

8 "FRANCE IS LAGGING BEHIND IN R&D AND INNOVATION"

Fact: France ranks **around 13th in the Global Innovation Index (2025)**, well within the top global innovators.

Investment in R&D remains significant, and Paris hosts one of Europe's most prominent tech startup ecosystems, especially in areas like AI and deep tech.

Verdict: France is not behind in innovation — it is internationally competitive, particularly in science & technology.

- *Global Innovation Index 2025 – France ranking & data.*

9 "FRANCE HASN'T EMBRACED GLOBALIZATION"

Fact: France ranked among the **top destinations for foreign direct investment** in Europe, with substantial employment by foreign-owned companies (~2.3 million workers in 2023).

France participates actively in global trade, hosts multinational headquarters, and integrates into international supply chains.

Verdict: France is globalised — possibly more than commonly assumed.

- *Annual Report Foreign Investment in France 2025.*

10 "FRANCE IS GREAT... ONLY FOR LUXURY GOODS AND CHEESE"

Fact: France's economy is **diversified**. It is home to major companies in energy, aerospace, telecommunications, pharmaceuticals, finance, transportation, and tech, many ranked in global lists like the Fortune Global 500.

Key industries like aeronautics (Airbus), energy (EDF), and transportation (e.g., SNCF, Renault) show strength beyond lifestyle sectors.

Verdict: France's global economic footprint extends far beyond luxury and agriculture.



FRANCE: SEPARATING FACT FROM FICTION

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1 "FRANCE IS IN DECLINE"

Fact: France remains one of the world's largest economies.

In 2025, France was the **7th largest economy globally by nominal GDP** and the **2nd largest in the EU after Germany**.

GDP growth is modest but positive, with forecasts around 0.7% in 2025 and 0.9% in 2026, reflecting ongoing economic resilience despite global uncertainty.

Population & Fertility:

France's fertility rate was about **1.62 children per woman in 2024, the highest in the EU**.

Verdict: France is not in economic decline. It continues to be a major economic power with positive growth and demographic strength relative to much of Europe.

- *IMF economic data confirming France's economic resilience et projections.*
- *"Why choose France"*
- *European Commission economic forecast – GDP growth projections 2025–2026.*

2 "THE FRENCH DON'T WORK HARD ENOUGH"

Fact: Comparing hours worked alone is misleading. Recent OECD data shows France has average annual work hours **similar or lower than many advanced economies** due to its strong social protections, not lack of effort.

Productivity:

France continues to have **high labour productivity**, with levels comparable to many G7 economies. While structural challenges in employment exist, French workers remain among the most efficient in Europe in output per hour.

Verdict: This stereotype is outdated. France combines strong productivity with social standards that reduce total hours, not work effort.

- *OECD Economic Surveys: France 2024.*

3 "THE FRENCH DON'T HAVE A CULTURE OF ENTREPRENEURSHIP"

Fact: Business formation in France is strong. Over **1.16 million enterprises** (including micro-entrepreneurs) were created in 2025 alone.

France offers a relatively quick and affordable process to register a business, and significant innovation hubs like Station F in Paris attract global founders and funding.

Verdict: Creating a business in France is dynamic and growing, entrepreneurs are active and well-supported.

- *INSEE business creation statistics (general overview).*

4 "THERE IS TOO LITTLE FLEXIBILITY IN FRANCE"

Fact: French labor law includes modern elements such as "**rupture conventionnelle**", a mutual agreement between employer and employee to end a contract, and recent reforms have increased flexibility while maintaining protections.

Trade-off between worker security and flexibility remains a debated and evolving feature of the French labor market.

Verdict: Labour flexibility has increased through negotiated reform.

5 "THERE'S SO MUCH PAPERWORK IN FRANCE"

Fact: France has simplified many business procedures in recent years. It typically takes **fewer steps and less time than the G20 average to create a company**, thanks to digitalisation and streamlined services. (World Bank & European Commission assessments pre-2025 show strong directions, even if exact rankings vary.)

E-government services are widely available, reducing administrative burden for both individuals and firms.

Verdict: Bureaucracy has declined significantly compared with past decades.

- *World Bank Ease of Doing Business (via FRED, St. Louis Fed).*



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6 "FRENCH TAXES ARE SO HIGH"

Fact: France's tax burden, including contributions and social charges, remains **among the highest in the OECD**, which is often cited by businesses and investors as a competitive challenge. However, targeted programmes such as the **Research Tax Credit (CIR)** and other incentives attract specific investments in R&D and innovation. OECD and IMF reports acknowledge high taxes as a structural feature of the system.

Verdict: Taxes are high compared to many peers, but tax incentives and credits improve competitiveness in key sectors.

- *Example tax data overview (for comparison context).*

7 "FRANCE DOESN'T ATTRACT FOREIGN TALENT"

Fact: France attracts considerable foreign direct investment (FDI) projects, **over 1,000 FDI projects in 2024**, more than the UK and Germany.

France also remains one of the top destinations in Europe for international students, and Paris's startup and R&D ecosystems draw global professionals.

Verdict: France does attract international talent and investment, even if competition from other hubs is strong.

- *UNCTAD World Investment Report (2024), FDI in France.*
- *Global Talent Competitiveness Index (rank & indicators for France).*
- *Business France attractiveness page (shows student & talent attraction).*