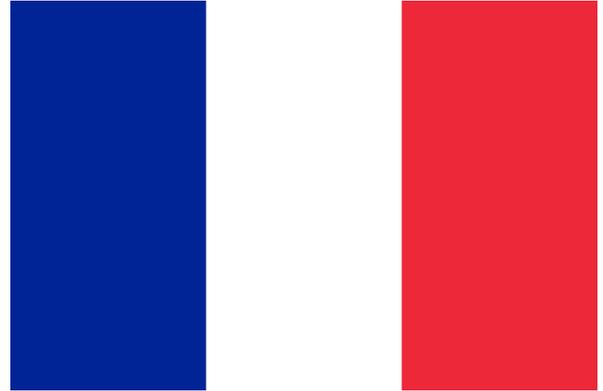


Report Overview (updated as of September 25, 2020)

This is an overview of the economy of France as of September 2020. This report will summarize the economic state of France and changes resulting from the COVID-19 pandemic.

Fast Facts/Statistics¹

- Population: 67,098,824
- GDP (PPP): \$2.86 trillion
- GDP per capita: \$47,223 (2019)
- GDP growth rate: -7.2%
- Projected GDP growth rate: 4.47% (2021)
- Inflation (CPI): 0.28%



France Overview and Economic Summary

France is a semi-presidential republic and a member of the European Union. Its national language is French and national currency is the Euro. France has a strong international presence, and has the 2nd largest economy in the European Union after Germany. The French economy has a capitalistic basis; French leaders commit to social equity through the use of laws, tax policies, and social spending to mitigate economic inequality. Historically, issues with the French economy have stemmed from high government spending and low growth.²

Many large companies and corporations are privately owned; however, the government maintains a strong presence in many sectors (power, public transport, defense industries). France ranked 4th in the Fortune Global 500 with 31 out of 500 of the world's largest companies. The top five largest companies are Total S.A. (oil and gas), AXA (insurance), Carrefour (retail), Credit Agricole (banking), and Peugeot (automotive).³

COVID-19 Impact

The French economy has taken a substantial hit from COVID-19, with a sharp decline in GDP and rise in unemployment (some sources show a lower unemployment rate due to a large portion of the population being unable to seek jobs and therefore not included in the unemployment rate). According to the National Institute of Statistics and Economics Studies (INSEE), the national statistics bureau of France, economy activity dropped by around 30% at the time of the lockdown in March, but recovered about three-fifths of that drop in June. Economic activity is forecasted to be 2% below normal at the end of the year for an optimistic scenario, and 6% below normal for a pessimistic scenario.⁴

Ordinances governing travel, schools, and public gatherings can be found [here](#). Fiscal policies enacted by the government have mainly involved the prevention of businesses shutting down through tax and social security payment deferments, as well as stipends to small businesses.⁵

¹ <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00001&plugin=1>
https://www.imf.org/external/pubs/ft/weo/2020/01/weodata/weorept.aspx?pr.x=46&pr.y=16&sy=2017&ey=2021&scsm=1&ssd=1&sort=country&ds=.&br=1&c=132&s=NGDP_RPCH%2CPPPGDP%2CPCPIPCH&grp=0&a=

² <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/fr.html>

³ <https://fortune.com/global500/>

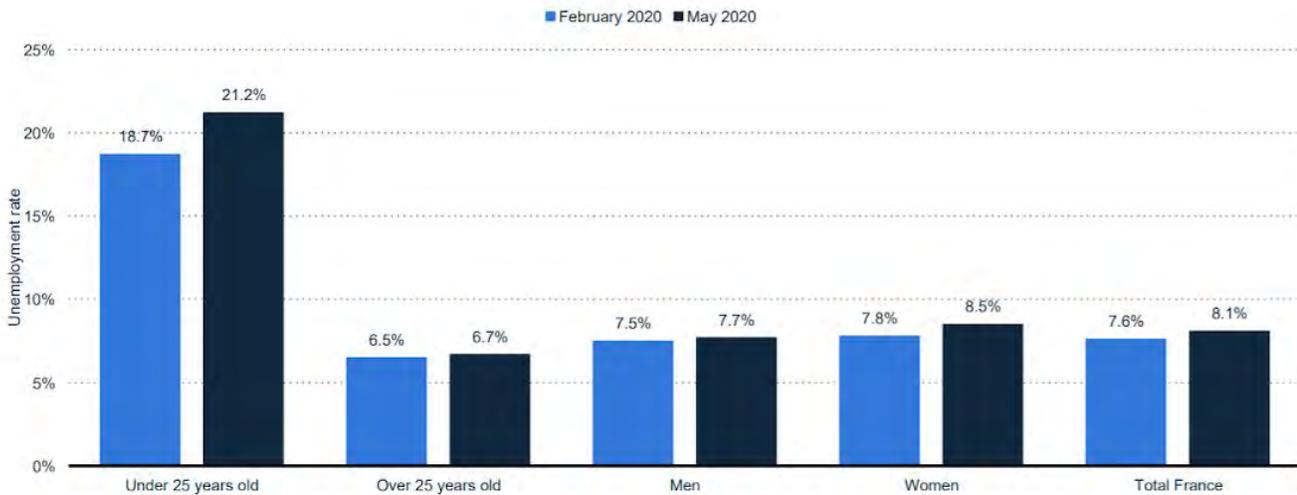
⁴ <https://www.thelocal.fr/20200708/can-france-bounce-back-from-covid-19-crisis-quicker-than-expected>

⁵ <https://www.mondaq.com/france/operational-impacts-and-strategy/926220/the-french-government-response-to-the-covid-19-highlights-of-measures-taken>

COVID-19 Impact and 2020 Economic Data

Evolution of the unemployment rate after the Covid-19 lockdown in France from February to May 2020, by age and gender

Unemployment rate in France from February to May 2020, by age and gender



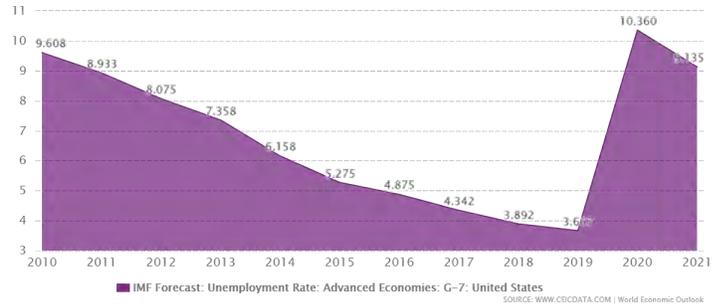
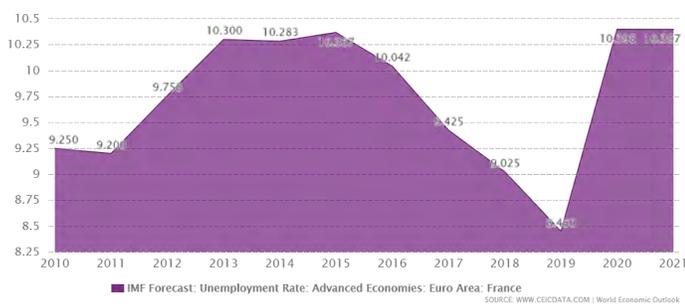
Note: France; February 2020 to May 2020

Further information regarding this statistic can be found on [page 43](#)

Source(s): OECD; [ID_1135815](#)

National economy and finance **statista**

Unemployment rate in France from February to May 2020, by age and gender⁶



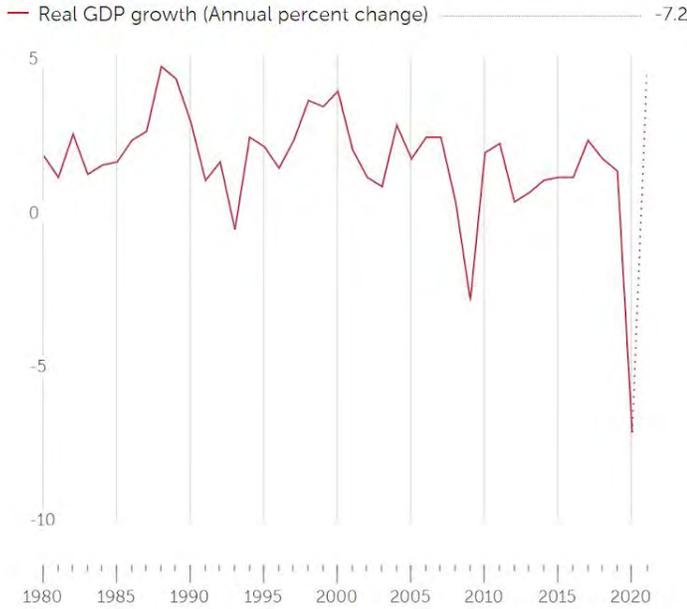
Side-by-side comparison of France's (left) unemployment rate with the USA (right), including projections to 2021.⁷

⁶ <https://www.statista.com/study/71464/coronavirus-covid-19-in-france/>

⁷ <https://www.ceicdata.com/en/indicator/france/forecast-unemployment-rate#:~:text=France's%20Unemployment%20Rate%20is%20forecasted,at%2010.397%20%25%20in%20Dec%202021>

SELECT AN INDICATOR

IMF DataMapper, April 2020



Annex Table 1. General Government Fiscal Balance and Gross Debt, 2018-21: Overall Balance and Gross Debt (Percent of GDP)

	Overall Fiscal Balance					Gross Debt						
	Current Projections		Difference from April WEO Projections		2018	2019	Current Projections		Difference from April WEO Projections			
	2018	2019	2020	2021			2020	2021	2020	2021		
World	-3.1	-3.9	-13.9	-8.2	-4.8	-9.1	81.2	82.8	191.5	193.2	3.1	8.8
Group of Twenty (G20)	-3.7	-4.5	-15.4	-9.1	-4.6	-2.2	88.6	90.4	111.2	113.3	3.7	7.5
Advanced Economies	-2.7	-3.3	-16.6	-8.3	-6.0	-2.8	104.0	105.2	131.2	132.3	8.8	10.4
Advanced G20	-3.3	-4.0	-18.0	-9.1	-6.5	-3.0	111.6	113.2	141.4	142.9	9.6	11.5
United States ^{1,2}	-5.8	-6.3	-23.8	-12.4	-8.4	-3.7	106.9	108.7	141.4	146.1	10.4	14.2
Euro Area	-0.5	-0.6	-11.7	-5.3	-4.2	-1.7	85.9	84.1	105.1	103.0	7.7	7.4
Germany	1.9	1.5	-10.7	-3.1	-5.2	-1.9	61.9	59.8	77.2	75.0	8.6	9.3
France	-2.3	-3.0	-13.6	-7.1	-4.5	-0.8	98.1	98.1	125.7	123.8	10.2	7.4
Italy	-2.2	-1.6	-12.7	-7.0	-4.4	-3.5	134.8	134.8	166.1	161.9	10.6	11.4
Spain ²	-2.6	-2.8	-13.9	-8.3	-4.4	-1.6	97.6	95.5	123.8	124.1	10.4	9.5
Japan	2.5	3.3	-14.7	-6.1	-7.6	-4.1	236.6	238.0	268.0	268.4	16.0	17.8
United Kingdom	-2.2	-2.1	-12.7	-6.7	-4.4	-1.3	85.7	85.4	101.6	100.5	5.9	4.7
Canada ³	-0.4	-0.3	-12.6	-5.8	-0.8	-1.9	89.7	88.6	109.3	108.8	-0.3	0.3
Australia	-1.2	-3.9	-8.6	-8.4	1.1	-1.0	41.5	45.0	56.8	64.3	2.5	0.3
Korea	7.6	0.4	-3.6	-2.4	-1.7	-0.8	40.0	41.9	49.5	53.4	3.2	4.3
Emerging Market Economies	-3.8	-4.9	-10.6	-6.5	-1.5	-1.0	48.9	52.4	63.1	66.7	1.1	2.1
Excluding MENAP Oil Producers	-4.0	-5.0	-10.6	-6.5	-1.6	-1.1	50.4	53.9	64.4	68.1	0.9	2.0
Emerging G20	-4.3	-4.4	-11.3	-9.1	-1.6	-1.0	48.4	53.0	64.1	68.3	0.8	1.8
Asia	-4.5	-6.0	-11.4	-9.8	-1.5	-1.3	49.3	53.5	64.9	70.3	0.8	2.3
China	-4.7	-6.3	-12.1	-10.7	-0.9	-1.1	47.0	52.0	64.1	70.7	0.8	0.6
India	-6.3	-7.9	-12.1	-9.4	-4.6	-2.1	69.6	72.2	84.0	86.7	9.6	11.9
Indonesia	-1.8	-2.2	-8.3	-5.0	-1.3	-1.0	30.1	30.5	37.7	40.3	0.8	2.8
Europe	0.4	0.6	-6.9	-4.8	-0.7	-0.6	29.3	29.0	36.4	37.1	0.0	0.8
Russia	2.9	1.9	-5.5	-3.9	-0.6	-0.9	13.5	13.9	18.5	18.8	0.6	1.7
Turkey	-3.7	-4.3	-8.4	-7.5	-0.9	-0.8	30.4	33.0	40.4	42.2	1.1	1.5
Latin America	-5.2	-4.0	-10.3	-4.8	-3.6	-0.9	66.6	70.6	81.5	79.7	3.6	3.6
Brazil ⁴	-7.2	-6.0	-16.0	-5.9	-6.6	-0.2	87.1	88.5	102.3	100.6	4.1	2.4
Mexico	-2.2	-2.3	-6.0	-4.0	-1.8	-1.8	53.6	53.7	65.9	66.3	4.6	7.3
MENAP	-2.9	-3.9	-9.8	-7.8	0.0	-0.1	40.1	44.7	55.2	56.4	4.0	3.6
Saudi Arabia	-5.9	-4.5	-11.4	-5.6	1.2	3.4	19.0	22.8	35.2	36.8	1.1	-1.9
South Africa	-4.1	-6.3	-14.8	-11.0	-1.5	1.6	96.7	62.2	79.9	84.6	2.5	-1.0
Low-income Developing Countries	-3.8	-4.1	-6.1	-5.1	-0.4	-0.2	42.9	43.1	48.2	48.0	0.8	1.3
Nigeria	-4.3	-5.0	-7.3	-5.7	-0.8	0.2	77.7	29.1	36.5	36.9	1.2	-0.1
Oil Producers	-0.6	-1.8	-4.4	-3.5	-0.8	-1.0	42.7	45.1	56.1	56.6	1.5	2.2
Memorandum												
World Output (percent)	3.6	2.9	-4.9	5.4	-1.9	-0.3						

Source: IMF staff estimates and projections.
 Note: All country averages are weighted by nominal GDP converted to US dollars (adjusted by purchasing power parity only for worst output) at average market exchange rates in the years indicated and based on data availability. Projections are based on IMF staff assessments of current policies. In many countries, 2020 data are still preliminary. For country-specific details, see "Data and Conventions" and Tables A, B, C, and D in the April 2020 Fiscal Monitor Methodological and Statistical Appendix. MENAP = Middle East, North Africa, and Pakistan; WEO = World Economic Outlook.
¹ For cross-country comparability, expenditures and fiscal balances of the United States are adjusted to exclude the imputed interest on unfunded pension liabilities and the imputed compensation of employees, which are counted as expenditures under the 2008 System of National Accounts (2008 SNA) adopted by the United States but not in countries that have not yet adopted the 2008 SNA. Data for the United States in this table may thus differ from data published by the US Bureau of Economic Analysis.
² Including financial sector support.
³ For cross-economy comparability, gross debt levels reported by national statistical agencies for countries that have adopted the 2008 System of National Accounts (Australia, Canada, Hong Kong SAR, United States) are adjusted to exclude unfunded pension liabilities of government employees' defined-benefit pension plans.
⁴ Gross debt refers to the nonfinancial public sector, excluding Eletrobras and Petrobras, and includes sovereign debt held by the central bank.

(Left) Real GDP experienced a -7.2% decline and is projected to be -12.5% for the entirety of 2020; however, it is projected to experience a growth of 4.5% in 2021. (IMF)⁸

(Right) Government debt (in terms of budget deficit) increased from 3% of the GDP in 2019 to 13.6% in 2020.⁹

The GDP recorded for the second quarter of 2020 \$562,665 million (6th highest in the world) and GDP per capita was \$7,614 (20th highest in the world).¹⁰

⁸ <https://www.imf.org/en/Countries/FRA>,
<https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>
⁹ <https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>
¹⁰ <https://countryeconomy.com/gdp/france>

Both the business climate and employment climate have begun to recover in May; however, uncertainty remains for the next upcoming months.

Business and employment climates

	May 20	June 20	July 20	Aug. 20	Sept. 20
Business climates					
France	60	78	84	90	92
Manufacturing	71	77	82	92	96
Building construction*	n.a.	n.a.	n.a.	n.a.	n.a.
Services	52	78	88	93	95
Retail trade	63	84	88	93	95
Wholesale trade	67		79		92
Employment Climate Indicator					
Employment	53	67	76	88	93

* c.f. « For further information »

Source: INSEE, Business tendency surveys

Business climates and employment measured with a standardised climate indicator with an average of 100 and standard deviation of 10 (INSEE)¹¹

¹¹ <https://www.insee.fr/en/statistiques/4770172#graphique-climat-france-g1-en>

Major Industries and Trends

France's principal industries are machinery, chemicals, automobiles, metallurgy, aircraft, electronics, textiles, food processing, and tourism.¹² Tourism is an especially strong part of the economy; France is the top-visited country in the world. France's main exported goods are machinery and equipment, aircraft, plastics, chemicals, pharmaceutical products, iron and steel, beverages, and luxury goods. France also has the largest agriculture sector in the EU; its agri-food industry is the major contributor in the country's economy with \$170 billion revenue in 2017. In more recent years, manufacturing operations like food/beverage, machinery/equipment, and chemicals have increased significantly.

¹³ Following the global trend, e-commerce is also one of the fastest-growing sectors.

Some industries that have dominated global markets for years, and show no signs of slowing down, are French fashion (brands such as Christian Dior, Balenciaga, Pierre Cardin, Yves Saint Laurent, and Emmanuel Ungaro), wine, nuclear power, banking, and high-speed trains.¹⁴

The French government aims to redefine France's industrial policy priorities with 34 sector-based initiatives, focusing on three principles: growth in the global economy, development of technology, and supporting existing strong market powers. The list of 34 sectors and details about their contribution to French industry can be found in the full report: https://www.economie.gouv.fr/files/nouvelle_france_industrielle_english.pdf

Industries suffering from the effects of COVID-19 are suffering in large part due to low consumer confidence and public expectation for the economy. French consumers cut some spending on household goods, entertainment, and services, and consumption of travel/transportation as well as apparel took an even greater hit back in April.¹⁵

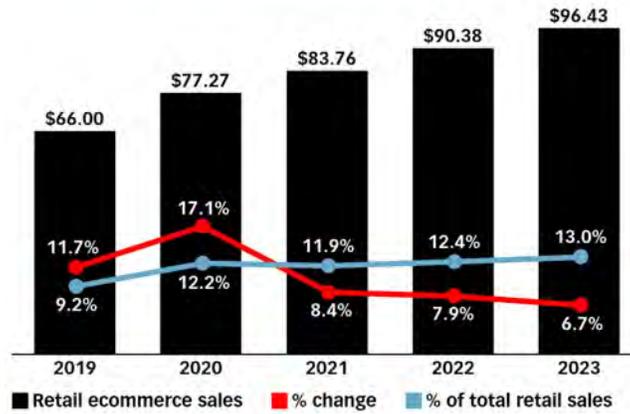
¹² <https://www.cia.gov/library/publications/the-world-factbook/geos/fr.html>

¹³ https://www.researchandmarkets.com/reports/5013562/impact-of-covid-19-on-the-french-economy?utm_source=dynamics&utm_medium=C1&utm_code=9r968h&utm_campaign=1410158+-+COVID-19+and+the+French+Economy+to+2025%3a+Market+Deviation+%26+Trends+Analysis+Resulting+from+the+Pandemic&utm_exec=joca220cid

¹⁴ <https://thetranslationcompany.com/resources/language-country/french/business-france.htm>

¹⁵ <https://www.visualcapitalist.com/consumer-spending-impacting-industries/>

Retail Ecommerce Sales in France, 2019-2023
 billions, % change and % of total retail sales



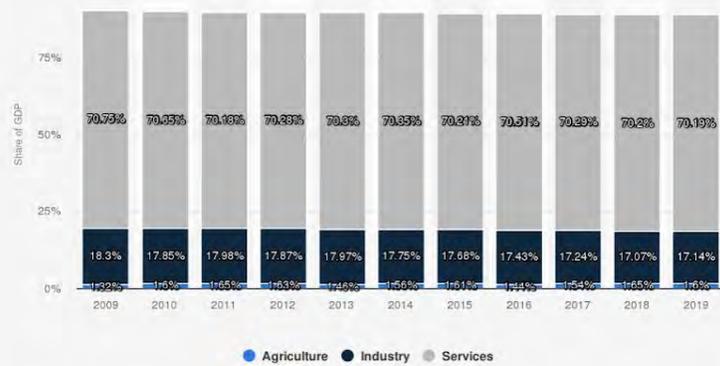
Note: includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales
 Source: eMarketer, May 2020

T11016

www.eMarketer.com

E-commerce experienced a growth rate of 17.1% in 2020. It is projected to continue growing in future years, albeit at slower rates.¹⁶

France: Distribution of gross domestic product (GDP) across economic sectors from 2009 to 2019



Source: World Bank, © Statista 2020

Additional Information: France: World Bank

statista

The breakdown of France's GDP across economic sectors (agriculture, industry, services) has remained stable from 2009 to 2019.¹⁷

¹⁶ <https://www.emarketer.com/content/france-ecommerce-2019>

¹⁷ <https://www.statista.com/statistics/270352/distribution-of-gross-domestic-product-gdp-across-economic-sectors-in-france/>

Major Cities

Major cities and their populations

- Paris (12,341,418)
- Lyon (2,214,068)
- Marseille (1,727,070)
- Toulouse (1,270,760)
- Lille-Roubaix Tourcoing (1,166,452)
- Bordeaux (1,158,431)
- Nice (1,044,914)

Paris

The capital of France, Paris is the center of French economy, politics, traffic, and culture. With a population of roughly 2.15 million (12 million including the suburbs), Paris is also quite diverse with more than 20% of the people living there being from outside of France. A large number of multinationals as well as start-up run branches situated in Paris. Students living in Paris can find apartments between 9m² to 20m² that will cost approximately between 450€ to 800€ per month, or \$520-930 USD.

Marseille

A business hub, Marseille has a strong international presence and is a major commercial port. It is close to other countries in Southern Europe, the Middle East, North Africa, and Asia, with large Arab and Italian communities. Marseille is also known for attracting several national as well as international companies specializing in telecom networks. Students can find flatshares for around 300-500€ (\$350-580 USD) or private flats for around 500-900€ (\$580-1050 USD) per month.

Lyon

A city attractive to younger people, Lyon specializes in trade, finance, and economy; nearly 20,000 businesses are registered every year, so the labor market is diverse and holds many opportunities. It is also a cultural center with monuments, architecture, and UNESCO World Heritage areas. Students can find housing for around 300-700€ per month (\$350-815 USD); costs of living from food/transportation also tend to be lower than in Paris.



(Left to right:) Paris, Marseille, Lyon

Internships and Co-ops

According to Universum - What do students say?, the 10 most attractive employers in France are Airbus, Google, Thales, Safran, Dassault Aviation, Apple, EDF Électricité de France, Vinci, Air France, and Microsoft

1. Airbus
2. Google
3. Thales
4. Safran
5. Dassault Aviation
6. Apple
7. EDF Électricité de France
8. Vinci
9. Air France
10. Microsoft

Top 10 start-ups to work for in France - LinkedIn¹⁸ (see footnote for links to start-up websites)

1. Sezane
2. Brut
3. Alan
4. PayFit
5. Virtuo
6. Doctrine
7. Leavy.co
8. Listen Too
9. Back Market
10. Wemanity Group

¹⁸ <https://www.cnbc.com/2019/09/04/linkedin-top-10-start-ups-to-work-for-in-france.html>

Resources for NU Students

GoinGlobal

GoinGlobal helps new and experienced job seekers find opportunities both at home and abroad. As the market leader in online career and employment resources for more than 16 years, our website has helped millions of new and experienced professionals expand their horizons.

We are committed to providing “grassroots employment intelligence” through our team of local career experts. These globally-minded individuals are in place around the world, personally monitoring and updating the career information and resources that we deliver to you.

GoinGlobal’s Internship database features millions of opportunities around the globe—all updated daily. Our proprietary search engine has the unique ability to identify internships that have been posted in the local language, as well as in English. Each internship opportunity lists the position title and description, company name, location and date of posting.

GoinGlobal makes it easy to search for internship positions in the nonprofit and international development fields, as well as opportunities with public and private organizations of every size and focus.

Link: <http://www.goinglobal.com/>

GlobeSmart

With over 25 years of experience, Aperian Global provides organizations with scalable, blended solutions that enable them to conduct business effectively across boundaries. Our consulting, training, and online learning tools help employees at all levels to engage global and local counterparts in a fully inclusive way, bringing out their best ideas while serving as a catalyst for innovative new solutions.

Prepare for trips or relocation abroad with guidance on over 50 cultural business topics, including travel, attitudes towards women, safety, manners and etiquette, and more.

Link: <https://www.globesmart.com/>