

TRADE

UK & FRANCE



WAY FORWARD



potential

- with over 40 million shoppers actively buying online (Mediametrie, 2020)
- online retail market is expected to reach over 11.5 billion euros by the end of 2020 (FEVAD, 2019)
- GDP per capita \$42,953; that of UK is \$41,030 (IMF, 2019)



Key takeaways:

- UK's fourth-largest export market (ONS, 2019)
- she is the world's sixth-largest economy (World Bank, 2019).
- a population of 64.7 million (IMF, 2019)
- the third-biggest e-commerce market in Europe after the UK and Germany

Renewable energy

Key takeaways:

- France is developing its renewable energy capacity, including wind, solar and biogas, through the Government's Multiannual Energy Program.
- The country currently ranks third in EY's Renewable Country Attractiveness Index (EY, 2019), behind China and the USA, with large projects expected in offshore wind including floating, and solar power.

Food & Drink

Key takeaways:

- Important factors for the French market include health, traceability, quality and value for money
- Increasing demand for convenience foods. With a turnover of €19 billion in 2018, a 160% increase in value in 10 years, this segment of the industry is growing (CHD Expert, 2019)
- New demands and trends – France is Europe's second largest consumer of organic food and drink, after Germany (Agence Bio, 2019). New trends include vegan wine and low-sugar energy drinks
- Innovative products and private label – Most key retailers are extending their offer in private label. Medium and high quality suppliers will be in demand. Innovative processes, ingredients, flavours, and formats with the ability to supply small quantities and scale up is what is sought after

Advanced Manu facturing

Key takeaways:

- contributes 14% to its GDP (DGE, 2018), particularly the aerospace and automotive sectors
- automotive manufacturing accounts for nearly 10% of global production (PWC,2018)
- full vehicle and equipment supply chain
- aerospace industry exports €55 billion of its annual outputs (Techniques de l'ingenieur 2020)
- looking for novel manufacturing materials and engineering technologies
- supply to major French original equipment manufacturers (OEMs). French OEMs source 67% of their inputs from foreign suppliers (30% from the UK)
- looking for quality and luxury models

Techno logy

Key takeaways:

- France is a digital economy, with more than 10,000 start-ups
- technology accounts for more than 4.1% of the country's GDP (UNCTAD, 2019)
- the "French Tech" initiative brings together the most dynamic digital ecosystems throughout France

Techno logy

Corporate Cyber Security

- one of the fastest growing in the ICT sector

Main opportunities in;

- authentication
- authorisation
- trust principles
- identity management
- cryptography
- cryptanalysis
- computer security (mainly in protection against malware)
- protecting privacy and anonymity
- digital rights management
- watermarking

Techno logy

Artificial Intelligence

- the second largest European country for deep tech and artificial intelligence financing.
- the government has dedicated €1.5 billion until 2022 including €700 million for research (ai for humanity 2020).
- this is to improve the AI education and training ecosystem, invest in digital and telecoms infrastructure and encourage the development of machine learning and AI algorithms.

Techno logy

Quantum technologies

- France is investing €1.4 billion in quantum technologies (Forteza 2020) over 5 years
- the focus is on:
 - quantum sensors
 - cryptography post-quantum and quantum
 - quantum computing.
- in 2021, the National Agency for Research will renew its “Quantum Technologies” call for projects

Infra structure & Construc tion

Key takeaways:

- 140 billion euros turnover (FFB, French Building Federation, 2019)
- interested in BIM (building information modelling) services and digital planning tools
- opportunities in clean growth and energy saving techniques, smart cities related goods and services and prefab and renovation expertise

Infra structure & Construc tion

Grand Paris Express

- the creation of;
 - 4 underground lines
 - 68 interconnected stations
 - 200km of railway lines
 - and a brand new station
- unique opportunity for;
 - developers
 - subcontractors
 - transport operators
 - public and private investors
 - construction companies
 - architects
 - urban planners

Infra structure & Construc tion

2024 Olympic and Paralympic Games

- Four new major facilities
 - one sport Arena (Arena 2)
 - a Media Cluster
 - an Aquatic Centre
 - the Olympic Village (which will be turn into housing after the Games)

Retail

Key takeaways:

- Europe's second largest consumer base
- with an affluent population
- the retail market is mature, sophisticated
- its luxury sector is world-renowned
- high levels of household consumer confidence
 - factors such as quality and innovation to be attractive
- **G7 Fashion Pact** – fashion is a major French industry, with direct sales
 - of annually of €150 billion (Institut Français de la Mode, 2019)
- **E-commerce** – with 1.5 billion online orders made in 2018, an
 - increase of 13.4% from 2017
 - Amazon receives on average 29.7 million unique visits by French shoppers each month (FEVAD, 2019)
 - also present; La Redoute, Veepee (fashion), FNAC or Cdiscount

Taxation



The UK and France have signed a double taxation agreement, meaning the same income is not taxed twice

The French tax service for foreign companies is the Service des impôts des Entreprises Etrangères (SIEE, website in French)





VAT



If you're registered for VAT in the UK

,it may be possible to zero-rate the goods you export to France, provided certain conditions are met



VAT is known as Taxe sur la Valeur Ajoutée (TVA)

French VAT rules are based on EU regulations and the standard French rate is 20%.



Advice can be sought from

France's tax authority – the Direction régionale des finances publiques

Regulations



Packaging

must conform to EU legislation on health risks to consumers and environmental protection

Labelling in French

should be visible. Certain products such as foodstuffs and textiles have specific labelling requirements

The Franco-British Chamber of Commerce & Industry

is a good source of advice and information. It offers insight from members who themselves have set up a business in France or have specialist expertise in supporting that process



Routes to market

Having staff or local representatives with French language capability is necessary for long term success in this market

agents and distributors

using local agents or distributors with native fluency in French
France's geographical size means you might need representatives in several regions to ensure national reach.

direct sales

due to the closeness of the market, a direct sales approach is possible. The need for French language skills is an important consideration in this option.

e-commerce

selling online or through e-marketplaces may be a good option for your company. It's relatively cheap and easy to deliver products into France. Online marketplaces will help you get started.

Intellectual property

**speak to an
intellectual property
lawyer**



if you think you need patent
protection
when exporting

**patent protection law
is not standardised in
the EU**



You can apply for a French patent
at L'Institut National de Propriété
Industrielle (website in French), or
for a European patent through the
European Patent Office

**a European patent
needs to be validated**



by L'Institut National de Propriété
Industrielle

Sources



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The logo for Andersen Walker, featuring the company name in a serif font inside a square frame.

**Andersen
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