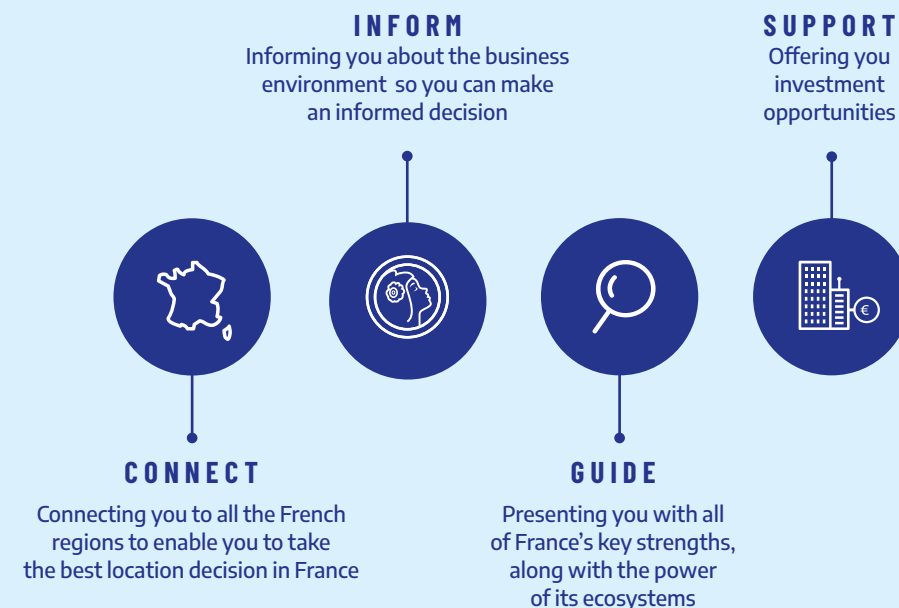
Their motivation:
The satisfaction of investors who chose France for their international investment strategy.

To realize your investments in France:
investinfrance.fr

To facilitate the installation of talent in France:
welcometofrance.com

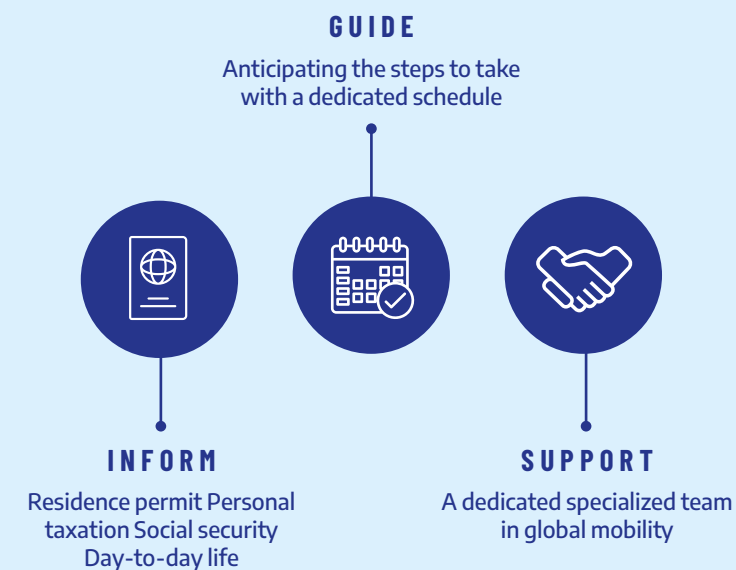
YOUR INVESTMENTS IN FRANCE

businessfrance.fr



TALENT MOBILITY IN FRANCE

welcometofrance.com



CHOOSE FRANCE !

The investment attractiveness summit



120 CEOs of multinational firms from various sectors committed themselves to investment projects at “**Choose France**”, summit on investment attractiveness, which was held in Versailles on June 28, 2021 with the President of France.

The summit was a chance to showcase France’s attractiveness, to highlight its regions and to confirm the route of economic reforms to support the investment and growth of businesses.



#2 AN AMBITIOUS REFORM PROGRAM



Transforming France’s social model

Offering businesses greater flexibility and building a highly skilled society through training, guidance, professional integration and support for talents in industry.



Promoting growth and innovation

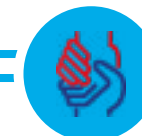
An action plan for growth and the transformation of business, enabling firms to innovate, evolve, grow and create jobs.

An ambitious transformation of regulations and government processes, for greater simplicity and acknowledgement of the right to make errors.



Encouraging investments

New taxation regulations, including a fall in corporate tax (impôt sur les sociétés – IS) from 26.5% to 25% in 2022, cutting production taxes in half and maintaining the research tax credit at 30%.



Supporting industries of the future

The French government has built a fourth National Investment Program (PIA 4), worth €20 billion over five years (2020-2025) and which is already contributing €11 billion to the recovery plan, accelerating the innovation dynamic.



Recovery plan

To support the economy, protect employment and support businesses, the French government is implementing an emergency plan worth €100 billion by the end of 2022.



#3 SUPPORTING YOUR PROJECT IN FRANCE

Identify

Is my project eligible for a funding program?

Before you begin, determine whether your project is eligible for public funding.

Business France and its partners will help you perform an initial assessment of your project and inform you about the funding programs in place. The 2020 recovery plan offers opportunities through regional or national calls for proposals on specific topics (environment, energy, technology, etc.)

Secure

How do I identify the most suitable funding program?

Based on an assessment of your project (type, costs, impacts, business sector, etc.), Business France works in conjunction with national bodies and local partners to help you determine the government funding available to you (type, intensity, maximum amount, etc.) according to your project's state of progress.

What criteria will my project have to meet?

Depending on the size of your business, as well as the purpose and location of your project,

Business France and its partners set out the various eligibility criteria and thresholds applicable, as well as the timetables and practicalities of the application processes you must complete, so as to increase your chances of success.

Connect

How do I apply?

Applications must be accompanied by supporting arguments that will convince the bodies processing them. Business France will help you produce quality content.

Which institutions are involved?

Meeting the right contacts.

Business France and its partners facilitate and coordinate interaction with the French public-sector bodies responsible for supporting the projects of investors: ministries, local authorities, government agencies, etc.

What if my project doesn't meet the criteria for a particular aid scheme?

Business France will look for other support mechanisms for which your project may be eligible and identify ways in which this process could be simplified.

HELPING YOU MAKE A SUCCESS OF YOUR PROJECT

YOUR ACTIONS

Presenting your project to Business France
Expressing your needs and expectations

Forwarding a detailed business plan

Meeting financial backers
Presenting your project

Clarifying your project
Making a formal request

Filing your request
Exchanging with the appraising body

Signing an aid agreement
Justifying investments and jobs created

OUR SUPPORT

Analyzing your project
- Targeting aid
- Informing you of the terms and conditions

Selecting tools
- Ensuring the pre-eligibility of your project with financial backers
- Establishing a list of eligible expenditure

Putting you in touch with financial backers
- Connecting you with the right contact people
- Supporting you during the presentation of your project

Approving the eligibility of your project, thresholds and eligible expenditure to be respected

Processing your dossier
Examining the business plan, the leveraging of aid, and the economic impact

Assigning aid and paying out funds according to the agreed procedures

● Business France and its regional partners

● Public financial backers



#4 GOVERNMENT FUNDING PROGRAMS AT A GLANCE

Before you begin

Government support programs are covered by the EU regulations uniformly applicable to all European Union countries. The aim of these regulations is to prevent unfair competition between companies by allocating funds to certain economic players to the detriment of their competitors.

The French transposition of these regulations paves the way for government support that is compatible with the EU's regulatory framework, thus ensuring that investors operate within the law. Its purpose is also to direct France's public resources towards measures that boost economic growth in the regions and the competitiveness of businesses, while protecting the integrity of the domestic market.

The maximum funding set by EU regulations depends on the purpose of the project, the size of the company and the part of the country in which the investor is located.

Adhering to the incentivization principle

Any funding provided by a public-sector body must serve to facilitate a company's business activities or investment programs. Applications must be submitted prior to the investment being made and the project commencing (i.e. before any legally binding commitment is made by the company, such as the signature of a purchase order, a lease, a promise of sale, etc.).

The beneficiary must submit an application for funding containing the following information at the very least:

- The name and size of the company.
- A description of the project, its duration and its location.
- A list of the project's costs.
- The type of funding requested and the amount.

Choosing the right path depending on the purpose of your project

Government funding programs

The government funding programs in place are broken down according to the purpose of projects (productive investment, research, development, innovation, training, etc.).

- Investing and expanding your business in France.
- Taking over a struggling business in France.
- Supporting your R&D programs and innovative projects.
- Recruiting and training your employees.
- Investing to protect the environment.
- Expanding your startup.

The location (priority development area or otherwise) of the investment and the size of the company (large company, mid-size

company or SME) must also be considered in identifying the government support available.

Check the size of the funding's beneficiary

Check the size of the funding's beneficiary at group level by consolidating the workforce and results of the companies legally belonging to the group.

Please refer to the [SME guide](#) published by the European Commission.

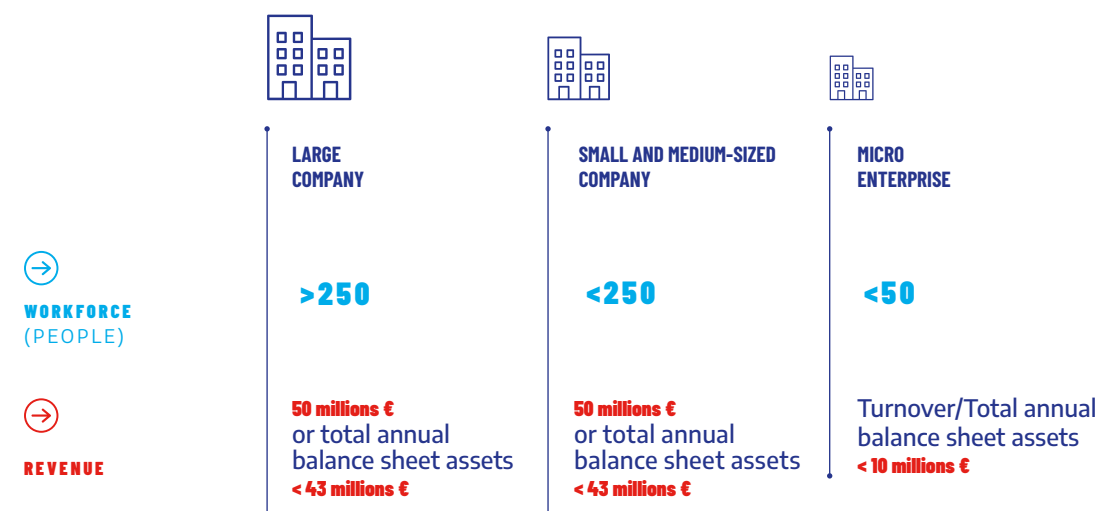
I have a project!

[Consult the list](#) of government funding available to businesses [in French only].

This is the definitive database of business funding and support programs. Applicants can search by municipality, according to the nature of their project and their profile.

WHAT SIZE IS MY COMPANY?

Auto-évaluez votre entreprise



WHAT FORMS OF GOVERNMENT FUNDING COULD MY PROJECT BE ELIGIBLE FOR ?

You become eligible for a whole set of public funding programs in France from the moment you open a legal entity in France and hold a bank account.

Subsidy

What is it ?

Non-repayable funding that is dependent on the sum invested and the number of jobs created.

Which institutions are involved?

- Ministry for the Economy, Finance and the Recovery
- #RelaunchFrance

Tax exemption

What is it ?

Tax reductions for business creation and in certain cases where a struggling company is taken over.

Which institutions are involved?

- Ministry for the Economy (corporate tax)
- Local authorities (local taxes, subject to local deliberation)

Repayable advance / Honor loan / Zero-interest loan

What is it ?

Cash injection making it easier for a company to obtain a bank loan. Does not require a guarantee.

In some cases, the repayable advance becomes a subsidy.

Which institutions are involved?

- Businesses Directorate DGE (ARI – business development loan)
- Bpifrance
- Local authorities

Tax credit

What is it ?

Tax reduction giving rise to a rebate in the event of a loss.

Which institutions are involved?

- Ministry for the Economy
- Ministry for Research
- Ministry for Labor

Low-interest loans

What is it ?

Cash injection.

Which institutions are involved?

- Bpifrance (Eco-Energy Loan)

Co-financing and guarantees

What is it ?

Guarantees to banks to generate leverage.

Which institutions are involved?

- Bpifrance

Capital injection

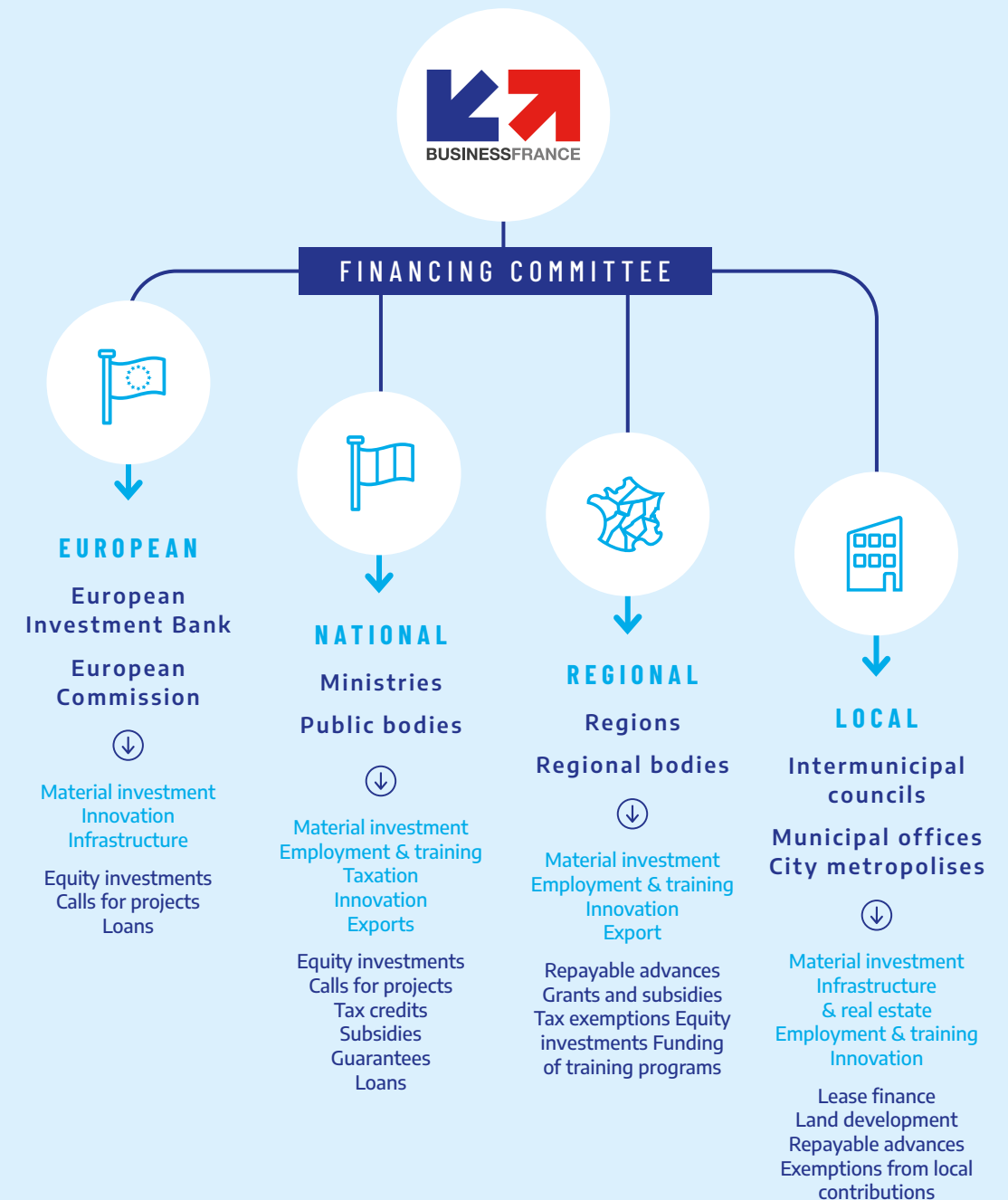
What is it ?

Investment in equity.

Which institutions are involved?

- Banque des territoires (CDC– French State Investment Fund)
- Venture capital firms of local authorities
- Bpifrance (SPI fund)

COORDINATING DIFFERENT LEVELS OF AID





#5 WHO SHOULD I CONTACT DEPENDING ON MY PROJECT STATUS?



MATERIAL INVESTMENT

Bpifrance
DGE (Businesses Directorate)
Regional authorities



FINANCING / CAPITAL INJECTION

Banque des territoires
(CDC – French State Investment
Fund)
European Investment Bank
Bpifrance
Regional funds



RECRUITMENT & TRAINING

National Employment Office
Regional authorities
OPCOs
(professional development
joint collection agencies)



INNOVATE

National Research Agency
French Environment and
Energy Management Agency
(ADEME)
Bpifrance
General Secretariat
for Investment (SGPI)



RESPOND TO AN INVITATION TO TENDER

General Secretariat for
Investment (SGPI)
National Research Agency
Bpifrance
French Environment and Energy
Management Agency (ADEME)
#RelaunchFrance



EXPORTS

Bpifrance
Business France
Regional authorities

With more than 500 financial players,
Paris is Europe's leading host of foreign
banks and financial institutions.

The vast majority of SMEs are able to access
bank finance. Ninety-six percent of SMEs
have successfully applied for investment
loans. The projects launched by SMEs
benefit from favorable interest rates (1.75%,
compared with a eurozone average of 2.11%) .

Paris-Euronext

Expand your business in the heart of the eurozone's largest financial center

Paris-Euronext has the highest equity
market capitalization of any European stock
exchange with €3.6 trillion (compared with
€1.85 trillion for Deutsche Börse) and is also
the leading bond market in Europe for
non-financial companies with US\$606 billion,
ahead of London.

Bpifrance

Bpifrance works alongside private financial
backers to offer priority support to SMEs
and mid-size companies, but also to startups
and large firms established in France.

#FranceRelance



Opening a bank account

What is the procedure for opening a bank account?

From the moment your company
is registered, you can open a business
account. Once this is done, you will obtain
an RIB (statement of account information),
which will facilitate many of
your administrative formalities.
To open an account, you will need
to provide a valid identity document
for the legal representative, a company
registration certificate dated less than
three months prior to the application,
your company's articles of association
(incorporation), its SIRET registration
number and its NAF code.

What if your application is rejected?

If a bank rejects your application,
you can call upon the Banque de France.
The latter will designate a bank responsible
for opening an account for you.

entreprises.banque-france.fr

Source : Fédération bancaire française, fbf.fr

CALL FOR PROPOSALS OF RELANCE PLAN

Decarbonization of industry :

This call for proposals on the decarbonization of processes and utilities through energy efficiency in industry, the electrification of processes, as well as the use of alternative inputs.

Publics :

- Industrial world
- Large businesses
- Mid-size companies

Operator : French Environment and Energy Management Agency

Closing date : october 14, 2021

[Find out more about the call for proposals](#)

Recovery plan for industry – strategic :

This call for proposals seeks to support investment projects and modernize industry in eight strategic sectors.

Publics :

- Aerospace
- Automotive
- Nuclear
- Agri-food
- Healthcare
- Electronics
- Essential industrial inputs (chemicals, materials, metals)
- 5G Telecommunications

Opérateur : Bpifrance

Closing date : september 7, 2021

[Find out more about the call for proposals](#)

Recovery plan support for industrial investment in regions :

This call for proposals seeks to support the most key industrial projects for the regions in the form of a subsidy.

Targets: Industrial investments, susceptible to start quickly and have strong socio-economic benefits for the region. For example, they can involve the creation of new industrial sites, expansions, or the modernization of production tools.

Call for proposals now closed

[Find out more about the call for proposals](#)

PROGRESS REVIEW OF THE RECOVERY PLAN IN 2020

At the end of 2020, €11 billion of the €100 billion recovery plan had already been committed and €9 billion had already been paid out.

Relaunch France Review 2020 of the support to industrial investments and to strengthen businesses.

Industrial investment : By earmarking €710 million of support for industrial investment with 815 different businesses, “Relaunch France” is supporting €3.4 billion of investments starting in 2020. Furthermore, over €300 million have been set aside to implement the support plan or the aerospace industry.

Consolidation of the capital base of SMEs and mid-size companies in the sector. Support for research for civil aviation. Finally, the first reinforcements for export support schemes were initiated at the end of 2020 so that French businesses could continue leading their market survey activities abroad.



IN ALL

1,237 businesses have already benefited from this solution.



AMOUNT

€11 billion of the total €100 billion stimulus package have already been committed



JOB CREATIONS

485.000 young apprentices were recruited in 2020



BUSINESS SECTORS

Construction and public works companies, industrial companies, VSEs/SMEs and export companies



RELOCALISATION

The French recovery plan has supported 273 projects benefiting from €462 million in state aid, representing over €1.8 billion in industrial investment (www.gouvernement.fr, May 2021)

#7 KEY STAKEHOLDERS



NATIONAL AGENCY FOR TERRITORIES' COHESION

The ANCT (National Agency for Territories' Cohesion) advises and supports local authorities and their association in the design, definition and implementation of their projects.



PRIME MINISTER'S OFFICE

The General Secretariat for Investment (SGPI) is responsible for overseeing the Major Investment Plan and implementing France's National Investment Program. It intervenes through calls for projects.



MINISTRY RESPONSIBLE FOR THE ECONOMY

The Businesses Directorate (DGE) is in charge of the competitiveness and the growth of businesses from industry and services.



NATIONAL EMPLOYMENT OFFICE

The National Employment Office (Pôle Emploi) helps to target profiles and structure your recruitment and training projects through subsidies (AFPR pre-recruitment training program and POEI operational preparation for individual employment), apprenticeship contracts or professionalization contracts. It also plays a role within the #1jeune1solution program within the scope of the #RelaunchFrance program.



COLLECTIVE BRAND LAUNCHED BY THE GOVERNMENT IN 2014

A collective brand for the ecosystem of startups in France aiming to promote French expertise abroad and attract foreign investors.



PUBLIC ESTABLISHMENT REPORTING TO THE MINISTRY RESPONSIBLE FOR THE ECOLOGICAL TRANSITION AND THE MINISTRY RESPONSIBLE FOR RESEARCH

The ADEME (French Environment and Energy Management Agency) finances projects in various fields: waste management, soil preservation, energy efficiency and renewable energy, circular economy, etc.



PUBLIC INVESTMENT BANK

Bpifrance supports companies from startups to stock exchange listing, loans to equity capital, accompanying each stage in the life of businesses.



PUBLIC ESTABLISHMENTS REPORTING TO THE MINISTRY RESPONSIBLE FOR SUSTAINABLE DEVELOPMENT

The water agencies provide subsidies or loans to entities undertaking projects that are in the common interest focusing on the balanced management of water resources and the fights against water-based pollution.



The Tax4BusinessFrance service is a single contact point for foreign investors to answer any of their taxation questions. It meets all their needs and guides them so that they can invest in a clear and secure legal environment.



PUBLIC AGENCY REPORTING TO THE MINISTRY RESPONSIBLE FOR RESEARCH

The National Research Agency (ANR) intervenes with calls for projects to fund research projects in France.



FINANCIAL INSTITUTION OF THE MEMBER STATES OF THE EUROPEAN UNION

The European Investment Bank (EIB) provides finance and expertise to support sustainable investment projects that contribute to achieving the main objectives of the European Union in the form of loans, equity investments and guarantees.



France's regions are responsible for economic development in their region. They intervene in various ways, offering subsidies, repayable advances, tax exemptions, loans and equity investments.



National central bank which intervenes in the financing of the economy, the management of market infrastructures and the issuance of currency. It can be approached to deposit your share capital and to open a bank account.



BANQUE DES TERRITOIRES (CDC - FRENCH STATE INVESTMENT FUND)

The CDC is a long-term investor acting in the common interest and in favor of economic development. It finances the growth and innovation of SMEs and mid-size companies in the form of equity investments and/or loans.

DISCLAIMER

This guide is provided for information only and cannot replace the advice of a professional. The above information is not exhaustive, and Business France cannot be held liable for omissions or errors. This document may be shared on condition that it is accompanied by all the relevant information and this disclaimer.


Summary

 **1,607**
investment decisions

They created
or maintained
a record

45,008 jobs




+32%

Foreign investments
grew sharply in 2021,
growing past their level
in 2019



TOP 3
BUSINESS
ACTIVITIES

460
manufacturing
projects

380
decision-
making
center
projects

206
retail outlet
projects

 **31** investment
decisions
per week

51 % of investments
were first-time
investments

59% of projects were
supported by
BUSINESS FRANCE

NUMBER OF PROJECTS AND JOBS BY INVESTMENT TYPE

Creation	=====	813 projects	=====	16,347 jobs
Expansion	=====	756 projects	=====	23,111 jobs
Takeover	=====	38 projects	=====	5,550 jobs



MANUFACTURING **29%** of investments and **34%**
of jobs involved manufacturing activities



R&D/ENGINEERING **10%** of investments in
R&D/Engineering activities

EUROPE, THE MAIN SOURCE OF INVESTMENT DECISIONS



Europe: **66%**



North America: **19%**



Asia: **8%**

TOP FIVE INVESTING COUNTRIES



Germany: 18%



United States: 15%



United Kingdom: 9%



Belgium: 7%



Netherlands: 6%



PROJECTS TAKING PLACE NATIONWIDE

45% of projects and 72%
of manufacturing projects
in municipalities with fewer
than 20,000 inhabitants

Support for your investment project



#1 Key figures



#2 Business France support



#3 Support for your investment project
from public bodies



#4 What are the main types of investment aid?



#5 The #RelaunchFrance investment plan



#6 Key stakeholders



To attract job-creating investment projects to France, the French government and local authorities have developed support tools to localize economic activity nationwide (investment support for businesses).

In addition to this state aid support, investors can also take part in the #RelaunchFrance investment plan launched by the French government to pursue accelerated ecological transition, the building of a knowledge economy, the anchoring of French competitiveness in innovation, and the construction of the State in the digital era.

#1 KEY FIGURES

CONTRIBUTION OF FOREIGN COMPANIES TO THE FRENCH ECONOMY



France

For the second successive year, France was the leading recipient of foreign investment in Europe in 2020.



FRANCE WAS the leading

European country for welcoming industrial activities, as well as R&D.



As the leading

recipient of projects in the healthcare industry, France welcomed 40% of projects recorded in the medical and surgical equipment sector in Europe in 2020.



74 %

OF COMPANY DIRECTORS SURVEYED

anticipated an increase in France's attractiveness by 2025, compared with 62% of those surveyed in Europe.



44%

OF COMPANY DIRECTORS

surveyed in France believe that the French recovery plan is more comprehensive than in other countries.



PARIS REGION

remains Europe's **2ND LOCATION** for foreign investment only trailing Greater London



1st

**FRANCE IS THE
LEADING HOST
COUNTRY**
for foreign investment in
industry

EY, 2016



1298

**NEW FDI PROJECTS
IN 2017**
Business France 2017



#2 BUSINESS FRANCE SUPPORT

Helping you make a success of your project

↓ YOUR ACTIONS

Presenting your project to
Business France
Expressing your needs
and expectations

Forwarding a detailed
business plan

Meeting financial backers
Presenting your project

Clarifying your project
Making a formal request

Filing your request
Exchanging with the
appraising body

Signing an aid agreement
Justifying investments and
jobs created

↓ YOUR SUPPORT

Analyzing your project
- Targeting aid
- Informing you of the terms
and conditions

Selecting tools
- Ensuring the pre-eligibility of your
project with financial backers
- Establishing a list of eligible
expenditure

Putting you in touch with
financial backers
- Connecting you with
the right contact people
- Supporting you during the
presentation of your project

Approving the eligibility
of your project, thresholds
and eligible expenditure
to be respected

Processing your dossier
Examining the business plan,
the leveraging of aid,
and the economic impact

Assigning aid and paying
out funds according
to the agreed procedures

● Business France and its regional partners ● Public financial backers



#3 SUPPORT FOR YOUR INVESTMENT PROJECT FROM PUBLIC BODIES

Investment aid is primarily available depending on the location of your project, the size of your business and the number of jobs to be created. Large businesses can therefore obtain investment and job creation support for projects located in specific areas, known as regional aid areas (zones à finalité régionale – AFR), whereas SMEs are eligible nationwide. Projects may involve several aid schemes up to the ceiling allowed in the investment zone and in accordance with European Union rules on state aid.

How do I find out if the municipality allows for investment aid to be obtained?

Where can I find where regional aid areas are located?

An interactive map is at your disposal at the Observatoire des territoires to identify municipalities (communes) where investment aid may be awarded by a public body, and what the maximum intervention rate would be.

Cartographie interactive : carto.observatoire-des-territoires.gouv.fr
A new regional aid areas zoning map will come into effect in 2022 and

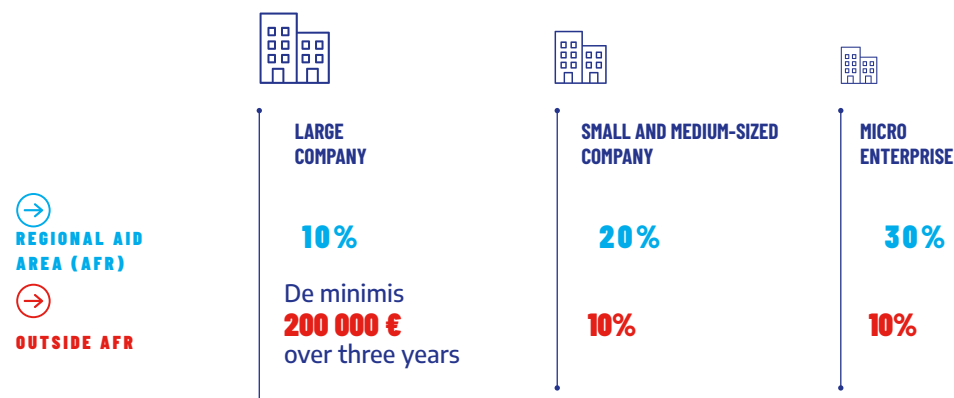
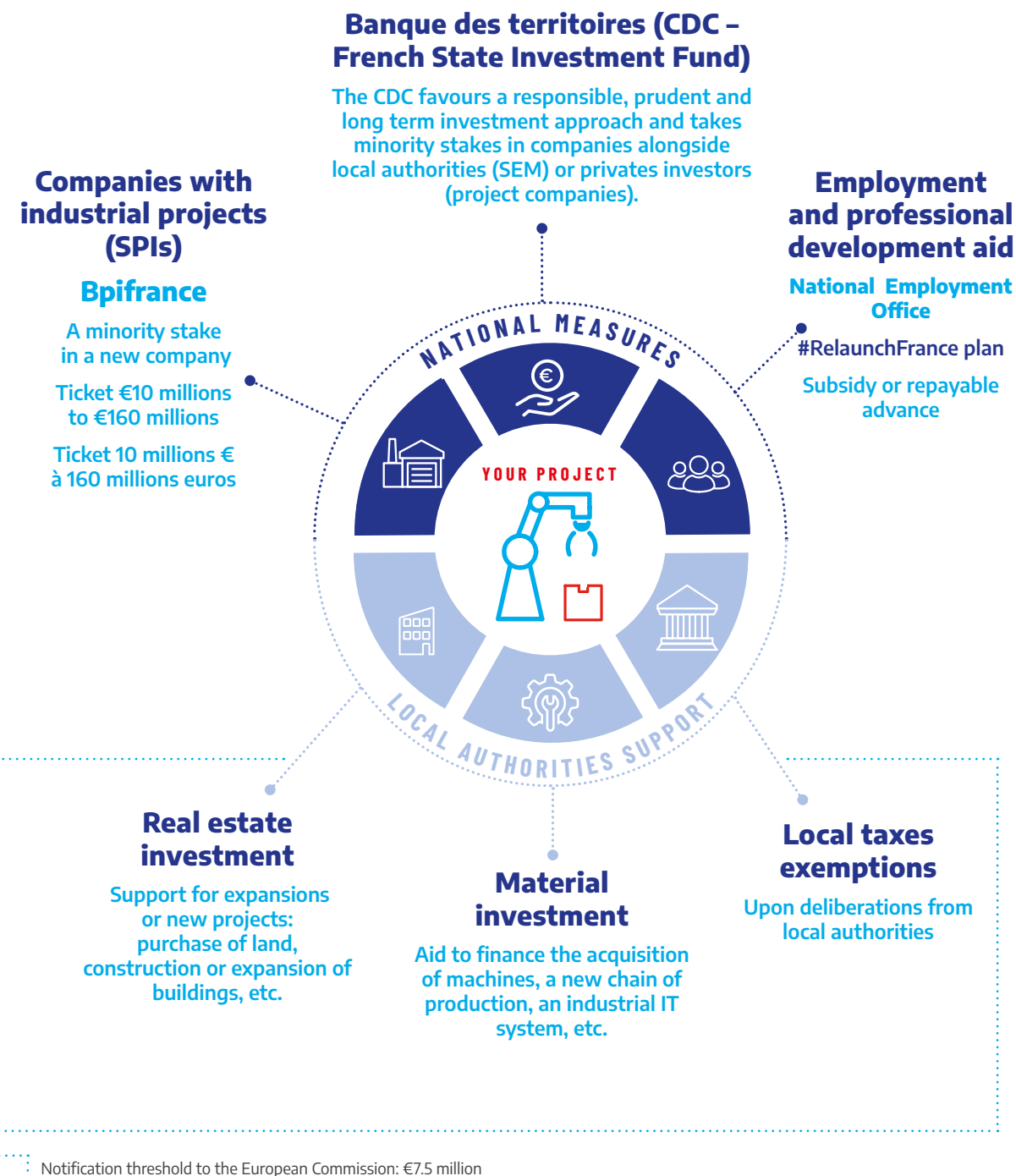
be valid until 2027. New, higher rates of aid will also apply in these regions.

Identify, secure, connect

Based on an evaluation of your project (nature and amount of investment, economic impacts, job creation, calendar for investment), Business France defines with you, in coordination with national players and regional partners, which state aid schemes can be called upon (tools, nature, intensity, ceiling) to support the development of your projects nationwide. Business France helps you secure the different criteria and eligibility thresholds, calendars and arrangements of the application process and puts you in touch with the relevant parties.



#4 WHAT ARE THE MAIN TYPES OF INVESTMENT AID?



* Calculating aid for major investment projects:
10% up to €50 million
5% between €50 and €100 million
3.4% above €100 million

WHAT ARE THE THRESHOLDS CONDITIONS AND LIMITS ?

SPI funds – Société de projets industriels (society of industrial projects)

Contact: Bpifrance

Nature: Minority shareholdings in project companies (new industrial companies)

Goal: To support industrialization projects

Budget: €800 million in the form of equity and quasi-equity investments

Eligibility: Any size of business

Amount: Ticket from €10 million to €160 million

Threshold: Support for manufacturers including a share in case (of at least one-third)

Duration: Five years

Ceiling: Wise minority investment

Examination: Bpifrance

Decarbonization of industry: DECARB IND

Contact: French Environment and Energy Management Agency (ADEME)

Nature: Subsidy

Budget: €1.2Bn

Eligibility: Investment of an amount higher than €3 million leading to the reduction of greenhouse gas emissions

Sectors: Industry

Eligible amount: Energy efficiency, cogeneration, electrification, alternative inputs

Ceiling: 30% to 40% for a large business

Banques des territoires (CDC French State Investment Fund)

Contact: CDC's Regional Directorate

Nature: Minority shareholdings in real estate project companies

Budget: Depends on the project

Eligibility: Company from any sector establishing on the national territory

Eligible amount: Property and buildings

Ceiling: maximum 30% of eligible costs

Instruction: CDC

Support for industrial investment in the regions

Contact: Businesses directorate (DGE)

Nature: Subsidy

Budget: €150M

Eligibility: Minimal eligible costs of at least €200,000, carried out over a duration of up to two years

Sectors: Key industrial projects for the regions

Eligible amount: Tangible and intangible assets relating to industrial development

Ceiling: €1.8 million on the Covid regime

Pre-recruitment training – AFPR and POEI

Contact: Pôle emploi

Nature: Financial aid (not repayable)

Goal: To reduce the gap between the skills of new recruits and the demands of the jobs targeted

Target: People registered with Pôle Emploi

Eligibility: Any company size from any sector

Amount: Maximum aid of €5 net per hour of internal training, up to €2,000. Maximum aid of €8 net per hour of external training, i.e. up to €3,200 for 400 hours of training

Conditions :

- Fixed-term contract of between six and 12 months
- Fixed-term professionalization contract
- Temporary work contract, if the missions take place for at least six months during the nine months following the training course

Examination: Pôle Emploi

Industry – Strategic sectors

Contact: Bpifrance

Nature: Subsidy

Budget: €400M

Eligibility: Industrial investments with a strong regional impact, susceptible to starting quickly and with strong socio-economic benefits for the region
Sectors: Aerospace, automotive, nuclear, agri-food, healthcare, electronics, essential industrial inputs

Eligible amount: Minimal eligible costs of at least €200,000 or €1 million, depending on the sector

Ceiling: According to the support regime selected

Local authority aid

Contact: Local authorities

Nature: Subsidies, investment support, additional PAT financing, real estate investment, training aid, etc.

Eligibility: Businesses from any sector; any size of business

Ceiling: 10% of eligible costs, SMEs 20%, large businesses 10%

Examination By the local authority

Tax exemptions from corporate property contribution (CFE)

Contact: Tax4Business, local authorities

Nature: Exemption from corporate property contribution (cotisation foncière des entreprises – CFE) in regional aid areas

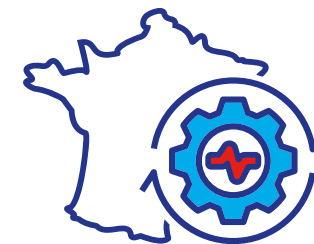
Eligibility: Businesses from manufacturing sectors; any size of business

Duration: Two to five years

Ceiling: Regional aid (AFR)

Examination: Depending on deliberation of the local authority

Choose France as a venue for takeovers



Taking over a business, either in good health or bad, requires preparation and support from specialist professionals.

Taking over a business in bad health may be supported by the public authorities using a variety of state aid measures.

-  #1 Key figures
-  #2 Business France support
-  #3 Investment opportunities
-  #4 Preparing to restart an activity
-  #5 What are the main schemes?
-  #6 Key stakeholders



#1 KEY FIGURES

Business transfers in France (2016)



60 000
BUSINESSES
on sale



185 000
BUSINESSES
to be sold each year or
750,000 jobs safeguarded



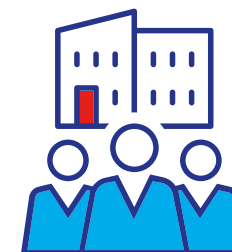
50 %
OF BUSINESSES
wound-up due
to there being no buyer



However,
60 %
SURVIVAL RATE
OF BUSINESS
recently sold



**A POSITIVE
CORRELATION**
can be observed between
the dynamism of the rate
of business sales in local
areas and the dynamism
of its local economy



According to a study by the BPCE Observatory, 80% of business sales every year in France involve micro-enterprises employing a total of 143,000 people.

The 15,000 sales of SMEs and mid-size companies involved 1.1 million jobs – including 450,000 working for SMEs.



#2 BUSINESS FRANCE SUPPORT

Identify – Secure – Connect

✓ Identify

Business France and its partners regularly share information about investment opportunities in France on its website and around its network. From takeovers of ailing businesses, investment in growing businesses (startups, SMEs) or in the French Tech ecosystem (incubator, accelerators, innovation clusters), we can present you with opportunities corresponding to your business sector.

Moreover, there are investment opportunities in terms of acquiring equity stakes in equipment, infrastructure, or key real estate (Grand Paris, airports, etc.).

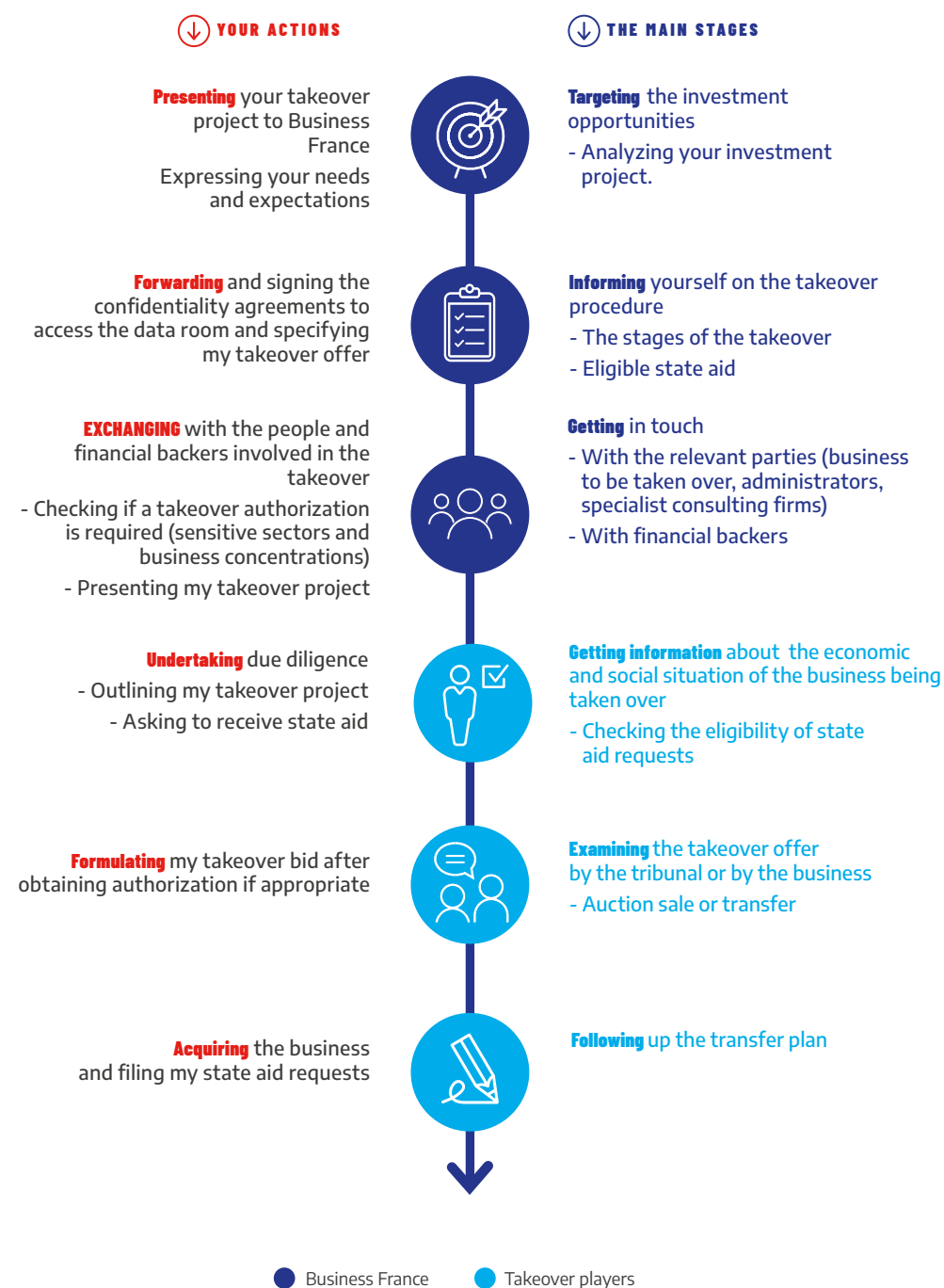
✓ Secure

Based on an evaluation of your project (targets sought, nature and amount of investment, economic impacts, job creation or job saving, calendar for investment), Business France helps you understand the takeover procedure in strict compliance with the confidentiality of your project.

✓ Connect

Business France and its partners puts you in touch with relevant players to help you identify targets and produce the information you need to take decisions.

KEEPING YOU INFORMED OF INVESTMENT OPPORTUNITIES





#3 INVESTMENT OPPORTUNITIES

Insolvency proceedings and taking over ailing businesses:

what do they involve?

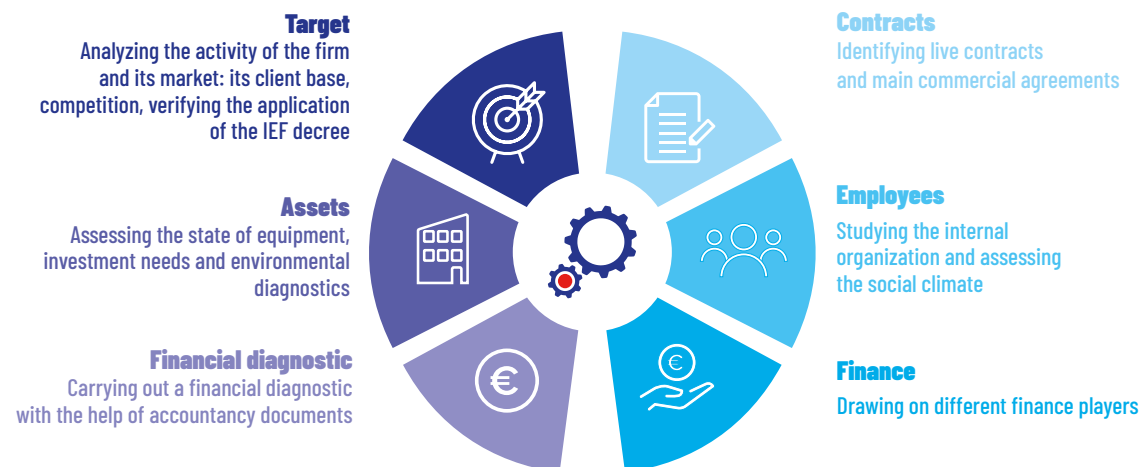
Takeovers of over ailing sites aim to maintain all or part of an activity and jobs, as well as wiping out debts accrued by the targeted company. Investors must be able to carry out a detailed diagnostic of the company to be taken over (due diligence) so as to provide the best assessment of the risks inherent in proceeding with the operation.

As part of the bankruptcy protection procedures, the court decides on external takeover projects coming from third parties

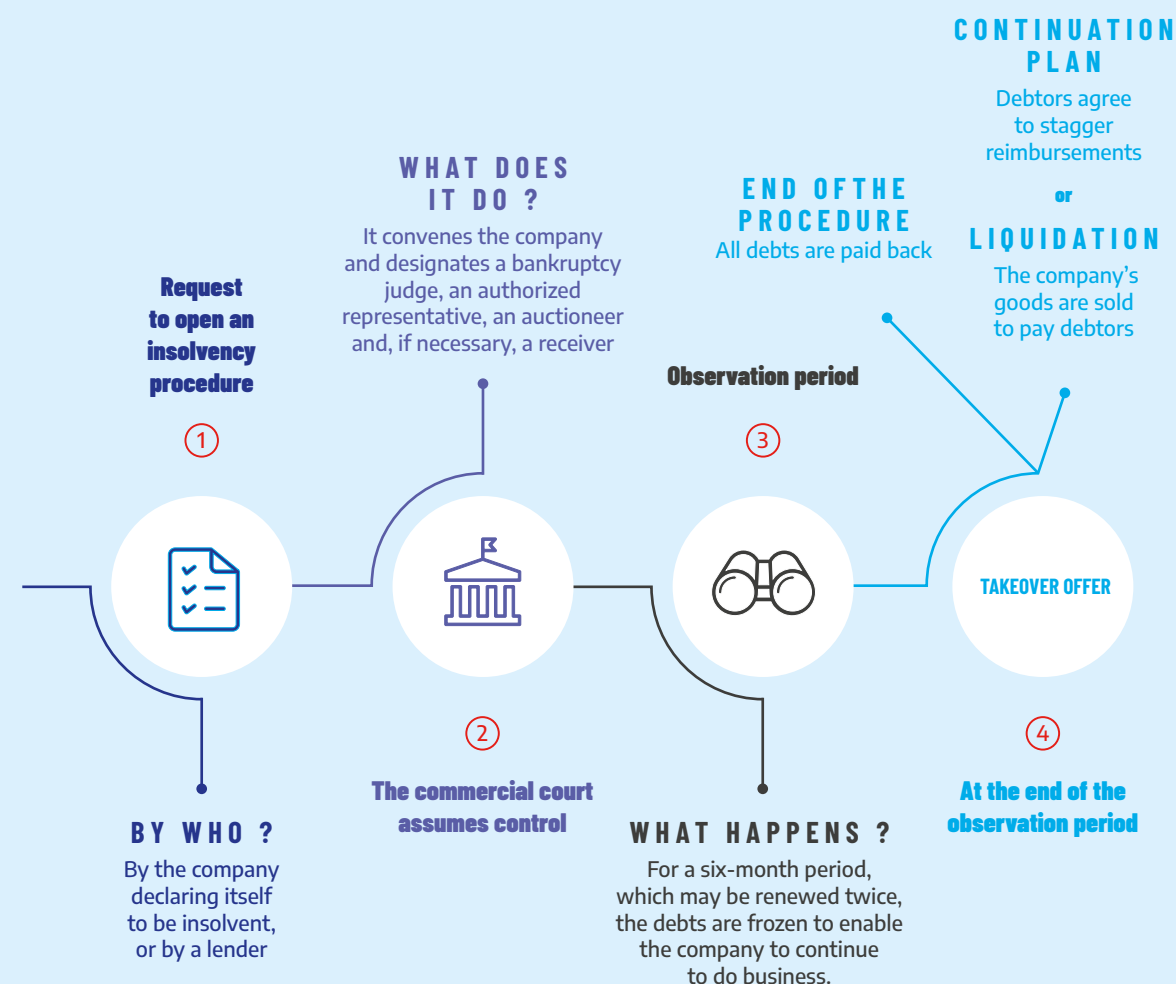
who have submitted offers and chooses the offer that best fits the sustainability of the business, continued employment and settlement of liabilities.

The takeover offer made by the buyer must notably include the precise description of goods, rights and contracts included in the offer, forecasts for activity and financing, the price offered, the capacity of capital contributors, the level and prospects for employment justified by the business being considered, the guarantees obtained with a view to going through with the takeover, and the duration of each of these engagements made by those making the takeover.

WHAT IS DUE DILIGENCE?



HOW DO YOU TAKE OVER AN AILING BUSINESS?





#4 PREPARING TO RESTART AN ACTIVITY

Supporting your takeover

What does it involve?

The control of foreign investments in France

Am I affected?

Some takeover operations made in so-called “sensitive” sectors are subject to prior authorization by the government minister responsible for the economy. This authorization is given within a two-month timeframe from when the request is received by the minister for the economy. If no response is given, tacit approval may be considered.

The transactions considered concern the acquisition of control, the acquisition of all or part of a business line, or the crossing of the threshold of 33.33% of the capital or voting rights.

What are the main sectors involved?

Public security, public order and defense, transport, water and energy supplies, electronic communications, public healthcare and vital activities such as those defined in the defense code. Also affected are businesses in the aerospace and civil protection sectors,

or those leading research and development activities involving cybersecurity, artificial intelligence, robotics, the manufacture of additives, and semi-conductors.

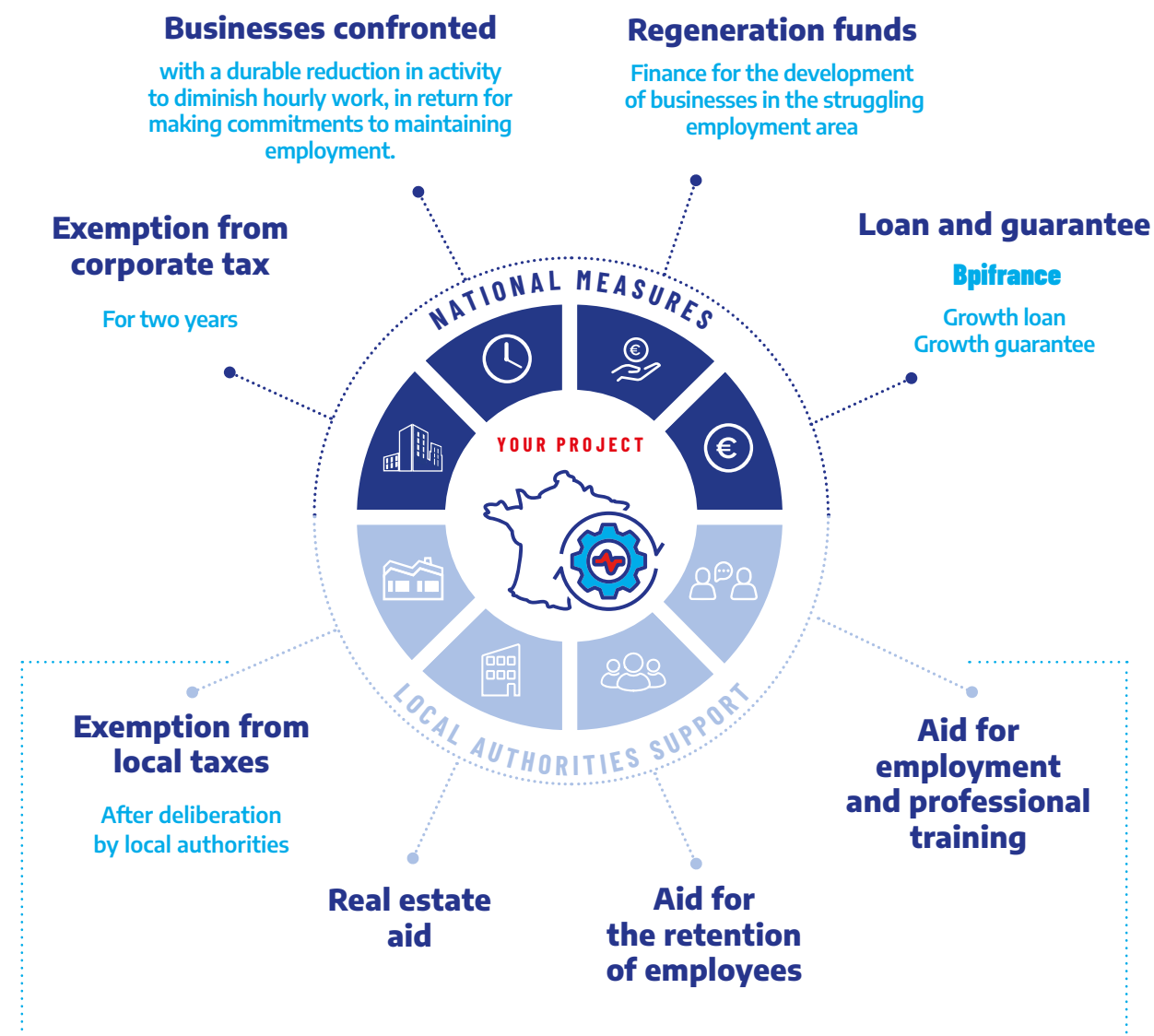
What aid exists for takeovers?

The French government and local authorities have introduced a number of financial aid schemes for those who take over a business so as to provide support for company takeovers of ailing firms. This aid enables the takeover costs to be reduced and applies according to different criteria, particularly the exact location (regional aid areas) and the type of business acquired.

Some regions offer finance for takeovers of ailing SME assets if jobs are maintained.



#5 WHAT ARE THE MAIN SCHEMES?



Schemes capped by regional aid area and company size

WHAT ARE THE THRESHOLD CONDITIONS AND LIMITS?

Tax exemptions for the takeover of an industrial business in difficulty

Nature : Corporate tax exemptions for two years and/or exemption from local taxes (for up to five years after deliberation by the local authorities)

Target : The company having been ordered by a tribunal as part of insolvency protection to sell some or all of its business, or is in bankruptcy protection or liquidation. An industrial activity

Exclusion : Of transport activities, making of synthetic fibers, steel industry and fishing

Eligibility : A company created before December 31, 2020 to take over an ailing business (corporate tax exemption for two years)

Ceiling : varies according to the size of the business and where it is located (for example, it is increased for SMEs within a regional aid area). Businesses receiving this exemption may also benefit from **an exemption from the corporate property contribution (CFE), the contribution on business value-added (CVAE) and property tax on developed property (TFPB)** for a duration of between two and five years.

Examination : Corporate tax office
(Service des impôts des entreprises)

Using the research tax credit - Bpifrance

Nature : A cash advance within the R&D program authorizing a research tax credit

Eligibility : A mid-size company (ETI) or large business subject to corporate tax

Amount : 80% of the amount outstanding (minimum: €30,000)

Financial conditions:
Commitment fee calculated on the amount authorized. Interest on advances used
Administrative fee and technical expertise

Examination : (regional offices)

Bpifrance growth loan

Nature: Unsecured loan

Goal: To secure your immaterial investments and strengthen your working capital requirement

Eligibility: SMEs and independent mid-size companies (ETIs)

Amount: €300,000 to €5,000,000 at a fixed or variable rate limited by your business' equity capital and quasi equity capital

Duration: Seven years, including 24 months of deferred capital repayment

Access conditions: In partnership with your bank, at a rate of 1 euro of growth loan for 1 euro of support loan, or own funding

Examination: Bpifrance (regional offices)

Short-time working scheme

Contact: Payment Services Agency (ASP) on behalf of the State

Nature: Financial compensation paid to the employer

Eligibility: The employer commits themselves to maintain employment of its employees, who receive short-time working benefits

Sectors: Any sector impacted by the Covid crisis or in difficulty due to lack of activity

Ceiling: Limited to 1,607 hours per employee for the employer (capped at €32.29 per hour)

#6 KEY STAKEHOLDERS

ANCT
cohesion-territoires.gouv.fr

**Businesses Directorate
(DGE)**
entreprises.gouv.fr/dge

Treasury Directorate (DGT)
tresor.economie.gouv.fr

French State Investment Fund (CDC)
caissedesdepots.fr

BPI FRANCE
bpifrance.fr

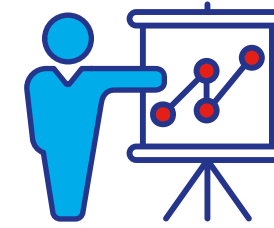
REGIONS OF FRANCE
regions-france.org

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Recruiting and training your employees

-  #1 Key figures
-  #2 Business France support
-  #3 Reform to workplace training and apprenticeships
-  #4 What are the main schemes?
-  #5 Key stakeholders



France has a wide, effective system of workplace training. Access for all employees to workplace training and apprenticeships guarantees the availability of a qualified, versatile workforce.

As a cornerstone of French government policy, reform to workplace training and apprenticeship schemes will profoundly transform the French model guided by a twofold aim: adopting effective tools to fight against unemployment; and preparing for the future by making social democracy brighter, livelier and more legitimate.

To achieve these aims, the French government and public-sector organizations have different financial support tools to encourage businesses to create jobs and train their staff.



#1 KEY FIGURES

France, a talent pool!



1 million
engineers

75 000 PHDS
(41 % of foreign-national)

278 000 students enrolled
in higher education

38,000 graduate engineers every year



#3
in Europe for R&D
staff availability

Number of students in PhD grade
(Eurostat, 2014)



#4
in the world
for R&D staff
Per 1,000 workers

After Finland, Sweden and Austria
(OCDE 2014)



#2 BUSINESS FRANCE SUPPORT

Helping you make a success of your project

↓ YOUR ACTIONS

Presenting your project
to Business France
Expressing your needs
and expectations

Forwarding a detailed
business plan

Meeting financial backers
Contacting your skills
operator

Clarifying your project
Making a formal request

Filing your request
Exchanging with the
appraising body

Signing an aid agreement
Justifying investments and
jobs created

↓ OUR SUPPORT

Analyzing your project
- Targeting aid
- Informing you of the terms
and conditions

Selecting tools
- Ensuring the pre-eligibility of
your project with financial backers
- Establishing a list of eligible
expenditure

Putting you in touch with financial backers
- Connecting you with the right contact
people

Approving the eligibility
of your project, thresholds
and eligible expenditure
to be respected

Processing your dossier

Assigning aid and paying
out funds according
to the agreed procedures

● Business France

● Business France partners



#3 REFORM TO WORKPLACE TRAINING AND APPRENTICESHIPS

France faces multiple challenges

Today, an hour's training for a cadre is generally more expensive than for an employé or ouvrier. To give fairer access, the personal training account (CPF) is drawn up in euros.

- Investing massively in training and skills, to be collectively capable of provoking change in the knowledge economy.
- Giving everyone the freedom to choose their professional future and the ability to build their own career path.
- Protecting the most vulnerable in society against the lack and the rapid obsolescence of expertise, and winning the battle against mass unemployment.

#1jeune1Solution: As part of the recovery plan, the **“one youth, one solution” program, launched in summer 2020, seeks to offer a solution to every young person. With more than €9 billion invested**, it draws upon a range of levers, including recruitment aid, training courses, support and financial aid to young people in difficulty to respond to all situations.

What is the CPF ?

In 2020, all employees in France were given a personal training account (Compte personnel de formation – CPF) credited with €500 per year to freely choose training courses.

Within 10 years, the CPF will reach its ceiling of €5,000, to which an employer contribution may be added.

The CPF may be contributed to businesses and branches, particularly through collective agreements.

The CPF is therefore reinforced as a personal right collectively guaranteed.

For employees without qualifications, rights will be increased, and the CPF will be credited with €800 per year, up to €8,000 in all, to fund occupational retraining.

An investment plan in skills will be introduced worth a total of €15 billion.

EXAMPLE TRAINING COURSE
All the training courses can be accessed through the CPF as part of a certification.

#1 | SUPPORT AND SECURE CAREER PATHS. SEE THE TOOLS AND PROJECTS IMPLEMENTED.

- Contractualized career path of support towards employment and autonomy (PACEA). Budget of €280 million for PACEA and €2.7 billion for Young Person Guarantee: 785,000 young people on PACEA and 500,000 on Young Person Guarantee.
- Digital passes, to learn how to use the internet. €15 million for up to 600,000 people a year.
- Enhance your professional image”, €275 million for 75,000 recipients.

#2 GUARANTEE A BASIC SKILLS BASE SEE THE TOOLS AND PROJECTS IMPLEMENTED.

- Evaluate and certify your abilities: Pix, Diagorente, Eva, CleA certifications.
- Secure the success of a training program -> PIAL, Epide, Ecole de la 2e chance, preparation of skill/learning training courses.

#3 RESPOND TO THE NEEDS OF BUSINESSES AND QUALIFY THE WORKFORCE SEE THE TOOLS AND PROJECTS IMPLEMENTED.

- Operational preparation for individual/collective employment (POEC-PEOI) Accommodation to Build Employment Pathways (HOPE) My employment skills (€30 million, 23,000 people).
- Skills training for employees following insertion through economic activity (IAE), an agreement for job and skills development.

Source : Ministry for Labour



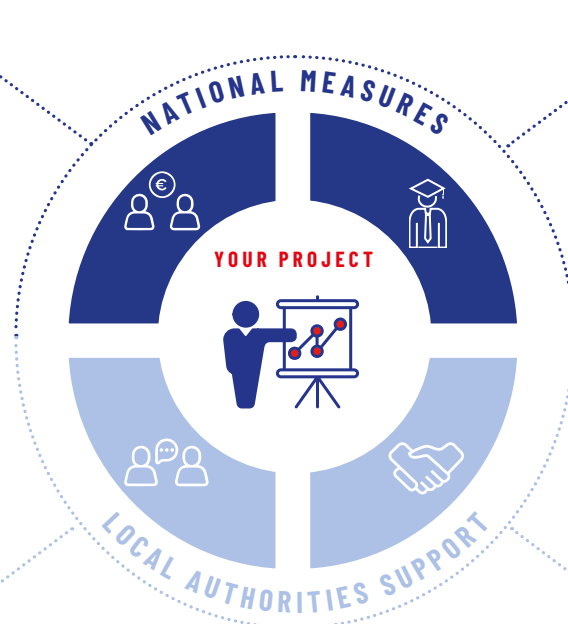
#4 WHAT ARE THE MAIN SCHEMES?

Reduced employer social security contributions

Urssaf

Pôle Emploi support

re-recruitment training program (Action de formation préalable au recrutement – AFPR). Operational readiness for employment (Préparation opérationnelle à l'emploi individuelle – POEI). From €5 to €8 per hour of training, up to 400 hours per employee



Training and employment aid

Local authorities can back certain national initiatives

Skill operators

Accredited fund-collecting agencies can offer supplementary finance to that offered by Pôle Emploi, as well as launch sector programs

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WHAT ARE THE THRESHOLD CONDITIONS AND LIMITS ?

Pre-recruitment training – AFPR et POEI

Nature : Grant up to 400 hours before taking on the post

Goal : To reduce the gap between the skills of new recruits and the demands of the jobs targeted

Target : People registered with Pôle Emploi

Eligibility : Any business size from any sector

Amount:

- For an internal training course (in the company): €5/hour up to €2,000
- For an external training course: €8/hour up to €3,200

Conditions :

- AFPR : fixed-term contract of between six and 12 months, fixed-term professionalization contract, or temporary work contract for missions of at least 6 months.
- Operational readiness for employment (Préparation opérationnelle à l'emploi individuelle – POEI) permanent contract or fixed-term contract of less than 12 months

Contact : Pôle emploi

Reduction in employer social security contributions

Nature : Reduction in social security contributions

Goal : To restore growth and employment

Eligibility: Any business size from any sector

Amount: For three years:

- Reduction in employer social security contributions on salaries lower than 1.6 times the statutory national minimum wage
- Reduction of family allowance rates up to 3.5 times the statutory national minimum wage
- Exemption from employer social security contributions for five to seven years following investment in specific areas (employment priority areas, urban enterprise areas, overseas)

Subsidized employment scheme

Nature: Bonus paid to employer

Goal: To fight unemployment in 194 priority districts (1.4 million inhabitants and 200,000 jobseekers) and against trends to discriminate when hiring

Eligibility: Any business size, any sector

Amount :

- For permanent contracts: €7,000 in the first year, then €5,000 for the two following years.
- For fixed-term contracts: €5,500 in the first year, then 2,500 in the second year, for a fixed-term contract of at least six months

Conditions:

- To be registered with Pôle Emploi, without restriction for age or level of qualification.
- To live in a priority district under the town's policies.
- To sign a contract before December 31, 2020 with a business or association.

Contact: Ministry for Regional Cohesion and Pôle Emploi



#5 KEY STAKEHOLDERS

PÔLE EMPLOI
pole-emploi.fr

REGIONS OF FRANCE
regions-france.org

MINISTRY FOR REGIONAL COHESION
cohesion-territoires.gouv.fr

Support for your R&D programs and innovative projects



#1 Key figures



#2 Business France support



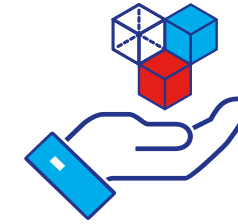
#3 Support for research and development
and innovation



#4 What are the main schemes?



#5 Key stakeholders



France is Europe's most attractive country in terms of its research tax credit (CIR) and effective tax rate for R&D activities.

Thirty percent of eligible expenses are refundable up to a limit of €100 million, and 5% for amounts above this limit.

(2016 research tax credit budget: €5.4 million.)

France is ranked first in Europe for its share of institutions featuring among the world's top 100 innovators with 13 Fields medalists (France is ranked second in the world).

In 2015, gross domestic expenditure on research and development (GERD) amounted to €49.8 billion. Foreign companies have increased their R&D spending in France by 9% per year since 2007.



#1 KEY FIGURES

France remains in top place ahead of the United Kingdom (114 projects, vs. 113 projects)



The United Kingdom went from having 100 R&D centers to 63

↓ -37

R&D centers



France went from having 45 R&D centers to 51

↑ +6

R&D centers

TOP FIVE ADVANTAGES OF FRANCE



1

Capacity for innovation and research



2

Tourism outreach



3

International accessibility and infrastructures



4

Ability to support entrepreneurship



5

Reforms to boost competitiveness



NATIONAL INVESTMENT PROGRAM

This fourth “National Investment Program” will be funded to the tune of €20 billion over five years (2022-2027), twice the size of the two previous programs launched in 2014 (€12 billion) and 2017 (€10 billion), proof that support for innovation is more than ever at the heart of investment policy by the State.

It will combine two intervention logics, seeking the fast-track innovation in all sectors, while simplifying the readability of intervention and financing: strategic and priority investments, as well as long-term financing for higher education, research and innovation.

The fourth “National Investment Program” will be built around four key themes:

- The development of innovation and green technology
- Resilience and economic sovereignty
- Supporting the higher education, research and innovation ecosystems
- Supporting innovative businesses at every stage of their development

For further information, visit the [General Secretariat for Investment \(SGPI\)](#)



✓ Identify

State aid in France for innovation is available at all levels of the production chain, from the creation of an ecosystem for the development of innovative companies to the financing of projects.

Whether you need a tax credit, subsidy, loan or repayable advance, Business France and its national and regional partners will show you what support systems are in place for R&D and innovation to help you carry out your ambitious projects.

✓ Secure

Working with the network of organizations and experts approved by the Ministry for Higher Education, Research and Innovation, Business France will help you to determine whether your R&D and innovation projects are eligible for support from state aid schemes.

✓ Connect

Business France facilitates contact with the Ministry for Higher Education, Research and Innovation, the National Research Agency and Bpifrance. It also coordinates exchanges between the different national and local levels to support your R&D programs and your innovative projects.

HELPING YOU MAKE A SUCCESS OF YOUR PROJECT

↓ YOUR ACTIONS

Presenting your project
to Business France
Expressing your needs
and expectations

Forwarding a detailed
business plan

Meeting financial backers
Presenting your project

Clarifying your project
Making a formal request

Filing your request
Exchanging
with the appraising body

Signing an aid agreement
Justifying investments
and jobs created

↓ OUR SUPPORT

Analyzing your project
- Targeting aid
- Informing you of the terms
and conditions

Selecting tools
- Ensuring the pre-eligibility
of your project with financial
backers
- Establishing a list
of eligible expenditure

Putting you in touch with financial backers
- Connecting you with the right contact
people
- Supporting you during the presentation
of your project

Approving the eligibility
of your project, thresholds
and eligible expenditure
to be respected

Processing your dossier
Examining the business plan,
the leveraging of aid,
and the economic impact

Assigning aid and paying
out funds according
to the agreed procedures



#3 SUPPORT FOR RESEARCH AND DEVELOPMENT AND INNOVATION

Support for R&D

France has a wide range of state aid schemes for R&D and innovation to provide you with an appropriate response to each type of project (breakthrough innovation, industrial research, etc.), the degree of maturity of your project, and any financing issues. Aid for R&D projects is available throughout the country and can cover a large amount of staff costs, R&D equipment, contract research costs, technical knowledge, patents purchased and overhead costs.

The very definition of R&D is a broad one, a term that can mean supporting various projects ranging from industrial research to experimental development through to technological partnerships.

THE INNOVATION FUND

Aim: As part of the government's strong focus on innovation, in January 2018 a fund was created through the French public investment bank, Bpifrance.

Amount: €10 billion.

Mission: Invest in breakthrough innovations and foster their industrialization in France.

Main targets: Companies, who will be eligible for large amounts of aid.

Contact: Bpifrance

Support for digital technology

Bpifrance has developed a very simple tool to assess your level of "digital maturity" before launching your digital transformation project. All you need to do is click on the following link to create an account: mon.bpifrance.fr/mon-espace/#/login

DIGITAL VENTURE FUND

Aim: Fast-track startups' growth and help to create French digital champions.

Nature: Investment in equity or quasi-equity in digital companies, alongside private co-investors.

Targets: Companies with high-growth potential, developing innovative technologies or deploying new products / services or innovative business models, with the aim of becoming a leader in their market.

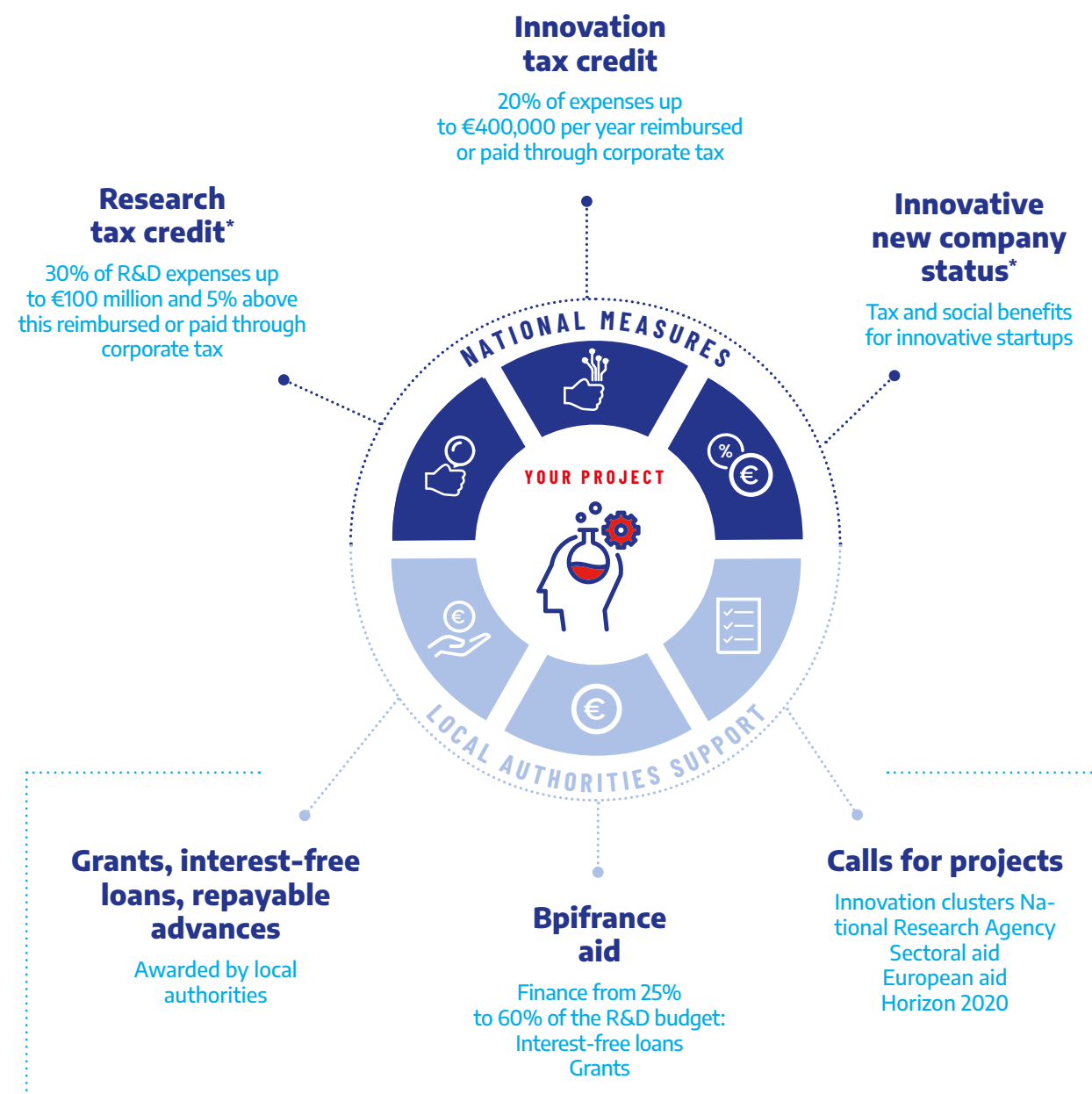
Investment areas: Software, the internet of things, products / hardware, AI and new digital uses.

Thresholds: Between €1 and €10 million. As of december 31, 2020, after nine years of activity the Digital Venture Fund has invested over €320 million in 100 startups.

Contact: Bpifrance



#4 WHAT ARE THE MAIN SCHEMES?



* An individual State aid notification to the European Commission is mandatory when the amount of aid, expressed in gross grant equivalent, is higher than €15,000,000 per business and per project if the project principally consists in experimental development

WHAT ARE THE THRESHOLD CONDITIONS AND LIMITS

Innovation development loan (Aide pour le développement de l'innovation)

Contact: Bpifrance regional authorities

Aim: Any independent or collaborative research, development and innovation (RDI) project, aimed at developing innovative products, processes or services with significant prospects for industrialization and commercialization.

Target: SMEs and companies with fewer than 2,000 employees

Amount: Repayable advance or interest-free loan up to €3 million. Assistance offered by Bpifrance may vary depending on the characteristics and progress of the project, the level of risk, the company profile, or the actual incentiveness of the aid (aid rate of between 25-65%, according to the total eligible expenditure base).

Industry Growth Loan

Contact : Bpifrance regional authorities

Aim: Carry out an investment program with a high economic impact that creates jobs and includes immaterial expenditures and needs for working capital.

Target: SMES and mid-size companies over three years old.

Amount: €500,000 to €5,000,000
The loan must be associated with external financing, at the rate of one to one, up to the limit of the company's equity and quasi-equity.

Duration: Seven years, including a grace period of two years.

Guarantee: No security on the assets of the company, nor on those of the company director, only a 5% guarantee deduction is expected. This deduction is refunded after reimbursement of the loan and increased of the interests earned.

Tax relief for innovative new companies (Jeune entreprise innovantes - JEIs)

Contact: General Tax Directorate, who will issue an official declaration.

Aim: Tax status enabling young SMEs to finance their R&D activity

Target: SMEs under eight years old created from scratch, before December 31, 2022

Amount:

- 100% corporate tax exemptions for the first financial year and 50% thereafter within the agreed ceiling
- Exemption for eight years from certain employers' mandatory social security contributions (sickness, old age, family allowances, etc.)
- May be combined with the research tax credit

Conditions: Companies for whom R&D expenditure equates to at least 15% of total expenditure per financial year, are more than 50% owned by private individuals or by investment funds, and are a SME under eight years old created from scratch.

Industrial agreements for training through research (Convention CIFRE)

Contact: National Association for Research and Technology (ANRT).

Nature: Grant

Aim: Hire a PhD student to be at the heart of a research partnership with a public laboratory.

Target: All industry sectors, companies of all sizes.

Conditions: The company recruits someone with a Master's degree on a fixed-term (CDD) or permanent (CDI) contract to carry out strategic research. The doctoral salary is eligible for the research tax credit.

Amount: €14,000 every year for three years.

Procedures: Declaration to be filed at the corporate tax department.

Research tax credit (Crédit d'impôt recherche - CIR)

Contact: Ministry for Higher Education and Research

Aim: Facilitate the financing of R&D operations carried out in France

Target: All industry sectors, companies of all sizes

Amount: Tax credit of 30% of annual research expenses (50% in the overseas regions of Guadeloupe, French Guiana, Martinique, Reunion and Mayotte) up to a maximum limit of €100 million, and 5% beyond this limit

Procedure: Declaration to be filed at the corporate tax department

Providers: List of approved providers available from the Ministry of Higher Education and Research

[Simulator](#)

Innovation tax credit (Crédit d'impôt innovation - CII)

Contact: Ministry for Higher Education and Research

Aim: Facilitate the financing of R&D operations for SMEs

Target: All industry sectors

Eligibility: Only SMEs

Amount: 20% of the expenses required for designing and creating prototypes or pilot plants for new products

Ceiling: The base is capped at €400,000 per year and per company

Procedures: Declaration to be filed at the corporate tax department. SMEs may, under certain conditions, benefit from an early repayment of the innovation tax credit

[Simulator](#)



BPI FRANCE
bpifrance.fr

GENERAL SECRETARIAT FOR INVESTMENT
gouvernement.fr/le-secretariat-general-pour-l-investissement

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FRENCH NATIONAL RESEARCH AGENCY
agence-nationale-recherche.fr

FRENCH MINISTRY FOR HIGHER EDUCATION, RESEARCH AND INNOVATION
enseignementsup-recherche.gouv.fr

Encouraging investments to protect the environment



#1 Key figures



#2 Business France support



#3 What are the main schemes?



#4 Key stakeholders



France reaffirmed its steadfast commitment to the environment at the Paris Agreement on Climate Change at the end of the COP 21 conference and by its Make Our Planet Great Again (MOPGA) initiative.

These commitments include a series of innovative, ambitious measures to bring together all stakeholders in this planetary struggle.

In order to meet the energy and ecological transition targets set out, France has rearranged financial support to its businesses, local authorities and research bodies.

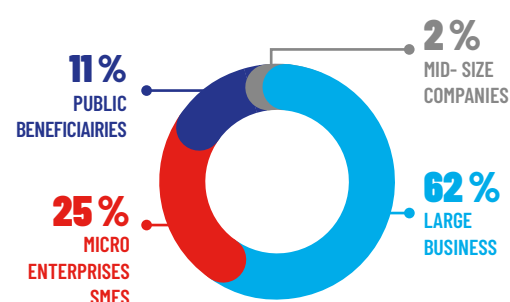
Generally, investments should allow to go further than regulatory obligations. Admissible costs cover the supplementary investment costs involved in protecting the environment.



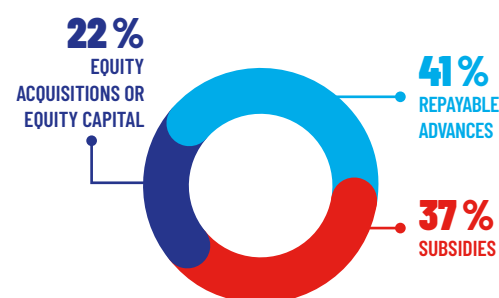
#1 KEY FIGURES

€2.5 billion of aid; 745 projects

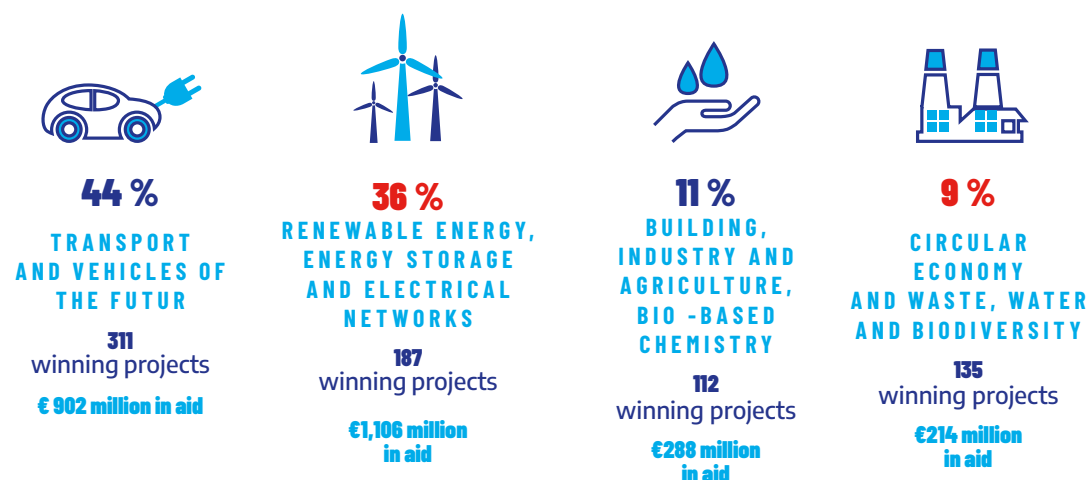
BENEFICIARIES



TYPES OF INTERVENTION



SECTORS



Source : ADEME, 2018

RELAUNCH FRANCE GREEN RECOVERY, IN CLOSE CONTACT WITH REGIONS



Provided with €100 billion, or four times what the plan of 2008 implemented in response to the financial crisis, the “Relaunch France” program makes the ecological transition a strategic goal, earmarking €30 billion exclusively for green investments. This meets two aims:

- To make our economy low-carbon by reducing our carbon emissions by 40%, compared with 1990, between now and 2030. The target is to contribute to achieving carbon neutrality by 2050 and creating value nationwide.
- To support our sectors of the future by investing in green technologies (hydrogen, recycling, biofuels, etc.)

The green component of the “Relaunch France” plan is built around six key topics :

- Transport: Infrastructures and green transport (€11.5 billion)
- Energy: Research and innovation in green technologies (€7 billion)
- Housing and energy renovation of buildings (€6.7 billion)
- Circular economy and local short supply chains (amounts to be found)
- Fight against the buildup of land (amounts to be found)
- Water and biodiversity (€525 million)

Source : France Relance



#2 BUSINESS FRANCE SUPPORT

Helping you make a success of your project

↓ YOUR ACTIONS

Presenting your project to Business France
Expressing your needs and expectations

Forwarding a detailed business plan

Meeting financial backers
Presenting your project

Clarifying your project
Making a formal request

Filing your request
Exchanging with the appraising body

Signing an aid agreement
Justifying investments and jobs created

↓ OUR SUPPORT

Analyzing your project
- Targeting aid
- Informing you of the terms and conditions

Selecting tools
- Ensuring the pre-eligibility of your project with financial backers
- Establishing a list of eligible expenditure

Putting you in touch with financial backers
- Connecting you with the right contact people
- Supporting you during the presentation of your project

Approving the eligibility of your project, thresholds and eligible expenditure to be respected

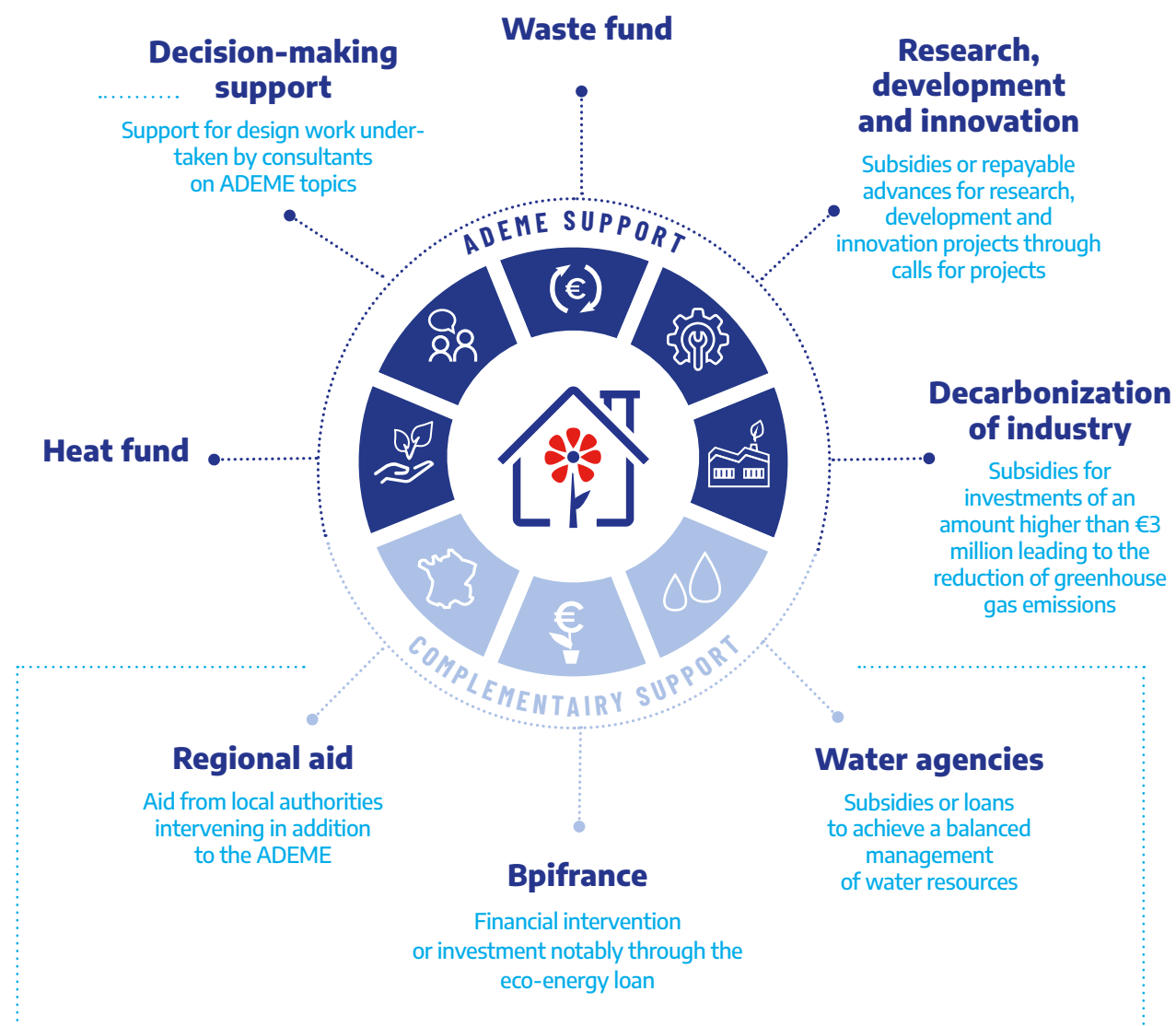
Processing your dossier
Examining the business plan, the leveraging of aid, and the economic impact

Assigning aid and paying out funds according to the agreed procedures

● Business France and its regional partners ● Public financial backers



#3 WHAT ARE THE MAIN SCHEMES?



Schemes capped by regional aid area and company size. Notification threshold to the European Commission: €7.5 million
* An individual notification is mandatory for aid for which the gross grant equivalent exceeds €15,000,000 per business and per project.

WHAT ARE THE THRESHOLD CONDITIONS AND LIMITS

Heat fund - Support to develop renewable heat

Nature : Investment subsidy for projects to:

- Produce renewable heat (biomass, solar thermal, geothermal, etc.)
- Heating networks

Target: Businesses or local authorities responding mainly to:

- A BCIAT call for projects (Heat Biomass – Industry, Commerce & Agriculture) aimed at businesses for the largest biomass projects (output of more than 1,000 toe/year).
- Regional calls for projects managed by regional ADEME offices in conjunction with the French regional governments.

Indicative support rate: 20-40%, mostly defined by fixed rates and enabling competitive solutions.

Contact : ADEME

Waste fund - Support to develop the Circular Economy - Circular economy fund

Aim: A subsidy for projects involving waste prevention, collection and recycling, and organic, material and energy recovery

Rate: Up to 30%

Calculation base: Up to €10 million

Contact: ADEME

Decision-making support

Nature: Subsidies for design work undertaken by external engineering and consultancy firms in all areas covered by ADEME: energy efficiency, renewable energies, the circular economy, waste, transport, air quality plans etc.

Target: Businesses and local authorities

Support: 50-70% depending on beneficiaries: large companies, medium-sized companies, small companies and non-economic activities

Maximum eligible expenditure:

- €50,000 for diagnosis
- €100,000 for project support studies

Access conditions: Exclusions exist (notably for companies with more than 250 employees) as well as eco-conditionality criteria on the qualification of design and research offices

Contact: ADEME

Research, development and innovation

Nature: Support through subsidies or repayable advances to research, development and innovation programs, principally selected by calls for projects.

Target: Businesses, research organizations, associations or local authorities.

Maximum rate of aid: Depends on beneficiaries

- 70% for research on new knowledge
- 50-70% for industrial research
- 50% for innovation for SMEs

The aid rates are fixed at each call for tenders.

Contact : ADEME

Eco-energy loan

Nature: Financing your equipment eligible for energy savings certificates

Target: Micro-enterprise / SME

Ceiling: Between €10,000 and €500,000. Preferential rate.

Duration: Two years deferred redemption of capital. Linear depreciation. No guarantee.

Contact: Bpifrance

#4 KEY STAKEHOLDERS

THE FRENCH ENVIRONMENT AND ENERGY MANAGEMENT AGENCY (ADEME)
ademe.fr

THE WATER AGENCIES
lesagencesdeleau.fr






BPIFRANCE
bpifrance.fr

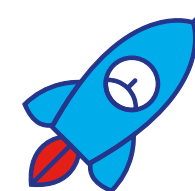
MINISTRY FOR THE ECOLOGICAL AND INCLUSIVE TRANSITION
ecologique-solidaire.gouv.fr

DISCLAIMER

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How to develop your startup project

-  **#1** Key figures
-  **#2** Business France support
-  **#3** Find the funding that matches your needs
-  **#4** What are the main schemes?
-  **#5** Key stakeholders



Entrepreneur is the new France !

In 2020, France was once again very well represented at the Consumer Electronics Show (CES) in Las Vegas with just over 200 french startups in attendance of which 150 under the French Tech banner. It is safe to say that France is doing well with 40 products from French startups recognized at this year's CES Innovation Awards, ranking France at the 1st place among European nations and 4th Worldwide.

What's the secret behind this success?

“La French Tech” comprises both the French authorities and other institutions, all of which are supporting a favorable.

LA FRENCH TECH WHAT'S IT ALL ABOUT?



“La French Tech” is the French startup movement, a unique ecosystem bringing together not only startups but also investors, decision-makers and community builders.

It is a collective brand launched by the French government in 2014. “La French Tech” aims to help create tech champions, promote French expertise on the international stage and attract foreign investors. To increase the initiative’s effectiveness, the government has launched a call for projects for the accreditation of regions. Once accredited, these regions will commit to doing their best to support the ecosystem and to put in place the necessary systems to ensure startups move beyond being mere ideas and become tech champions.



#1 KEY FIGURES

The other Startup nation



La French Tech

the open brand
of the French startup scene

21 000+ startups

US \$ 6.3 BILLION
raised in 2021

411 deals - € 6.9M per deal

635K Startup employees

3.509 corporates



Station F

The world's largest startup
incubator is in Paris

1 000+ startups

30 public services

40 VC funds

600 events /year

45 masterclass /year

SECTORS

HEALTH

€1,2 billion
raised 2019
against

€709 million
in 2018

ENTERPRISE SOFTWARE

€941 million
raised 2019
against

€528 million
in 2018

FINTECH

€701 million
raised 2019
against

€399 million
in 2018



Deals

GROWING SHARPLY

DOCTOLIB

raised US\$ 150 million
growth equity

ECOVADIS

raised US\$ 200 million

QUONTO

raised US\$ 104 million
Series C

✓ Identify

France offers a range of state aid schemes, as well as calls for projects and events to support the growth strategy of both startups and entrepreneurs.

Business France helps you to identify exactly what you need for each stage of your startup project development.

✓ Sécuriser

Business France offers a dedicated support service for foreign entrepreneurs who have chosen France as the place to create and develop their startups.

Through a personalized support program, Business France provides you with information on and lets you discover more about a dynamic and constantly growing ecosystem.

Business France informs, guides and supports foreign talent and their families with their international professional mobility.

welcometofrance.com

✓ Connect

Whether it be incubators, accelerators, innovation clusters, financiers, Bpifrance, venture capitalists, tech events, we can connect you with our partners who contribute to the success of “La French Tech” on a daily basis.

HELPING YOU DEVELOP YOUR STARTUP

↓ YOUR ACTIONS

Presenting your project to Business France

Forwarding a business plan

Meeting financial backers and the ecosystem

Clarifying your project

Filing your support request

Starting up your French site

↓ OUR SUPPORT

Analyzing your project
- Targeting aid
- Informing you about the ecosystem

Selecting tools

Putting you in touch with financial backers and venture capitalists and connecting you with the right contact people

Approving the eligibility of your project with the schemes identified

Processing your dossier and assigning aid

Facilitating your installation

● Business France

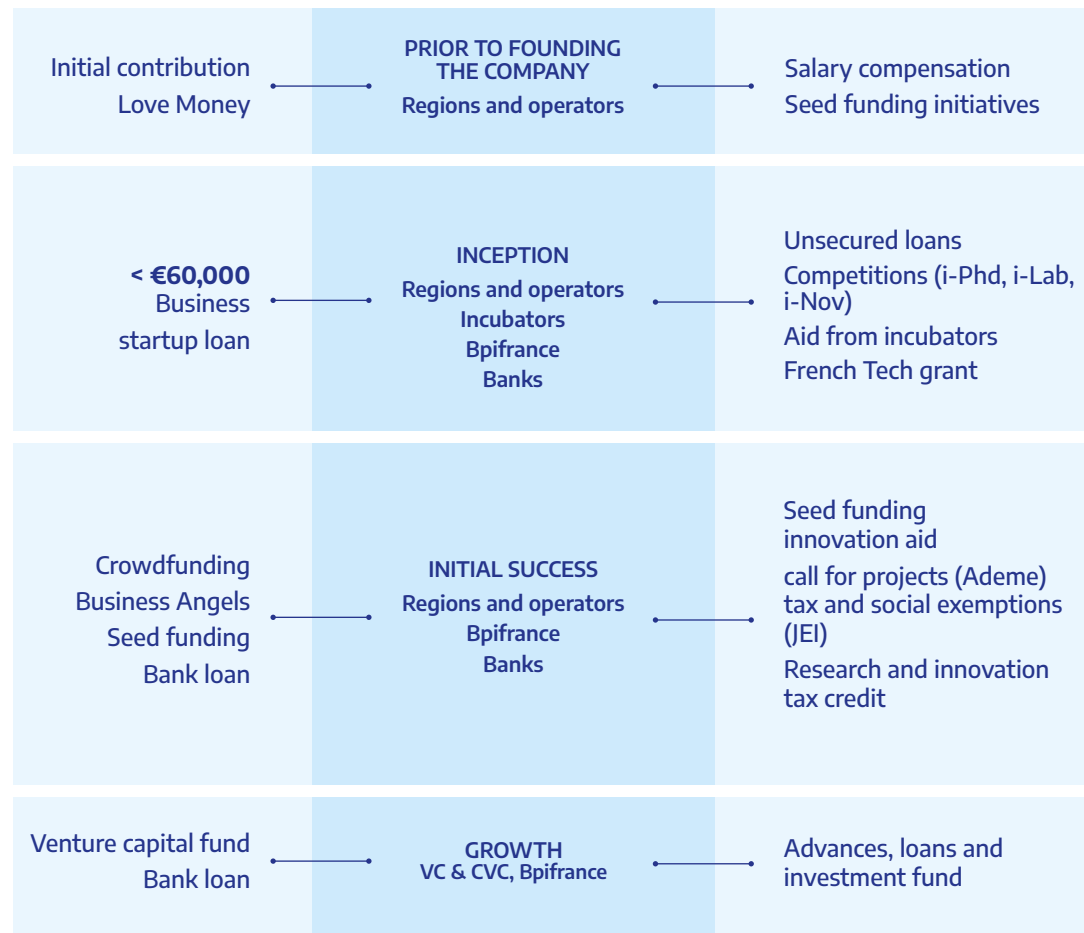
● Business France partners



#3 FIND THE FUNDING THAT MATCHES YOUR NEEDS

↓ PRIVATE

PUBLIC ↓



AND AFTER?

FT120

program: France's growth-stage program was built to provide unprecedented support for 123 companies in France pooling resources from across the various government agencies, ministries and public service departments

BENEFIT 1

3 wishes granted

BENEFIT 2

Increased visibility

BENEFIT 3

Bizdev opportunities
with the State

BENEFIT 4

Support from a dedicated "Startup
Engagement Manager"

BENEFIT 5

Unlimited access to a range of services
offered by 45+ ministries, government
agencies and public services

Next 40

"honors 40 of France's highest performing tech champions and grants them access to France's most powerful growth-stage program."

BENEFIT 1

Spotlight as one of France's 40 future tech
champions

BENEFIT 2

Pre-IPO support from Euronext

BENEFIT 3

Admission into French Tech 120

FT Visa

"a simplified, fast-track scheme for non-EU startup employees, founders and investors to obtain a residence permit for France."

BENEFIT 1

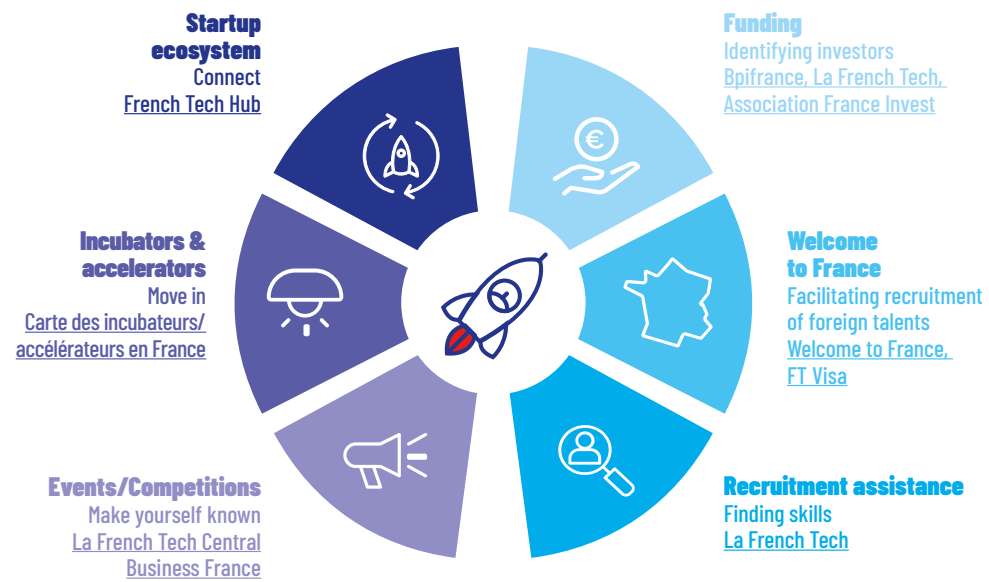
The visa automatically extends
to your spouse and minor dependent children

BENEFIT 2

Valid for four years—and renewable



#4 WHAT ARE THE MAIN SCHEMES?



French Tech metropolis [lafrenchtech.com](#)



WHAT ARE THE THRESHOLD CONDITIONS AND LIMITS ?

Innovation development loan (Aide pour le développement de l'innovation)

Aim: Any independent or collaborative research, development and innovation (RDI) project, aimed at developing innovative products, processes or services with significant prospects for industrialization and commercialization.

Target: SMEs and companies with fewer than 2,000 employees

Amount: Repayable advance or interest-free loan up to €3 million. Assistance offered by Bpifrance may vary depending on the characteristics and progress of the project, the level of risk, the company profile, or the actual incentiviveness of the aid (aid rate of between 25-65%, according to the total eligible expenditure base).

Contact : Bpifrance

Tax relief for young innovative companies (JEI)

Aim: Tax status enabling young SMEs to finance their R&D activity

Target: SMEs under eight years old created from scratch

Amount: 100% corporate tax exemptions for the first financial year and 50% thereafter within the agreed ceiling. Exemption for eight years from certain employers' mandatory social security contributions (sickness, old age, family allowances, etc.). May be combined with the research tax credit.

Eligibility: Companies for whom R&D expenditure equates to at least 15% of total expenditure per financial year, are more than 50% owned by private individuals or by investment funds, and are a SME under eight years old created from scratch.

Contact: Local tax authorities

Early-stage development loan (Prêt amorçage invest)

Nature: To help bolster a company that has just successfully raised funds and support its development and growth by providing additional financing in the form of a development loan.

Eligible companies: Young companies under eight years old having successfully raised a minimum of €200,000 in seed money.

Minimum amount: €100,000

Maximum amount: €500,000 per intervention

Duration: Eight years with a grace period of 36 months. Loan supported by InnovFin SME guarantee, with financial support from the EU as part of the Horizon 2020 program and the European Fund for Strategic Investments (EFSI) No guarantee on the company's assets or on those belonging to the head of the company.

Contact : Bpifrance

French Tech grant (Bourse French Tech)

Nature: Support projects requiring a phase of maturation and techno-economic validation. The grant can help with the following: business models, technological feasibility, changes in usage, ergonomic user interfaces, service design, tests, marketing, technical support, legal matters, corporate internal reorganization and partnerships.

Eligible companies: Young companies with real growth potential created less than a year ago and registered in France or natural person.

Amount: A grant that can cover up to 70% of the estimated eligible expenditure up to a limit of €30,000. The French Tech grant is financed by both Bpifrance and the National Institute of Industrial Property (INPI) for brand new projects.

Contact : Bpifrance

Innovation Fund (Fonds pour l'innovation)

Amount: €10 billion

Nature: Finance breakthrough innovations

Eligibility: The fund aims to support and finance startups and projects specializing in breakthrough technologies, and help public laboratories, SMEs and large corporates focus on major challenges

Targeted sectors: Artificial intelligence, nanoelectronics, biomanufacturing, new generation batteries and autonomous vehicles

Contact : Bpifrance

French Tech Seed Fund (Fonds French Tech Seed)

Amount: €400 million grant from the National Investment program

Nature: To provide France with the tools to support pre-seed funding on a large scale

Eligibility: The fund supports fundraising for technology startups from laboratories, incubators and technology transfer accelerator companies (SATT)

Ticket: Investments are generally up to €250,000 because the fund is intended for pre-seed development

Contact : Bpifrance



LA FRENCH TECH
lafrenchtech.com

BPI FRANCE
bpifrance.fr

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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.

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

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Designed and produced by: Business France

Credit Photo: Getty image