

25

years
of French
attractiveness



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25
years
**of French
attractiveness**

The AmCham-Bain barometer: France's compass for attractiveness

For 25 years, AmCham France and Bain & Company have collaborated to give a voice to American investors in France through a unique Barometer, which has become a true benchmark. Year after year, this valuable tool analyzes the strengths and weaknesses of the French market while identifying the opportunities and challenges faced by American companies already established in France or looking to invest in the country. To mark this milestone celebrating “a quarter-century of attractiveness,” we are proud to present this Special Edition. It traces the many transformations the French economy has undergone over the past 25 years and pays tribute to the richness of our collaboration.

A publication in two sections

This exceptional publication is divided into two parts:

- A retrospective of the last 25 Barometers, highlighting the major economic trends and transformations that have marked the French business landscape according to American investors.
- Exclusive testimonials and interviews with public figures committed to promoting France's attractiveness on a daily basis, and executives from major American companies who have chosen France.

25 years of transformation

Since its creation, the AmCham-Bain Barometer has borne witness to the profound changes that have shaped France's economic attractiveness.

Thanks to these analyses, AmCham France formulates concrete recommendations every year aimed at strengthening France's assets and mitigating its weaknesses. With humility but determination, AmCham works alongside the companies it represents to make their voices heard and inspire public policy in a direction favorable to France's economic growth. It also highlights the ongoing efforts of our leaders to reinforce its status as a preferred European destination for foreign investors.

A renewed ambition for the future

As we turn the page on a quarter-century of assessments and actions, we look to the future with enthusiasm. Our ambition remains unchanged: to continue to support companies in their efforts to locate here, and to promote an ever more dynamic and productive Franco-American economic dialogue.

We would like to extend our heartfelt thank you to the institutional stakeholders, business leaders, and partners who have contributed to this incredible journey—without whom this Barometer could not have endured and evolved over time.

We look forward to the next 25 editions! May France's attractiveness and Franco-American friendship continue to thrive and prosper.

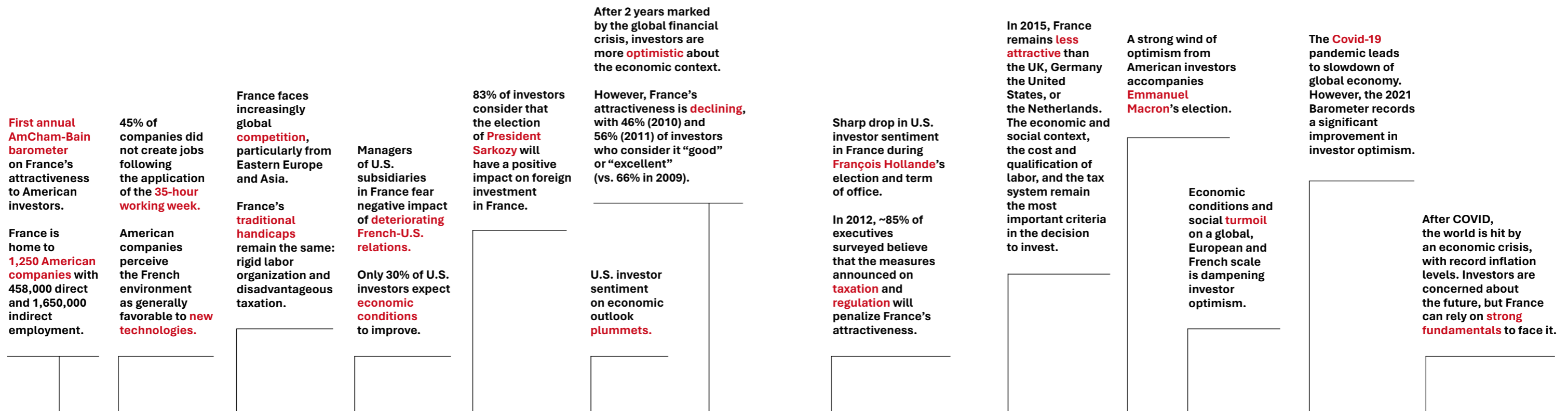


Natacha Rafalski,
President
of AmCham France,
President
at Disneyland Paris



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25 years of French attractiveness at a glance



2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024

2000: The "Aubry" law sets the legal working week at 35 hours (for companies with 20+ employees).
Election of George W. Bush.

2001: Setting up of the employment bonus (ending in 2015).
9/11 attacks. War begins in Afghanistan.

2002: Election of Jacques Chirac.

2003: Reform of the pension system for civil servants.
Start of the Iraq war.

2004: The European Constitution is rejected by referendum in France.
Reelection of George W. Bush.

2005: Demonstrations against CPE.
Saddam Hussein sentenced to death and executed in Iraq.

2006: Election of Nicolas Sarkozy.
Start of the subprime crisis.

2007: France joins integrated command of NATO.

2008: Strikes against a pension reform.
Election of Barack Obama.
The bankruptcy of Lehman Brothers leads to the start of the global financial crisis.

2009: France joins integrated command of NATO.
General Motors declares bankruptcy.
Bernard Madoff is condemned to 150 years in prison.

2010: Strikes against a pension reform.
Barack Obama administration announces reforms for the financial sector following crisis.

2011: End of the Iraq war. Oussama Ben Laden killed in Pakistan.
The United States lose their S&P AAA rating for the first time.

2012: Election of Francois Hollande.
"Finance is my enemy".
Increase in banking taxes.
Reelection of Barack Obama.

2013: Entrepreneurs protest by forming the "Pigeon Movement".
End of the war in Afghanistan.

2014: Increase of the VAT in France.
High tensions following death of 2 African American citizens killed by police.

2015: Terrorist attacks in France.
Creation of the CICE and abolition of the "tax on high incomes".
Images of Air France HRD assaulted by employees spread around the world.
Election of Donald Trump.

2016: July 14 attacks in Nice.
~50 taxes created since 2010 while only nine were removed.
Donald Trump announces withdrawal of the U.S. from the Paris Climate Agreement.

2017: Election of Emmanuel Macron.
Donald Trump announces withdrawal of the United States from the nuclear agreement with Iran.
Tensions lead to several administration shutdowns.

2018: The Yellow Vests movement threatens French social climate for months.
Notre Dame burns.
Social conflicts over pension reform.
Withdrawal of the United States from the nuclear agreement with Iran.
Donald Trump disengages multiple times from the multilateral scene.
Agreement on GAFA tax at the G7.

2019: The government announces measures to combat the pandemic "whatever it takes".
The country adapts to lockdown and curfew.
The U.S. is experiencing an explosion of Covid-19 cases, bringing the death toll to 340,000+.
Election of Joe Biden as the 46th president of the United States.

2020: Sanitary pass comes into effect on June 9th.
Climate and Resilience law is voted in August.
First vaccinations against Covid-19.
Assault on the Capitol by Donald Trump supporters.
The U.S. rejoins Paris Agreement.

2021: Emmanuel Macron is reelected.
Inflation reaches 6.2% in October, the highest level since 1980.
Signing of Inflation Reduction Act.

2022: The retirement age is postponed to 64 years.
Increase in energy prices and decrease in purchasing power.
The American economy has shown resilience, defying fears of a recession.

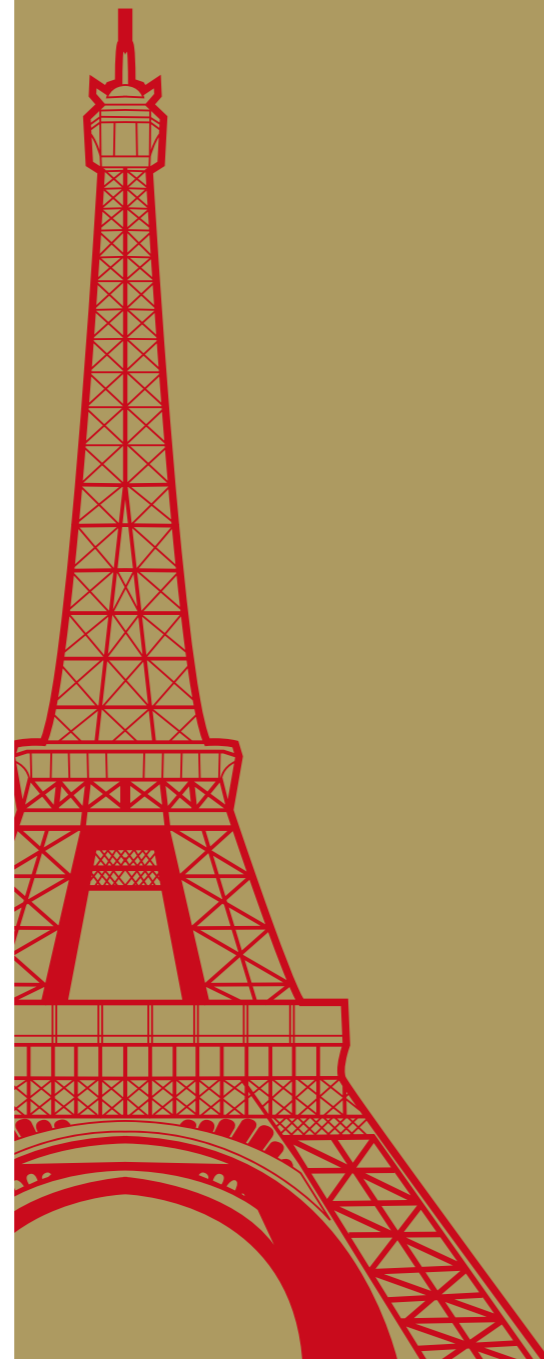
2023: Dissolution of the National Assembly (June 9).
Censorship of the Barrier government (Dec. 4).
Credit rating agencies downgrade France due to the weight of public debt.
Paris hosts JOPs.

2024: Donald Trump returns to the U.S. Presidency.
Inflation slows down to 2.9% over the year.

25 YEARS OF FRENCH ATTRACTIVENESS



Retrospective



Introduction

A land of innovation and research, renowned for the excellence of its talent, valued for its quality of life and strategic geographic location, France has steadily built a reputation as an attractive investment destination. Yet, for decades, it has also been burdened by structural weaknesses, which it has frequently urged to improve—particularly in areas such as taxation, labor costs, social climate, and administrative complexity. Through each edition of the AmCham-Bain Barometer, we have highlighted both the praise and criticism of investors, issuing repeated calls to action. This has been the very essence of our work over the years: identifying strengths and weaknesses, driving change, bridging gaps, and helping France cultivate an increasingly favorable environment for transatlantic investment.

From 1999 to 2024, the AmCham-Bain Barometers have evolved, incorporating new analyses, themes, and methodologies. Written against shifting economic, social, and political backdrops, their findings reflect the changing perceptions of American investors. However, beyond short-term fluctuations, a long-term review of these 25 reports reveals underlying trends—recurring themes that have consistently shaped the way American investors view France. This retrospective highlights these persistent dynamics. We first identified three key milestones—2009, 2012, and 2017—that encapsulate the history of France’s attractiveness over the past 25 years. We then outlined the major factors—a blend of valuable strengths and enduring challenges—that have shaped France’s attractiveness to American investors for over two decades.

We hope that this journey into the past will shed light on the present, offering a clearer understanding of investors’ ongoing expectations while helping to define the actions needed to keep France among the top investment destinations in Europe.

The 3 key milestones in France's attractiveness

Summarizing 25 years of history is no easy task...

However, a broad analysis of the various Barometers allows us to identify three key dates, each representing a turning point in the turbulent history of France's attractiveness.

2009, the peak of a highly favorable decade

The year 2009 marked a milestone in the history of France's attractiveness to foreign investors: that year, 66% of American investors surveyed rated their parent company's perception of France as "excellent" or "good"—a record that has since remained unbeaten.

One year earlier, the collapse of Lehman Brothers had triggered the global financial crisis. Yet, **this crisis had little impact on the perception of France:** 67% of American investors in 2009 believed that France's attractiveness remained unchanged, and 83% considered that their company's French subsidiary was performing better than its counterparts abroad.

How can this paradox be explained?

- **The French government's response was seen as reassuring:** 84% of respondents believed that the measures taken in the December 2008 stimulus plan were appropriate for addressing the crisis, and 76% considered the scale of these measures to be proportionate.
- **Nicolas Sarkozy's policies played a positive role in France's image in the U.S.:** 82% of investors had a positive perception of his policies, and for two-thirds of respondents, the economic ties between France and the U.S. were expected to improve as a result.

After a slight decline in 2010, **the year 2011 continued the trend set in 2009**, with 56% of investors stating that their parent company had a positive view of France's attractiveness.

2012, the beginning of the "French bashing" years

The year 2012 marks a turning point. After years of positive perception, France's attractiveness as an investment destination declined sharply: 39% of respondents believed that their parent company had a negative perception of France, compared to 15% in 2011. Only 22% still considered that France had a good image.

How can this dramatic drop in France's attractiveness be explained?

- It was the beginning of a period of **political transition** (with the election of François Hollande as President and a change in majority in the National Assembly), which had a negative impact for 65% of respondents.
- The new government's **tax reforms** were also viewed negatively: 85% of respondents believed that corporate tax reforms would have a negative or very negative impact on France's attractiveness. 73% held the same view for personal tax reforms, which included the introduction of a new income tax bracket for earnings above €1 million and an increase in stock-option taxation.
- Plans to **strengthen regulations** (such as the requirement to accept takeover bids in the event of a site closure and measures to curb tax optimization related to the wealth tax) were seen as harmful by 83% of respondents.

The year 2012 was not an "isolated setback"—it was, on the contrary, the first sign of a **lasting and significant decline in France's attractiveness**, which would continue until 2017.

In 2013, this decline continued, with only 13% of American executives stating that their parent company had a positive perception of France. This decline was attributed to a **lack of clarity in the government's policy agenda** and the **complexity of labor laws and the tax environment**. American investors complained about the unpredictability of government decisions and legislative proposals.

France's attractiveness as an investment destination reached a new low in 2014, before slightly recovering in 2016. Even then, the level remained low, with only 30% of respondents stating that their parent company viewed France positively compared to other investment destinations.

2017, a sustainable increase in attractiveness

In 2017, the negative trend of the past years began to reverse: 48% of respondents stated that their parent company had a positive perception of France compared to other European investment destinations. That same year, while France's NPS* as an investment destination remained negative, it improved significantly, reaching -12% in 2017 (vs. -51% in 2016).

France's attractiveness was greatly strengthened by the "Macron effect" and growing optimism about economic prospects. Even though 53% of respondents believed that the new U.S. administration had a negative impact on Franco-American relations, American investors displayed remarkable optimism. The election of Emmanuel Macron as President in May 2017 significantly boosted France's image abroad. The new president was seen as "pro-business", and American investors viewed this political shift as the beginning of a major transformation for France—some even referred to it as a "French version of the New Deal." As a result, 90% of surveyed investors stated that Macron's policies had a positive effect on investment and France's image in the U.S. Beyond the "Macron effect," there was also a general improvement in the perception of France's economic outlook. When asked about France's economic prospects over the next three years, 72% of American investors expressed optimism (+23 points compared to 2016), confirming the encouraging trend already observed the previous year. France was thus in a particu-

larly favorable position to leverage its strengths—both as a European hub for digital transformation and as a beneficiary of renewed attractiveness, particularly in terms of job creation. The phrase "France is back" had never been more relevant.

This trend continued in 2019: 64% of American investors then perceived France as more attractive than its European neighbors, citing uncertainties related to Brexit, the "post-Merkel" era, and Italy's budget situation. France had almost regained its historic 2009 level! The NPS remained negative at -12%, but matched its 2017 level.

After a slight decline in 2020, when France's NPS fell to -20% (8 points lower than in 2019), largely due to the COVID-19 crisis and persistent structural challenges (difficult social climate, high labor costs, and administrative complexity), the NPS rebounded sharply in 2021, rising to -1%. The perception of France among American parent companies returned to pre-COVID levels, with 64% of investors stating that their corporate headquarters had a good or even excellent perception of the country. According to AmCham, this very positive sentiment was largely due to France's crisis management and to the government's pro-business measures.

* The Net Promoter Score (NPS®) is a registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. The NPS measures the likelihood of recommending a country, company, or product through a single question: "Would you recommend this country, product, or company to your friends or colleagues?" Respondents provide a score from 0 to 10, categorizing them into three groups: promoters (9-10), neutrals (7-8), and detractors (6 or lower). The NPS® is calculated as the difference between the percentage of Promoters and Detractors.

France's major strengths

A skilled workforce, innovation capacity, quality of life, strategic geographic location...
A closer look at the strengths that, year after year, have made France a top European destination for American investments.

France, an outstanding talent pool

The high level of workforce qualification is seen as a key differentiator of France's attractiveness.

Workforce qualification has long been recognized as one of France's primary strengths among foreign investors.

The very first 1999 AmCham-Bain Barometer already highlighted the quality of talent as one of France's major advantages. Year after year, this factor has been widely praised by American investors, including in the latest edition, which emphasized that "the high level of qualification of talent in France, particularly the excellence of its engineers, is highly valued by the vast majority of respondents."

This is especially favorable for France because... workforce qualification has been a **dominant investment criterion for the past 25 years!** In 2008, it even became the second most important criterion for investors. In the 2020 edition, 99% of respondents considered workforce qualification to be important. In the latest edition of the Barometer, this factor gained three spots among investment criteria, reaching second place in the ranking: "These shifts reflect the current inflationary and uncertain economic environment, which is pushing companies to rationalize their spending and be particularly selective in their hiring processes", the report stated.



France's training system is recognized as being of great quality, particularly for its highly qualified programs, for example in the scientific field. The quality of the talent pool that emerges from it is repeatedly cited as a major asset for the country's attractiveness. However, technical courses and trainings for short-staffed occupations still suffer from major problems of attractiveness and workforce availability.



2024 Barometer

While France stands out significantly from its European neighbors for the excellence of its talent, it is perceived somewhat less favorably in terms of workforce availability—an overwhelmingly dominant criterion for foreign investors.

As early as 2008, when workforce availability topped the list of investment factors, only 32% of American investors viewed it as a strength for France, while 16% and 52% considered the country neutral or weak on this criterion, respectively.

These figures have not varied significantly over time—in fact, **they have declined in recent years**. The 2022 report stated: *“Only 15% of respondents consider workforce availability a strength, compared to 24% who see it as a weakness (12 points higher than in 2020).”* This concern applies to highly skilled professionals, where brain drain remains an issue, as well as to technical and operational roles, which struggle to attract talent.

A similar analysis was presented in the following edition, which clarified that this issue is not exclusive to France but rather a **broader European concern**: *“Labor market tensions exist in France, as they do worldwide. 98% of respondents report experiencing some (66%) or significant (32%) challenges with workforce availability. In a context of post-COVID economic recovery, labor market constraints are severe, but this is a global phenomenon rather than one unique to France.”*

France, a land of innovation

Since the earliest editions of the AmCham-Bain Barometer, France has been perceived as a stronghold of innovation and research. As early as 2000, American investors already viewed the French business environment as “favorable to new technologies” and cited few barriers to their development.

Year after year, R&D has been highly rated by American investors. In the 2009 edition, 37% of respondents identified innovation and research quality as one of France’s key advantages compared to its European neighbors. This figure steadily increased in the following years (52% in 2016, and even 65% in 2019 and 2020). Since then, this factor has remained in the “Top 6” strengths of France in every Barometer edition.

Between 2015 and 2019, the Barometer placed a strong focus on **France’s attractiveness for digital transformation**. When asked about France’s appeal for companies looking to initiate or accelerate their digital transformation, responses were overwhelmingly positive: 85% of respondents in 2015 considered France attractive. 1 in 5 rated it as “very attractive”. This figure continued to rise until 2019: 81% in 2016, 96% in 2017 and 2019. The most frequently cited reason for this attractiveness was the high quality of education and training programs.

From 2020 onwards, the Barometer highlighted **the strength of France’s innovation ecosystem**: in the 2020 edition, 90% of respondents viewed France’s innovation ecosystem positively or very positively, while they were 86% in 2021, 81% in 2022 and 2023, and 84% in 2024. The most frequently praised factors include a highly qualified workforce, particularly engineers and developers, strong government support, through programs like the Research Tax Credit (CIR) and Innovation Tax Credit (CII), and robust IT infrastructure, with extensive broadband and fiber-optic coverage.

France’s strong positioning in innovation and research is particularly significant in light of **the rise of Artificial Intelligence (AI)**, especially generative AI. In 2023, 90% of respondents considered AI to be critical for the future performance and development of their companies. Furthermore, a majority (55%) of respondents expressed **confidence in France’s ability to support them** in this major technological transformation. This confidence is partly driven by the French government’s proactive approach to integrating AI into strategic initiatives, particularly France 2030 and the National AI Strategy. Other drivers include: a dense ecosystem of AI incubators and deep-tech startups at the forefront of technological innovation, high-quality new AI-focused training programs that equip professionals with cutting-edge skills, and a strong talent pool specialized in AI and advanced digital technologies.

France at the Heart of the Future of Generative AI evolutions

- **Recognized champions in generative AI, such as Mistral and LightOn**
- **Large French companies actively adopting generative AI**
- **The convergence of AI and quantum computing, with leaders such as Alice & Bob and Pasqal**
- **A highly dynamic AI research community**

France’s historical assets: infrastructure quality, geographic location, and quality of life

Compared to other European countries, France benefits from three major strengths: infrastructure quality, a strategic geographic location, and a renowned quality of life. **For 25 years, these three key advantages have been consistently highlighted by a majority of American investors** and have regularly ranked **among France’s top strengths**. France’s infrastructure—including its road, rail, telecom, and IT networks, which integrate the country into global trade flows—was first mentioned in the 2001 Barometer as one of France’s top assets. Since then, **it has remained in the “Top 5” of France’s strengths in every Barometer edition over the past 25 years!**

Similarly, **France’s geographic location and quality of life have long been recognized as structural advantages by American investors**. As early as the 2000 AmCham-Bain Barometer, 80% of investors praised France’s geographic position as “a gateway to Europe.” The quality of life criterion was first introduced in the 2008 Barometer, where it was immediately endorsed by 80% of investors who highlighted the French “art of living.” **This enthusiasm has remained strong over the years**—in the latest edition of the Barometer, France’s geographic location, quality of life, and cultural environment still rank in the Top 3 of the country’s key strengths.

“
No country rivals France—its quality of life and local culture are the best.

”
Director, Transportation
(2014 Barometer)

But do these strengths play a decisive role in investment decisions?

- **Infrastructure quality**: Once a top investment criterion (ranked #1 in 2002 and 2007), its importance has gradually declined in investment decisions. Since the 2008 edition, it has dropped in ranking, reaching 14th place in 2016 and again in 2022.

- **Geographic location**: While not without significance, its importance has been mid-tier in investment decision-making, fluctuating between 11th and 14th place across various editions of the Barometer. However, with Brexit ratified in 2020, France has become the closest gateway to the European market for U.S. companies.
- **Quality of life**: Though highly appreciated, it rarely plays a decisive role in investment decisions.

“
France offers an excellent healthcare system with high-quality medical and dental care. [...] It is also world-famous for its gastronomy and wine.

”
Director, Transportation
(2017 Barometer)

Structural obstacles to France’s attractiveness

Despite its numerous advantages, France continues to be hindered by chronic obstacles to investment. Taxation, social climate, and labor costs are among the main weaknesses regularly highlighted by American investors.

A burdensome tax system

Year after year, the complexity and weight of the French tax system remain a significant barrier to investment, even though taxation is a major criterion in investment decisions.

It was identified as early as 2003 by AmCham as a priority concern for American investors, as 75% of them at the time called for corporate tax alignment with the European average. Since then, corporate taxation in France has been consistently criticized in the AmCham-Bain Barometers. In 2003, 79% of investors considered it a weakness compared to other European countries. In 2016, 61% of investors still saw it as a disadvantage.

The fiscal reforms announced in 2012—the so-called “fiscal shock” of François Hollande’s presidency—were particularly poorly received by investors. At the time, 85% of respondents believed these measures would harm France’s attractiveness. In the 2014 Barometer, AmCham called for greater stability and predictability in the tax environment, as well as a reduction in the overall tax burden: “The tax rate in France (+44% in 2014) has reached a discouraging level, with no significant reduction planned. This is a historic record, running counter to trends observed in some of our neighboring countries.”

The election of Emmanuel Macron in 2017, along with his commitment to reduce corporate tax, helped restore investor confidence. By 2018, only 40% of investors still viewed taxation as a major barrier. The 2019 edition highlighted that over 80% of American investors welcomed the positive impact of tax reduction initiatives on foreign investment in France.

In the 2021 Barometer, AmCham praised the €20 billion reduction in production taxes and the gradual corporate tax rate cut. These measures were widely supported by investors, and AmCham encouraged their continuation. However, despite these reductions, France’s production costs remained three times higher than in other European countries like Switzerland and Germany.

A tense social climate

First identified as a weakness in 2008 by AmCham, France’s social climate has been consistently rated negatively by American investors year after year.

The proportion of unfavorable opinions on this issue worsened steadily until 2020. In 2008, 34% of investors viewed the social climate as a weakness compared to other European countries. This figure rose to 40% in 2011, 69% in 2016, 60% in 2019, and 54% in 2020. In the 2019 AmCham-Bain Barometer, conducted during the peak of the “Yellow Vest” crisis, 84% of American investors stated they were concerned or very concerned about France’s social climate.

“The “Yellow Vests” movement is concerning from a U.S. perspective, though it should not impact France’s image in the long term.

”
2019 Barometer

Starting in 2021, concerns started to ease, with 34% and 38% of investors expressing negative opinions in 2021 and 2022, respectively. However, in 2021, when asked about government reforms, 35% of American investors still rated the social climate negatively or very negatively—making it the lowest-rated factor, despite an 8-point increase in positive perceptions compared to the previous year. In the 2023 edition of the Barometer, AmCham partially attributed the decline in France’s NPS to its unsettled social climate, citing wage-related protests and major strikes in sectors like petrochemicals and public services.

Over time, France’s social climate has proven to be a particularly decisive criterion in investment decisions. It has consistently ranked among the “Top 5” most important factors for investors. In 2020, it even became—unanimously—the most important investment factor for American investors.

A costly workforce

For American investors, France’s overall labor costs have long been a major obstacle to investment and job creation in the country.

As early as 2003, 87% of investors rated France as weak or very weak on this criterion. Over the years, this assessment has remained largely unchanged, with labor costs consistently ranking among the lowest-rated factors in France’s attractiveness.

The pro-business tax measures introduced in 2014, such as the CICE (Tax Credit for Competitiveness and Employment) and payroll tax reductions for low wages, along with the reforms enacted during Emmanuel Macron’s first term (which were positively received by 78% of American investors in 2019), were praised by AmCham. However, they did not fundamentally change the situation. In 2023, 77% of investors still considered labor costs to be a weakness for France compared to its European neighbors.

Yet, labor costs remain one of the most decisive investment criteria in France. With few exceptions, this factor has consistently ranked in the “Top 5” of priority criteria in the last 25 years and even reached the No. 1 spot in 2024, reflecting rising costs and a less favorable global economic environment, which are pushing companies to optimize their spending.

Given these persistent concerns, AmCham has repeatedly urged the French government to act. As soon as 2013, it wrote: “France must continue and intensify efforts to reduce labor costs.” Then, in 2015 and 2020: “The government must significantly reduce social charges. Their excessively high-level renders French labor costs among the most uncompetitive in Europe.” In 2024 still, it declared that “public authorities must make it a priority to implement drastic reductions in labor costs.”

“We will continue to invest in our business—but we will probably not increase our workforce due to labor costs and rigid labor laws.”
”
Banking / Insurance,
2016 Barometer

Complex administrative procedures

Year after year, American investors continue to express concerns about the bureaucratic burden and complexity of administrative procedures in France—a persistent issue, despite its importance as an investment criterion. In the 2010 edition, 56% of respondents considered administrative complexity a weakness for France. This proportion has steadily increased since 2021, reaching 65% in 2023.

“France needs to reduce its administrative burden and bureaucratic red tape.”
”
Director, Transportation
(2014 Barometer)

“
**If the administrative burden
on companies was seriously reduced,
and if the global business environment
were to improve,
we'd be perfectly willing to hire.**

”
**CEO, Consulting
(2017 Barometer)**

In response to these challenges, AmCham has repeatedly called for administrative simplification: as early as 2015, despite the “simplification shock” launched in 2013, the Barometer warned **about increasing regulatory pressure, the “over-implementation” of EU directives into national law**, and the proliferation of new regulations, which made France’s simplification efforts difficult for international investors to navigate. These concerns persist in the 2023 edition, where AmCham again urged France to *“continue and accelerate administrative simplification efforts to restore France’s competitiveness to a level comparable to its European neighbors.”*

“
**The quality of talent,
the entrepreneurial spirit,
the government support
in certain sectors are all assets,
but the administrative rigidity
can be a deterrent.**

”
**Partner, Consulting
(2019 Barometer)**

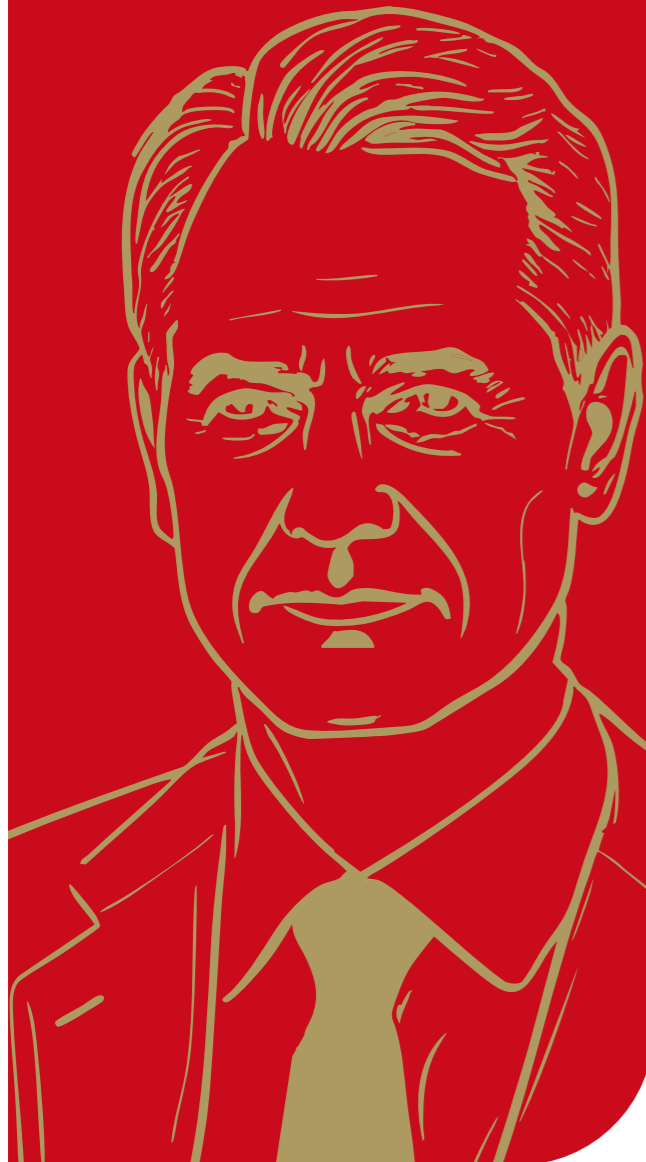
The complexity of layoff procedures has also been consistently identified by AmCham as a major irritant for American investors. In 2003, **90%** of respondents viewed France’s dismissal regulations as a weakness. This perception has remained largely unchanged over time. In the 2021 edition, despite labor law reforms, layoff procedures and their complexity were still seen as a major weakness. Increasingly, American investors criticize not only the complexity of these procedures (73%) but also their costs (80%).

Conclusion

This overview enables us to identify the main trends in the history of France’s attractiveness to American investors—a tumultuous history, during which the desire for foreign investment has oscillated between confidence and mistrust, optimism and reticence. For 25 years, the investors we interviewed shared their doubts, their expectations, their enthusiasm and their often paradoxical vision of France. Some of their requests have been met. Others, still unresolved, continue to crystallize concerns and hinder France’s attractiveness. These testimonies are a valuable resource from which France must draw lessons.

To complement these analyses, 25 years after the first AmCham-Bain barometer, we decided to give a voice to those who, every day, work to strengthen France’s economic attractiveness. Business leaders, politicians, opinion leaders and influential decision-makers... they bring Franco-American relations to life and provide their insights on the factors that drive long-term investment in France. Through these exchanges, we will address five key themes: the sustainability of investments, the competitiveness of the French economy, innovation and technological disruptions, emerging talents and skills, and the essential role of regions in this dynamic.

25 YEARS OF FRENCH ATTRACTIVENESS



Testimonials



Portraits générés par l'Intelligence Artificielle

Emmanuel Macron
Président
de la République française



Mr. President, after reading our retrospective, what stood out to you the most?

The breadth of our strengths particularly caught my attention. We are a big country that has everything it takes to succeed. We often forget this, and sometimes it is through the eyes of the rest of the world that we rediscover it. This was blatant during the Olympic and Paralympic Games this summer and in the re-opening of Notre-Dame de Paris. Each time, we proved that we are a nation of boldness, talent, and universal influence, because we possess an inherent ability to create and lead on a global scale. Every time, we have regained that rightful pride while witnessing our own strengths.

That being said, we must continue to strengthen, attract, and make our country shine. This has been the core of the policies I have championed since 2017. But let me say it again: France has all the assets needed to thrive, and when we seize them, we move forward. We have a critical mass of talent and researchers, educated in a globally recognized network of universities and elite schools, with several Nobel Prize winners in cutting-edge fields. We have abundant, low-carbon, and controllable energy, which

“
For the next 25 years,
we have everything needed to leave
a lasting French and European
mark on the great transformations of
the century.
”

“
We are a big country that
has everything it takes to
succeed. We often forget
this, and sometimes
it is through the eyes of
the rest of the world that
we rediscover it.
”

we are reinforcing through an ambitious nuclear program. We are creative, innovative, and bold. In essence, for the next 25 years, I truly believe that we have everything necessary to leave a lasting French and European mark on the great transformations of this century—from the ecological transition and artificial intelligence to healthcare innovations and many more revolutions to come.

Why is economic attractiveness so important to France?

We have been strengthening our attractiveness for eight years now, with a highly ambitious and comprehensive strategy. We have implemented a true tax reform to attract investment and unleash economic potential, labor market reforms, massive reinvestment in workforce skills, and support for cutting-edge industries. At the European level, we have worked hard to keep our continent competitive, securing strategic supply chains, implementing a real industrial policy, and aligning trade policies with our industrial strategy.

This is an ongoing battle, carried by our economic leaders, and highlighted each year at the *Choose France* Summit. Since 2018, nearly €47 billion in foreign investments have been announced there—almost equivalent to the France 2030 plan—creating tens of thousands of jobs. Because economic attractiveness means factories being created across our country, it means the ability to generate jobs by attracting major companies to set up in France. It also means the ability to conquer international markets. Attractiveness is the electric battery plant in Denain, or the Danish pharmaceutical giant Novo Nordisk expanding in Chartres. It's a dynamic that has enabled the creation of 1.7 million industrial jobs since 2017.

For the past five years, we have been the most attractive country in Europe, after decades of declining investments and job losses. This proves that nothing is written in stone.

You are often seen as a “pro-business” President. What does that mean to you?

I do not define my actions with labels, because they lead to unnecessary debates. I was elected—and re-elected—based on a vision and a mission. My role is to serve the French people every day.

I have always believed in starting from reality to move toward an ideal. And what is our reality? I am convinced that to create wealth, we must trust our talents—our entrepreneurs, engineers, researchers, farmers, and all those who want to innovate and build our economic landscape. This is why we must foster an environment favorable to innovation and growth.



To create wealth, we must trust our talents—our entrepreneurs, engineers, researchers, farmers, and all those who seek to innovate and develop the economic landscape.



That has been my focus since 2017, alongside successive governments: by lowering taxes for businesses and individuals, encouraging investment, enhancing workforce skills, and simplifying regulations. It is a blend of ambition and pragmatism. And after eight years, the results speak for themselves—in attractiveness, job creation, unemployment reduction, and reindustrialization.

What are the 2 key priorities that France must address in the coming years to remain competitive?

We must approach the future with absolute clarity. This means acknowledging the accelerating pace of global competition and the major disruptions ahead—from AI to quantum computing.

The world’s great economic powers no longer abide by international trade rules—this is a fact. France and Europe must adapt. We must fully embrace the European preference in trade and industry, the protection our market, the reduction of our regulatory burdens, and invest massively in our industry, workforce, and technology. We must move faster and stronger.



Clarity requires moving beyond a certain naivety in the face of accelerating economic competition and the upheavals I mentioned, from AI to quantum computing.



I speak of clarity—seeing the world as it is and the future as it unfolds, without naivety, but also without defeatism.

As I said at the beginning: let’s have confidence in our strengths, our energy, and our talents—they are massive. It is up to us to rise to the occasion and keep up with the boldness and ambition that define our nation. ■

Denise Campbell Bauer

Former United States
Ambassador to France
and Monaco



French innovation and creativity are a driving force for success.



Madam Ambassador, after reading our retrospective, what stood out to you the most?

First, the level of talent in France, across all sectors and regions. Many top French leaders, including President Macron and Prime Minister Bayrou, have participated in prestigious professional exchange programs in the United States. The number of French students and scholars receiving grants to study in the U.S. continues to grow. Second, I fully agree that **French innovation and creativity are a driving force for success**. French companies and entrepreneurs are attracting American investors and expanding across the United States. *Café Joyeux*, for example, is growing its network thanks to American financial support, successfully exporting its social entrepreneurship model. Investment between our two countries is truly reciprocal: **France is the 5th largest foreign investor in the United States, and the United States is the #1 foreign investor in France**.

Lastly, your report highlights what makes our trade partnership strong, as we approach its 250th anniversary: our shared values. Since the beginning of our alliance, **we have defended the importance of democracy, democratic rights, and the need for an open, transparent, and predictable market for our mutual economic interests**. These values remain the foundation of our shared success.

What are the main challenges for American companies in France today?

We are witnessing the rise of new technologies—and France and the United States must work together to manage and seize the opportunities they present. Our mission is deeply committed to supporting the many American companies operating in France, some of which have been present for over a century. We take great pride in highlighting their remarkable contributions.

The France-U.S. investment and trade relationship is built on a strong and enduring history. American companies have set record levels of investment in France, helping to create an ideal business climate. **We commend France’s efforts to ensure equal treatment for all businesses,**

which is an impressive achievement, considering the number of companies that have been investing here for decades.

France and the United States are historic partners. What are the most promising or strategic areas of cooperation?

Our strategic cooperation now extends as far as the Indo-Pacific region. In 2023, I was honored to be the first U.S. Ambassador to make an official visit to French Polynesia and New Caledonia. There, we met with leaders from business, culture, defense, academia, and politics to strengthen our engagement in the region. **France continues to attract American business interests—not just within its mainland borders, but globally!**

And of course, how could we forget the success of the 2024 Olympic and Paralympic Games, and our ongoing collaboration with Los Angeles for the 2028 Games?

In the coming years, how should France set its priorities to maintain its competitiveness?

Budgetary and fiscal challenges are at the heart of the issues facing both of our countries. These factors inevitably impact the business world. **When speaking with American business leaders, I frequently heard that they would increase their investments in France if the business environment remained stable and transparent, and if the government continued reforms in favor of the private sector.**

For me, what makes both the United States and France competitive is their people. During my three-year tenure, I traveled to every corner of France. I met with elected officials, entrepreneurs, business leaders, and students, all of whom were driven by the future and eager to find new ways to collaborate and strengthen ties with the United States. ■

Sara Armbruster
CEO of Steelcase



After reading our retrospective, what stood out to you the most?

France's long-standing commitment to innovation and talent development. The retrospective highlights how **France has fostered a culture of progress in areas such as sustainability and digital transformation**—they are key for Steelcase, as they create spaces that enhance human potential. This growth-oriented mindset aligns perfectly with our deep-rooted presence in France, where our *WorkLife Centers*, manufacturing operations, and sales teams across the country enable us to develop innovative workplace solutions for our clients.

Why is it important for an American company, especially Steelcase, to be established in France?

France's legacy in design, its talented workforce, and its strong focus on sustainability make our presence here essential. Being established in France keeps us close to a market that values creativity and environmental responsibility, allowing us to collaborate with local partners and clients to shape the future of work.

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It is crucial to sustain momentum for green initiatives and promote innovation for sustainable growth.
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What are the main challenges your company currently faces in the French market?

Administrative complexity and labor market dynamics remain recurring challenges in France. However, the emphasis on sustainability and innovation creates many

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Being established in France keeps us close to a market that values creativity and environmental responsibility.
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momentum in green initiatives and promote innovation for sustainable growth. Steelcase's investment in France reflects this shared commitment, and we are proud to play a role in advancing solutions that align with the country's ambitions in these areas. ■

opportunities. We work closely with our partners and local stakeholders to navigate these challenges while continuing to deliver high-performing, sustainable solutions for our clients.

In the coming years, what should be the two key priorities for France to maintain its competitiveness?

Simplifying administrative processes and investing in talent development. It is also crucial to sustain

Xavier Bertrand
President of the Hauts-de-France region



After reading our retrospective, what stood out to you the most?

Despite many administrative and fiscal constraints, France remains attractive! Now, imagine if, in this global race, France decided to loosen the brake by reducing the tax burden and lifting the excessive regulations imposed on businesses... **French policymakers must pursue a single goal: developing the most pro-business strategy possible while maintaining a clear and consistent economic direction, regardless of political shifts.**

In your opinion, what are the biggest challenges facing American companies operating in France today?

France is famous for its administrative procedures, which scare off foreign companies, especially American ones. When I took office in the Hauts-de-France Region, I realized that a company needed twice as much time to set up in our region compared to just a few kilometers away in Belgium. To address this, in collaboration with the Regional Prefect, **we brought together all the relevant stakeholders and successfully created a Business Setup Agreement. This tool allows companies to complete all administrative procedures simultaneously rather than sequentially, significantly reducing setup time.** But this is not enough. If we truly want to be competitive on the international stage, we need a national effort to drastically reduce administrative procedures and **transform the current bureaucratic maze into a “red carpet” for businesses.**

How does your region adapt and implement attractiveness policies to address these challenges?

The Hauts-de-France Region is transforming and gaining a competitive edge in key industries. The *Seine-North Europe Canal Project* will connect the Seine and Oise basins to the Northern European river network, creating

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We need to transform the current bureaucratic maze into a “red carpet” for businesses.
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France is famous for its administrative procedures, which scare off foreign companies, especially American ones.
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of Maryland. To sustain this momentum, we must constantly refine our attractiveness policies. Recently, the region launched *Hauts-de-France International*, a platform bringing together regional government officials, business leaders, and economic stakeholders for a more unified approach to international investment.

In the coming years, what are the two key priorities France must address to maintain its competitiveness?

Several major challenges lie ahead. The first is land availability and energy. **If we want to attract investors and develop large-scale projects, we need “ready-to-use” industrial sites.** This is a challenge given the scarcity of suitable land, in addition to the need to access a low-carbon, competitively priced energy, and to adapt to land decontamination requirements and to other administrative constraints, such as the ZAN (Zero Net Land Artificialization).

The second major challenge will be Artificial Intelligence (AI). **The question is not whether we support or oppose it—this revolution will transform our societies regardless.** We must prepare for it and harness its benefits. My ambition is to make Hauts-de-France a leader in AI, and France must position itself at the forefront of global AI development. ■

Albert Bourla
CEO of Pfizer



After reading our retrospective, what stood out to you the most?

France's ability to navigate successfully despite headwinds. Over the years, France has demonstrated its commitment to innovation and has consistently sent clear signals about the importance of international investment. The peak in attractiveness in 2009 and its strong comeback since 2017 highlight the importance of maintaining investor confidence and implementing pro-business policies. These efforts have positioned France as a global hub for innovation.

At the same time, it is noteworthy that France experienced an economic decline during periods when policies lacked coherence and predictability for investors.

Why is it important for an American company like Pfizer to be established in France?

Since establishing a presence in France in 1954, Pfizer has made significant investments in the country. **Over the past three years, we have announced more than €1.5 billion in investments in France, with over €700 million already invested and an additional €900 million planned.** We believe in France's potential to become a leading hub for innovation. The country's dynamic scientific ecosystem aligns perfectly with our mission: to develop life-changing innovations for patients.

We are convinced that France has the strengths necessary to maximize its potential and remain a key destination for healthcare investments.

What are the main challenges your company currently faces in the French market?

France has made significant efforts to enhance its attractiveness, but pharmaceutical companies still face major challenges. **Our main concern is the overregulation of drug expenditures and the excessively complex and**

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It is essential to maintain the pace of reform and ensure the continuity of policies pursued despite political changeovers.
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unpredictable regulatory environment. This creates a climate of uncertainty that is unfavorable to long-term investment. **In recent years, we have seen the pay-back rate imposed on our sector grow at a much faster rate than our gross revenue.** This excessive regulatory burden is a critical issue.

In the coming years, what are the two key priorities France should focus on to maintain its competitiveness?

First, France must continue advancing its pro-innovation agenda. **It is essential to maintain the pace of reform and ensure the continuity of policies pursued despite political changeovers.** One key area is the protection of intellectual property, which is a critical issue.

Second, France must work closely with its partners to strengthen the EU's competitiveness. This will require implementing an ambitious health strategy as part of the *2024-2029 Strategic Agenda* and ensuring a new pro-innovation European pharmaceutical regulatory framework. By tackling these two challenges head-on, France can position itself as a global leader in life sciences and continue attracting the investments and talent necessary to drive breakthrough innovations. ■

Pascal Cagni
Ambassador to international investments and President of Business France



After reading our retrospective, what stood out to you the most?

The most striking point is the shift in perception among American investors and the sustained rise in France's attractiveness since 2017. **The reforms undertaken by the President, demonstrated by the success of the Choose France Summit—which saw 56 investment announcements totaling €15 billion in 2024—have solidified France's image as a pro-business country and a European leader in AI in the minds of our international partners.** For American companies, France is first and foremost a remarkable talent pool—a key investment criterion for 25 years—and a hub for innovation. In 2023, France was the leading destination in Europe for AI-related investment projects, ahead of the UK. Support for our innovation policies, including the *France 2030* plan and the *Research Tax Credit (CIR)*, remains essential to our attractiveness.

In your view, what are the biggest challenges facing American companies operating in France today?

Let's start with our strengths! American companies value the quality of our infrastructure, France's strategic location, which makes it a **gateway to a market of 450 million consumers, and access to competitively priced, low-carbon energy.** These structural advantages help ensure long-term investment attractiveness. Our main challenges, which we are actively addressing to further our reindustrialization, include the setup time for industrial facilities—which we have already cut from 18 to 9 months thanks to the Green Industry Act—and production taxes, which should continue to decrease for France to remain competitive.

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France is an outstanding talent pool and a hub for innovation.
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Why is economic attractiveness so important to France?

The 18,800 foreign-controlled companies established in France account for 13% of total employment, 15% of national investment, and 29% of exports. **American companies alone provide 504,000 jobs (INSEE).**

International investment is a cornerstone of our reindustrialization. In 2023,

Business France recorded 1,815 foreign investment decisions and 60,000 jobs created or maintained. One-third of these projects and jobs are tied to production activities, **with 75% benefiting towns with fewer than 20,000 inhabitants.**

Additionally, international investment is a key driver of innovation. 170 foreign investment projects in 2023 focused on R&D and engineering, of which 60% were in sectors covered by France 2030. These investments position France as one of Europe's most dynamic innovation ecosystems.

In the coming years, what are the two major priorities France must address to maintain its competitiveness?

The first major priority is Artificial Intelligence. The *Paris Summit for AI Action* (February 10-11, 2025) showcased France's ambition to take a leading role in Europe. In this field, we have unique advantages: our world-class mathematics education, our nuclear energy infrastructure, and our strong political commitment to AI development.

The second priority is the decarbonization of industry. **France is well-positioned to become a European leader in the green economy:** France ranks 5th in the 2024 Energy Transition Index of the World Economic Forum, and our energy mix is largely decarbonized.

By staying on this path, France will remain one of the most innovative and attractive ecosystems in the world. ■

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International investment is a true strength for our innovation capacity.
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Mark Costa
CEO of Eastman
Chemical Company



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The momentum created by President Emmanuel Macron and the Choose France initiative have played a crucial role in restoring France’s image as a business-friendly nation.
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After reading our retrospective, what stood out to you the most?

The significant transformation of France’s attractiveness after 2017, driven by proactive government policies, particularly in support of industries, and a robust innovation ecosystem. **The momentum created by President Emmanuel Macron and the *Choose France* initiative have played a crucial role in restoring France’s image as a business-friendly nation**, thereby increasing optimism among American investors. Moreover, **the emphasis on developing a circular economy and leveraging France’s strengths in innovation and talent highlights its potential to become a leader in sustainable economic growth.**

Why is it important for an American company like Eastman to be established in France?

Eastman is headquartered in Kingsport, Tennessee, and operates on a global scale. **Approximately 30% of our annual revenue comes from the EMEA region.** When we committed around \$2 billion to our global circular platform to advance our recycling technologies, particularly for plastic waste that currently ends up in landfills or incineration, we identified significant opportunities not only in the United States but also in Europe, especially in France—a country ready to take a leadership role in the circular economy.

France has played a key role in setting the EU’s climate goals and the *Paris Agreement*. It stands out for its strong ambitions in reducing carbon emissions and promoting a circular economy and leads Europe in implementing *Extended Producer Responsibility (EPR)* frameworks for plastics and textiles. **In Normandy, we also found a strong industrial culture and a collaborative environment that played an important role in our decision to choose France for our project.**

What are the main challenges your company currently faces in the French market?

The main challenge for Eastman and our clients is regulatory uncertainty at the EU level. This has resulted in significantly lower interest in securing long-term contracts for our announced molecular recycling facility in Normandy. While we have successfully obtained permits, subsidies, and strategic positions in sourcing, **the transition from letters of intent to long-term commercial contracts is being slowed down by legislative uncertainties.** The current European policy framework lacks sufficient incentives for investment in plastic recycling infrastructure, which affects our ability to finalize contracts that are essential for the project’s viability. **It is crucial for both the EU and France to provide regulatory clarity in order to establish a truly regional circular economy and a fair competitive environment.**

In the coming years, what are the two key priorities France should focus on to maintain its competitiveness?

For our project to move forward with confidence, it is essential to establish a stable legal framework for recycled plastics and to promote fair competition. This can be achieved by implementing incentives that encourage demand for locally produced recycled plastics or by providing adequate subsidies to help offset costs.

France must lead Europe in reducing dependence on imported raw materials by promoting a localized circular economy. Recycling near consumption sites reduces environmental impact, supports local economies, and enhances sustainability, but this transition requires significant investment. **This shift is essential for remaining competitive, as sustainable materials produced in the EU face intense competition from cheaper imports.** ■

Frédéric Duval
CEO of Amazon.fr



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We have invested more than €24 billion in our operations in France since 2010 and intend to continue investing.
”

After reading our retrospective, what stood out to you the most?

This retrospective is full of valuable insights. On the one hand, it highlights France’s strong assets—the quality of its workforce, its infrastructure, and its geographic location. On the other hand, it reinforces **that political commitment, long-term economic policy coherence, and trust in businesses are key ingredients of attractiveness.**

Finally, it also outlines significant challenges for France, particularly the difficulty in attracting large industrial and logistics projects due to uncertainty and delays that weigh on investors.

Why is it important for a company like Amazon to be established in France?

For more than 20 years, Amazon has been building lasting ties with France and its regions, and we are now part of the daily lives of millions of French people. Our ambition has remained the same since day one: to offer customers in France a vast selection, low prices, and an outstanding customer experience—while also making a positive contribution to the French economy and society. **Since 2010, we have invested over €24 billion in our operations in France and intend to continue investing.** Over the same period, **we have become the country’s leading creator of direct jobs, with more than 24,000 permanent employees to date.**

What are the main challenges your company faces in the French market today?

Amazon is a company that wants to continue investing in France—and we would like to do so more significantly and more quickly. At the *Choose France* Summit, we announced a new investment plan of over €1.2 billion to expand our logistics and cloud infrastructure in

France, creating more than 3,000 new permanent jobs. Expanding our logistics network brings products closer to consumers, reduces the environmental impact of deliveries, and ensures faster shipping times for customers. However, **France remains a more difficult country to invest in compared to others.**

In the coming years, what are the two key priorities France must address to maintain its competitiveness?

The public authorities must be encouraged to pursue an ambitious simplification agenda, which will ultimately lead to more growth, more job creation, and greater purchasing power for the French people. In particular, **it is essential to reduce legal uncertainty and litigation risks that currently burden investment projects, leading to their cancellation**—as was recently the case for Le Duff and Ferrero. These are missed opportunities for the French economy. For example, a site like our Augny distribution center near Metz created 4,000 direct jobs in its first year of operation. ■

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We have become the leading net creator of direct jobs in France.
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Patrick Martin

President of MEDEF—
French business
confederation

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France remains a market full of opportunities and has distinctive and widely recognized strengths that foreign investors know they can capitalize on.
”

After reading our retrospective, what stood out to you the most?

I naturally took note of the very interesting analysis of France’s strengths, which I can only agree with. At MEDEF, we have also reached the same conclusions regarding the numerous obstacles that weigh on the attractiveness of our country.

In your opinion, what are the biggest challenges facing American companies operating in France today?

They are the same challenges that French companies face in a context of political, economic, and geopolitical uncertainty. Despite the reforms of recent years, issues such as **administrative and regulatory complexity at both the national and European levels, high taxation, labor costs, energy prices, and access to land remain legitimate concerns for investors in France.** I constantly remind government officials of these issues. While I feel that I am being heard, the response is too slow or too cautious!

Nevertheless, **France remains a land of opportunities and has distinctive and widely recognized strengths that foreign investors know they can capitalize on,** as your retrospective has effectively highlighted.

What are your expectations of French policies to address these challenges?

Visibility and stability! **We urgently need a clear and stable political direction** that will ensure the adoption of a responsible budget that promotes future investments, simplifies processes, and reduces public sector operating costs.

We want to see a continuation of supply-side economic policies and the implementation of regulatory and tax conditions that put us on equal footing with our foreign competitors.

We must also drastically reduce public spending. At 57.3% of GDP, France had the highest public spending in the EU in 2023. This is an issue of credibility with our creditors, national sovereignty, the future of our social

model, and economic growth support. It is doable, as other countries have managed to reduce their public spending: the Netherlands (from 48% to 42%), Spain (from 49.5% to 42.3%), and... the United States (from 43% to 38.5%)

In the coming years, what are the two key priorities France must address to maintain its competitiveness?

The green and energy transition, along with technological innovation, are essential engines of economic growth. It is said that €40 billion per year is needed for corporate decarbonization. If this figure is accurate, it clearly shows that we need real economic growth, and that businesses must be given the means to achieve it. Public authorities must make this one of their priorities!

France is aiming to become the first major low-carbon economy in Europe. It is an impressive and exciting project.

Investing in key sectors such as AI and quantum computing will be a major lever for reindustrialization, job creation across regions, and national sovereignty. These innovations will also drive economic performance by boosting productivity and ensuring long-term competitiveness. France and the EU must become global leaders in these fields. ■

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France is aiming to become the first major low-carbon economy in Europe. It’s an impressive and exciting project.
”



Renaud Muselier

President of the Provence-Alpes-Côte d’Azur region
Deputy President of Régions de France

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Nothing is guaranteed. To maintain its leading position, France must overcome several challenges.
”

After reading our retrospective, what stood out to you the most?

These past 25 years have been marked by contrasting cycles: the peak in 2009, followed by a decline in 2012, and then a recovery driven by reforms under Emmanuel Macron. **France has strong resilience and is capable of bouncing back in a highly competitive global environment.** It has proven this time and time again. France’s strengths, such as its talent, innovation, and infrastructure, remain key assets in this landscape. However, challenges persist, particularly taxation and administrative burdens. Yet, our ability to overcome obstacles is greater, allowing us to stay competitive and continue to shine on the international stage.

In your opinion, what are the biggest challenges facing American companies operating in France today?

France and the United States share strong and mutually beneficial economic ties. **The United States is the leading foreign investor in the South region,** and American companies continue to invest heavily in the region and across France, particularly in R&D, engineering, and artificial intelligence. However, after the exceptional post-COVID rebound in Franco-American trade, which reached record levels, we saw a notable decline in 2023. Despite this, bilateral trade remains above pre-pandemic levels. The return of Donald Trump to power and the policy changes that will follow mark the beginning of a new era. The first decisions made by the U.S. President will require us to rethink our economic model.

How does your region adapt and implement attractiveness policies to address these challenges?

Attractiveness is at the heart of our strategy. The results speak for themselves: in 2023, 117 foreign companies set up operations in our region, creating nearly 3,700 jobs. Since 2011, foreign investments have doubled, particularly in

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Our ability to overcome challenges is stronger, allowing us to stay competitive and continue to shine on the international stage.
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high-growth sectors such as new technologies, electronics, and life sciences. The United States is our top economic partner, with 17 projects completed in 2023 and American companies consistently reinvesting—a clear sign of their confidence. In 2025, alongside rising-SUD, our regional economic development and investment agency, we will strengthen this momentum with targeted economic missions in San Francisco, Boston, and Texas. These efforts reflect

our ambition: to make the South region an economic, innovative, and sustainable leader, driving employment and competitiveness.

In the coming years, what are the two key priorities France must address to maintain its competitiveness?

The return of Trump to power, the ongoing war at Europe’s borders, and the recent pandemics remind us that nothing is guaranteed. To maintain its leading position, France must overcome several challenges. First, **we must strengthen the energy transition by investing massively in renewable energy, decarbonization, and green infrastructure.** In the South region, we have already committed €30 billion by 2028 to address these challenges, with major projects like *ITER* and the development of hydrogen energy.

Second, **we must accelerate digital innovation, particularly in artificial intelligence and cybersecurity,** which are key sectors for attracting investment and creating future jobs. **France has the assets and the vision to succeed.** ■

Antonio Neri
CEO of Hewlett Packard
Enterprise



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**We are proud to put
our expertise at
the service
of France.**
”

After reading our retrospective, what stood out to you the most?

France is one of the leading destinations for international investment in Europe, thanks to its leadership in fostering innovation over the past 25 years. **What resonates deeply with our values is France’s commitment to developing and implementing AI in an ethical and sustainable way.** The early adoption of a national AI strategy in 2018 is a testament to this commitment. At HPE, we share and implement this vision, with our AI solutions enabling organizations to deploy ethical applications and reduce their energy consumption. Moreover, France’s strong conviction and leadership in advancing cutting-edge innovations and research in fields such as AI and cloud computing align with the efforts led by our global R&D centers in Grenoble and Mougins.

Why is it important for an American company, and particularly HPE, to have a presence in France?

HPE is a global company, and **France has been a cornerstone of HPE’s global strategy for more than 60 years. France’s dynamic innovation ecosystem, its leadership in AI readiness, and its commitment to sustainability make it an ideal market to advance our technologies.** We have valued the opportunity to contribute to initiatives such as *Choose France* and *Tech for Good*, and the *AI Action Summit* has allowed us to reaffirm our commitment alongside France. Our two R&D centers in France play a crucial role in developing innovative solutions in high-performance computing, 5G, and AI. These innovations help meet the specific needs of French businesses, public organizations, and academic institutions, ensuring that technology remains accessible, secure, and environmentally responsible.

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**France has been
a cornerstone of
HPE’s global strategy for
over 60 years.**
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What are the main challenges your company is currently facing in the French market?

One of our top priorities is supporting the rapid digital transformation of France’s economy and society. Our focus includes complying with France’s strict regulatory frameworks while fostering sustainable growth.

To this end, **we continue to invest in the French technology ecosystem, working closely with a network of more than 3,000 local partners across the country, 80% of which are SMEs.**

In the coming years, what are the two key priorities France should focus on to maintain its competitiveness?

First, **France must continue investing in AI, R&D, and talent development to stay at the forefront of technological innovation.** HPE is deeply aligned with this goal, as we are committed to providing cutting-edge AI solutions, hybrid cloud, and networking technologies that enable organizations to adopt generative AI more easily. Second, it is crucial to strengthen collaboration between the public and private sectors to drive innovation while addressing ethical and sustainability challenges.

We are proud to put our expertise at the service of France, as the country strives to remain competitive on the global stage while achieving sustainable growth in an ever-evolving technological landscape. ■

Fabrice Pannekoucke

President of the Auvergne
Rhône-Alpes region



“
**France already has
all the strengths needed
for its revival.**
”

After reading our retrospective, what stood out to you the most?

Fabrice Pannekoucke: What struck me first is the absolute necessity for our economic players to have guaranteed political, legal, and fiscal stability—**uncertainty is economic poison.** The role of the government is to create conditions that encourage risk-taking and private investment, and national unity is a prerequisite for this. I was also struck by the **enduring strengths of our country, such as entrepreneurial spirit, the strength of our research sector, and the excellence of our engineering and business schools.** But what also stood out is the persistent burdens France places on businesses through excessive regulation and taxation.

In your opinion, what are the biggest challenges facing American companies operating in France today?

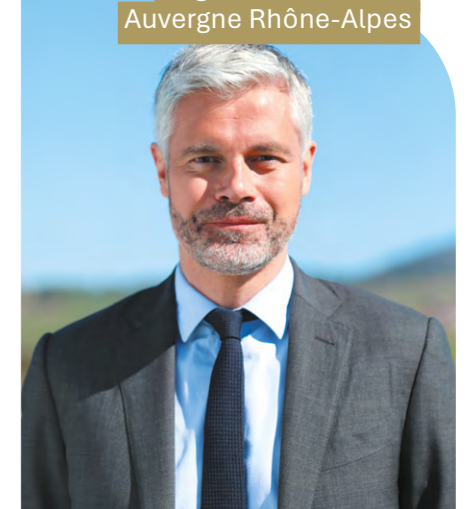
Laurent Wauquiez: First, **understanding and adapting to the complexity of French law and taxation.** We are facing an untenable situation: while the United States invents and China produces, Europe and France regulate. For example, the European CSRD directive or France’s ZAN regulations are pure “bureaucratic absurdities.” Another major challenge for businesses in France is **hiring difficulties**, even though France still has one of the highest unemployment rates in Europe. Addressing these challenges requires eliminating harmful regulations and shutting down unnecessary administrative agencies, while also putting an end to the excesses of welfare dependency. At the National Assembly, we are fighting to reduce public spending, rather than increasing taxes and social charges yet again. Work must pay.

How does your region adapt and implement attractiveness policies to address these challenges?

Fabrice Pannekoucke: **Our regional policy is entirely business-focused.** Our economic development agency,

Laurent Wauquiez

Deputy for Haute-Loire,
Regional Advisor for
Auvergne Rhône-Alpes



Auvergne-Rhône-Alpes Entreprises, provides tailored support for businesses, whether in securing industrial land or driving innovation in our region. We have also cut our operating expenses by 15%—an unmatched effort—to double our investment in the region. At the same time, **we have aligned education and training programs with business needs.** As France’s leading industrial region, we accounted for over one-third of the country’s new industrial sites in 2023, and half of them in the first half of 2024. We are doing everything we can at the regional level to attract and support businesses in Auvergne-Rhône-Alpes.

In the coming years, what are the two key priorities France must address to maintain its competitiveness?

Laurent Wauquiez: France has experienced long periods of decline, but it has also had remarkably swift recoveries. **We have immense strengths and talents**, yet we often suffocate them under bureaucracy and overregulation. We need a new economic model that prioritizes domestic production in our regions rather than consumption of polluting imports bought on credit. To achieve this, **we must drastically reduce regulations and tax burdens** while putting an end to unsustainable social and administrative spending.

Nuclear energy—where we must restore our leadership—is a key strategic asset to provide cheap, decarbonized, and abundant energy for businesses in France. The other major reform must be to build a new “social contract” centered around rewarding work. Today, our labor system discourages effort and is weighed down by a welfare model that fosters dependency. **France already has all the strengths needed for its revival.** ■

Valérie Pécresse
President of
the Île-de-France region



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**In Europe
as well as France,
the reflection on
standards always
precedes the reflection
on competitiveness.**
”

After reading our retrospective, what stood out to you the most?

What struck me the most is how strong our economic partnership with the United States remains despite certain structural obstacles. Even today, **the United States is the leading investor and job creator in Île-de-France, accounting for nearly 36% of all jobs created by foreign investment. Additionally, the U.S. is our top source of international tourism, with 2.7 million visitors per year.**

In your opinion, what are the biggest challenges facing American companies operating in France today?

Amid political instability in France and the return of aggressive protectionist rhetoric in the White House, it is understandable that American companies are questioning their presence in Europe and France. I recently traveled to New York to reassure key American economic and financial players invested in Île-de-France, delivering a clear and unambiguous message: **the current political, regulatory, and tax instability will not last—it is temporary.** Moreover, it should not overshadow the strong economic fundamentals of our region. Since Brexit, there is only one true global metropolis within the EU: Paris and its region.

On this second point, I constantly remind people that Île-de-France is the beating heart of the French economy, generating 31% of the country's GDP (€750 billion, which is more than Poland, Sweden, or Belgium). It is the home of Europe's largest talent pool, with nearly 800,000 students trained annually, the leading European region for research and innovation, hosting 40% of France's R&D, and one of the most advanced startup ecosystems in the world.

How does your region adapt and implement attractiveness policies to address these challenges?

The promotion of Île-de-France as an investment destination is carried out through our regional attractiveness

agency, *Choose Paris Region*, which supports businesses daily in their efforts to establish themselves here. Beyond that, **we have placed quality of life at the heart of our strategy by continuously improving infrastructure for residents.** For example, we are doubling the Paris regional rail network by 2030 with the Grand Paris Express, renovating high schools across the region, in what is the largest investment plan ever undertaken by a regional authority in France, totaling nearly €7 billion.

In the coming years, what are the two key priorities France must address to maintain its competitiveness?

When France sets its mind to something, it can achieve it. We have proven this with the successful organization of the Olympic Games and the reconstruction of Notre-Dame. Everything comes down to political will.

First, **the government must address public sector efficiency. We are world champions in taxation, but not in public services. Efficiency in public administration should not be a taboo subject.** This the government should focus on its core responsibilities—protecting, educating, and providing healthcare—while regularly reviewing public spending.

Second, **France suffers from an excessive bureaucratic burden, both nationally and at the EU level, which is completely disconnected from global best practices.** Between 2019 and 2024, the EU adopted three times more regulatory measures than the U.S. Congress. Take, for instance, the CSRD and CS3D directives, which impose strict reporting requirements that do not exist anywhere else in the world. **In Europe as well as France, the reflection on standards always precedes the reflection on competitiveness.** This must stop! ■

About AmCham in France

Founded in 1894, AmCham France was established to promote economic exchanges between France and the United States. As a platform for networking, discussion, and collaboration, AmCham France serves as a bridge between political, economic, and academic spheres. Today, it brings together more than 200 French and American companies, along with numerous academic and economic partners from both sides of the Atlantic. Independent of any government, AmCham France firmly believes that businesses play a crucial role in shaping new ideas in public debate and actively proposes solutions to address major societal and economic challenges. AmCham France focuses primarily on strengthening France's attractiveness as a business destination. It works closely with public decision-makers to develop and enhance a business-friendly environment for foreign companies, particularly American firms, which are the largest foreign investors and employers in France.

About Bain & Company

Bain & Company is a leading global consulting firm that partners with ambitious leaders to transform their businesses into industry pioneers.

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Since our founding in 1973, we have measured our success by the success of our clients—and we are proud to have the highest client recommendation rate in the consulting industry. Through our commitment to investing more than \$1 billion over the next decade in pro bono initiatives, we mobilize our talents, resources, and expertise to support nonprofits and social organizations in addressing urgent challenges in education, racial and social equity, and economic and environmental development.

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