

Doing Business in France

Expert knowledge means success

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Introduction

France has well established historical, trading and development links with the UK. 2004 was the 100th anniversary of the “Entente Cordiale” between the UK and France. The “Entente Cordiale” was signed in London in April 1904 by the British Foreign Secretary, Lord Lansdowne and the French Ambassador Paul Cambon and signified the end of colonial disputes between the two countries. The centennial anniversary celebrated the notion that the UK and France have more that unites them than divides them, including the alliance formed during the two World Wars.

The two countries also have a history of collaboration of ideas and technology. They have cooperated on significant projects; the most famous of which are the Channel Tunnel and Concorde. The UK and France share similar economic factors and ideals: they have similar populations and wealth, and are both members of international institutions such as the G7, IMF, World Bank and the WTO.

Bordered by eight countries, it is no surprise that France is Europe’s leading tourist destination. 13 million Britons visit France every year, and there are more than 500,000 British-owned second homes in France.

UK-France Trade

France and the UK are major economic and trade partners. France is the UK’s third largest export market (the second in Europe) and the UK’s third largest supplier. Exports to France amount to some £20 billion per year and account for nearly 10% of UK visible exports worldwide. Manufactured goods represent 80% of exports, energy 12% and agri-food products 7%. The trade balance is in France’s favour but the UK has substantial surpluses in the machinery, pharmaceutical and energy sectors.

Top UK export products to France are:

- Machinery and electrical equipment
- Petroleum
- Biotechnology, health and pharmaceutical products
- Aircraft and spacecraft
- Passenger motor cars
- Chemicals and plastics
- Metals and minerals
- Beverages (whisky and beer)

Top UK import products from France are:

- Transport equipment
- Beverages
- Pharmaceutical products
- Aircraft and spacecraft
- Chemicals and plastics
- Perfumery and cosmetic products
- Miscellaneous consumer goods
- Food products

In the first half of 2007, the breakdown of UK-France trade by sector was as follows:

- Manufactured goods (including machinery and electrical machinery, chemicals, transport equipment, consumer goods and semi-finished manufactures) represented nearly 80% of bilateral trade (78.4% of total UK exports to France and 79.2% of UK imports from France).
- Energy’s share in UK exports was 11.7% (10.6% being oil) and 5.9% in UK imports.
- Agri-food products accounted for 7.5% of total UK exports to France and 14.6% of imports.

The UK and France are also major investors in each other’s countries. France is the UK’s second largest European direct investor in terms of stocks and the UK is the largest investor in France. Mergers and acquisitions have considerably increased, leading to a growing interpenetration of both economies.

Over 1700 French firms, subsidiaries and branches are established in the UK employing approximately 330,000 people.

France has predominantly invested in services such as water distribution, electricity, transport, banking, telecommunications, hotels, restaurants, and in the electronic and chemical industries.

Nearly 2000 UK firms are present in France. They are particularly active in financial and insurance services, retail distribution, biotechnology, healthcare, chemicals, transport and agri-food industries. The number of British residents and property-owners is rising rapidly, making Britons the first European community living and working in France.

Reasons to do business in France

France is the world's fifth largest economy, is home to world leading companies in many innovative industries and ranks in the top three for both inward and outward foreign direct investment. Its strategic location at the heart of Western Europe is highly served by one of the best European communication networks. The Eurostar high-speed train has reinforced the already strong air and sea connections between the two countries. The centres of London and Paris are less than three hours apart. This means businessmen and women can visit their customers or organise B2B meetings on a one-day trip.

The French economy benefits from a highly productive labour force. Structural reforms are being undertaken to help secure investment. This should offer new opportunities for UK companies in procurement and sub-supply. Numerous "pôles d'excellence" (industrial clusters) testify to the attractiveness of France as a business location. The UKTI team in France has identified key sectors where there are opportunities for both UK exports and investments:

- Biotechnology
- Pharmaceuticals and Healthcare
- Software and IT services
- Telecommunications
- Environment
- Aerospace
- Automotive industry
- Railways
- Chemicals
- Food and drink
- Distance selling

There are also niche markets in all other sectors, especially for small and medium-sized businesses. Almost anything that sells well in the UK can be sold in France.

France is consciously working to improve its attractiveness as a business location. In December 2003, the French Prime Minister announced a number of measures to this effect, including a new tax status for incoming executives or income tax relief on bonuses paid to staff relocating to France.

Registered users of the UK Trade and Investment website

www.uktradeinvest.gov.uk can access sector

specific reports and review specific export opportunities for France.

Financial Assistance

A wide range of assistance is available to companies in France for many types of projects. The type of assistance on offer varies according to the project characteristics (production capacity, job creation, innovation, training, etc.), locations (priority development areas, etc.) and type of company involved (large corporations, small and medium-sized enterprises, etc.) The Invest in France Agency network will help you draw up a detailed list of government financial assistance available for your project and then assist you with preparing applications for support.

All of the assistance available in France is subject to European Union Regulations on maximum levels, eligible expenditures and aggregate assistance limits. These European Union rules apply in all Member States without exception and in the countries applying for accession to the EU.

More information is available from the Invest in France Agency at: <http://www.invest-in-france.org/us/>

Industries

Approximately 70% of the workforce is employed in service industries providing 77% of the country's gross domestic product (GDP) in 2006. Government services make up a third of this share.

25% of the workforce is employed in heavy manufacturing producing steel, machinery, chemicals vehicles and textiles, chiefly for the aerospace, automotive, machinery and pharmaceutical industries. The French government owns some of the infrastructure and heavy industry including sections of railways, power, telecommunications and aircraft construction.

France is also the leading agricultural producer in Europe for wheat, cereals, sugar beet, wines, grapes and dairy products. The French farming sector employs approximately 4% of the workforce. Its viability and profitability is currently impacted by the European Union agricultural subsidies and will be affected by the reform of the Common Agricultural that helps to protect European farmers from international competition.

France is Europe's leading tourist destination, and tourism is the main activity along all the coastal regions.

The principal industrial and commercial areas are around Paris and the Rhone-Alps region, the latter being strong in the chemicals industry. The Franche-Comte and Auvergne are also significant industrial areas. The Nord-Pas de Calais area is shifting from the traditional industries of coal, iron, steel and textiles to new technologies. The Midi-Pyrenees is strong in the aerospace industry.

Economy

According to World Bank figures, France is the third largest economy in Europe, after Germany and the UK and the sixth largest industrialised economy in the world. The majority of its trade is with other EU members, primarily with Germany. Other significant trade partners include the UK, Italy, Spain and Belgium.

France is in the midst of transition from a well-to-do modern economy that has featured extensive government ownership and intervention to one that relies more on market mechanisms. The government has partially or fully privatized many large companies, banks, and insurers, and has ceded stakes in such leading firms as Air France, France Telecom, Renault, and Thales. It maintains a strong presence in some sectors, particularly power, public transport, and defence industries. The telecommunications sector is gradually being opened to competition.

France's leaders remain committed to a capitalism in which they maintain social equity by means of laws, tax policies, and social spending that reduce income disparity and the impact of free markets on public health and welfare. Widespread opposition to labour reform has in recent years hampered the government's ability to revitalise the economy.

During 2007-08, the government implemented several important labour reforms, including a de facto extension of the 35-hour workweek by allowing employees to work longer overtime hours.

As a result of lower fiscal revenues and increased expenditures the general government deficit is expected to exceed the euro-zone ceiling 3% of GDP. France's tax burden remains one of the highest in Europe.

With at least 75 million foreign tourists per year, France is the most visited country in the world and maintains the third largest income in the world from tourism.

Population

France's population is growing by approximately 0.5% per year and is now 64.9 million (Source: World Bank, 2010). Moderate growth is forecast and the percentage of people living in towns and cities is expected to increase. 65% of the population is in the age range 15 to 64 years of age. As in other European states, increasing life expectancy and decreasing birth rates will give rise to an ageing population; however, relatively high numbers of immigrants are expected to swell the overall availability of labour.

Staffing

Labour law is complex. It is strongly recommended that legal advice is taken before entering into any contractual agreement. Employment contracts for a fixed term are only permissible in a limited number of situations. Certain collective agreements negotiated at national level are automatically applicable to certain commercial and industrial sectors, while other agreements are only applicable when agreed to by the employer. Collective agreements cover all workers, whether or not unionised.

Mandatory social charges are high. These contributions cover health insurance, family benefits, and mandatory pension plans, etc.

For current rates, see: http://en.wikipedia.org/wiki/Taxation_in_France

The recruitment process is similar to Britain, with recruitment agencies and websites being used increasingly.

Geography

France is the largest country in Western Europe, with a land area of approximately 545,630 sq km, and 2,900 km of coastline. The north-central and western areas of the country are typified by a flat plain and low rolling hills. To the North, France is bordered by Germany, Luxembourg and Belgium which cut through the low lying Ardennes. The other borders are formed from natural frontiers. The Jura range of the Alps marks

the border with Switzerland. The Vosges Mountains and forests in the far-northeast front the Rhine which marks the German border. The mountains in the eastern and southern areas of the country include the snowcapped Alps that border with Italy: Mont Blanc, France's highest point at 4,807m is located here. The Pyrenees, a jagged mountain range, mark the southern borders with Andorra and Spain.



The coastline is equally diverse: in the North West there is the Channel, the world's busiest stretch of water; in the south there is the warm Mediterranean and in the south west there is the Atlantic. Each area has its own distinct shoreline and climate.

The longest river is the Loire which is 1,020 km long. Other important rivers include the Garonne, Rhine, Rhone, Saone and Seine.

Climate

Like the UK, France has a temperate climate overall, but being a large country with varying altitudes, there are regional climate variations. The North has a temperate climate, whereas north-eastern areas have a more continental climate with warm summers and cold winters. Coastal and inland areas from the Loire to the Basque region have a temperate climate with hot and sunny summers. The Riviera, Provence and Rousillon have a Mediterranean climate. Other inland areas such as Auvergne, Burgundy and the Rhone Valley have a more continental climate with very strong winds, such as the Mistral. Heavy snow falls in winter in mountain areas.

Administrative divisions

France is divided into 22 administrative areas:

Alsace;
Aquitaine;
Auvergne;
Basse-Normandie;
Bourgogne;
Bretagne;
Centre;
Champagne-Ardenne;
Corse;
Franche-Comte;
Haute-Normandie;
Ile-de-France;
Languedoc-Roussillon;
Limousin;
Lorraine;
Midi-Pyrenees;
Nord-Pas-de-Calais;
Pays de la Loire;
Picardie;
Poitou-Charentes;
Provence-Alpes-Cote d'Azur; and
Rhone-Alpes.

These regions are subdivided into 96 departments. There are also four overseas regions.

Government Structure

France is politically a republic, where the President is elected by popular vote for a five year term. Nicholas Sarkozy has been President since May 2007. The Prime Minister is nominated by the National Assembly majority and appointed by the president. He suggests a Council of Ministers which is appointed by the President. The current Prime Minister of France is Francois Fillon (since 17 May 2007). The current government is a centre-right administration.

The Parliament has two legislative chambers: the Senate and the National Assembly. The Senate is made up of 331 seats (305 for metropolitan France, 9 for overseas departments, 5 for dependencies, and 12 for French nationals abroad; members are indirectly elected by an electoral college to serve six-year terms; one third elected every three years). Between 2006 and 2011, 15 new seats were to be added to the Senate.

The National Assembly is made up of 577 seats. Members are elected by popular vote under a single-member majoritarian system to serve five-year terms.

Corporate Governance

Following domestic financial scandals, a Corporate Governance code was established in 1995 by the Viénot committee: a committee made up of French public companies, an association of private companies and a French business confederation. It decided that the law and regulation in France at that time was sufficient to ensure good governance practice in French listed companies.

In 1999, the committee recommended legislative changes, which were included in the New Economic Regulation Act in 2001. This Act recommended:

- the separation of the role of the chairman and chief executive;
- communication by the chairman and chief executive of all information to all directors as required to allow them to fulfil their duties;
- inclusion of information on board meetings, internal control procedures and limitations on the powers of the chief executive in the annual report;
- the identification of shareholders (especially foreign shareholders);
- increased management remuneration reporting;
- strengthening of minority shareholder interests.

The Bouton report in September 2002 recommended that all boards should have a majority of independent members. Both the Viénot and the Bouton reports have set out extensive guidelines promoting corporate accountability and transparency. The Institute of Directors, France also addresses director professionalism and corporate governance. More information can be found at www.iod.com/home/local-network/international/france/default.aspx

Establishing a Business in France

France has a well-developed legal and regulatory system broadly similar to that in the UK. There are few restrictions on setting up companies, except in certain areas, e.g. banking and insurance.

France encourages foreign investments on its territory. Foreign companies may settle in France under a variety of forms, depending on the investors' development strategies. A foreign company or investor proposing to

establish a business in France may choose from a number of different business organisations:

- Corporation
- Limited Liability Company
- Simplified Stock Corporation
- Liaison Office
- Subsidiary
- Sole Trader

Registration can be achieved either directly by the applicant, or through semi-public advice bureaux (*Centre de Formalités des Entreprises: CFE*), or with the help of a professional advisor. A single set of documents is valid for all administrations concerned which inform each other.

Business Corporation - SOCIÉTÉ ANONYME (SA)

The French corporation is the company format most commonly chosen for a larger business. The minimum initial share capital is €37,000 (of which at least half must be paid up at incorporation), and the corporation must have at least seven shareholders.

Although the operation of an SA is more complex than for other company forms, it does provide direct access to capital markets through different negotiable securities.

Two management structures for the SA are available. The "classic" SA is directed by an administrative board whose members must be both directors and shareholders. The board designates an individual to act as president, who manages the company. The "new" form SA is managed by an individual or a committee called the directorate, composed of individuals who need not be shareholders. The directorate is named and supervised by a supervisory board composed of selected shareholders. Unlike the SARL, the directors of an SA may opt for salaried status.

Limited Liability Company - SOCIÉTÉ À RESPONSABILITÉ LIMITÉE (SARL)

Like the SA, the limited liability company is organised by one or more persons who are only liable for the company's losses up to the amount of their capital contribution. Unlike the SA, however, the SARL's capital is divided into equal interest-shares (*parts sociales*), which are not transferable (except by deed) and not represented by share certificates.

Like the *SA*, the *SARL* is commercial by form and can have 2 to 100 share holders. Sufficient capital must be provided to finance long-term needs, but there is no minimum capital requirement. The *SARL* company form lends itself to a small to medium sized business activity that can be carried on with fewer shareholders and less capital than the *SA*. The organisation and operation of an *SARL* is also more streamlined than that for an *SA*.

The *SARL* does have some inconvenient features when compared with the *SA*. The interest-shares are not freely negotiable, and the deed of transfer of shares in a French *SARL* attracts a registration duty of 5 percent. The president and general managers of an *SA* are subject to the tax and social security rules applicable to employees, whereas a manager holding a majority of the shares of an *SARL* is subject to more onerous tax and social security rules.

Simplified Stock Corporation - SOCIETE PAR ACTIONS SIMPLIFIEE (SAS)

At the beginning of 1994 (Law of January 1994), French corporate law was amended to create a new company form, the simplified stock company which is designed to be an appropriate vehicle for corporate joint ventures. This company form (called the *société par actions simplifiée: SAS*) had its origin in proposals by the French business sector. Larger French industrial companies particularly wanted a specialised corporate structure with which they could participate in business ventures with foreign partners. For many years, the rigidity of French corporate law has been seen as an obstacle to French participation with foreign companies in French-based joint ventures.

Like the *SARL*, the minimum initial share capital is €37,000, but it can be set up by just one individual or corporate entity.

Liaison Office

Under French company law, a liaison office (*bureau de liaison*) is typically the French branch of a foreign company. The liaison office and the branch have no legal personality separate from that of the head office, unlike the subsidiary which has its own separate legal personality.

Although it may technically be possible to avoid being characterised as a branch under French company law, registering with the

commercial registry greatly facilitates the office's relationship with other French governmental agencies. The individual who will manage the office must obtain a business permit (*carte de commerçant*) if the office is to be officially registered as a branch and the individual is not an EU national.

Subsidiary

According to French company law, a subsidiary is any company whose capital is more than 50% owned by another company. But for French tax purposes, a subsidiary is any company whose shares are 10% owned by another company. A subsidiary company is deemed to have an independent legal identity.

The Self-Employed Worker

A worker is deemed to be self-employed when he or she is not linked by an employment contract for the execution of the work. It covers three categories of professions: Craftsmen, Tradesman and Professionals. A self-employed worker has no limited liability, and his or her personal assets may be at risk in respect of eventual professional liabilities.

Distribution Networks

French law distinguishes between a variety of different categories of distribution arrangements and attributes different characteristics to such contracts, in particular, regarding any right to an indemnity upon termination. As such, it is important to distinguish among them to ascertain the relative duties, responsibilities, rights, burdens placed upon the parties under French law.

The most frequently encountered of these types of marketing arrangements can be divided into two categories: (i) commercial agents (statutory sales representatives (VRP) who have employed status, or the general commercial agents, who are independent) and (ii) distribution arrangements (franchising contracts and exclusive distribution agreements).

The fundamental difference between the two categories is that commercial agents merely arrange for the sale of the relevant products and services and do not purchase them for resale. In a distribution arrangement, the franchisor or distributor actually sells the products or services.

Taxation

The following is intended to provide a brief outline of tax issues. You should always take professional advice on these matters to determine the correct position according to your own personal circumstances.

Briefly, taxation in France falls under the following categories:

- **Personal Income Tax - Impôt sur le revenu:** The French tax system imposes an annual tax on the income of individuals who are resident, or who receive income, in France.
- **Wealth Tax - Impôt sur la fortune:** Wealth tax is a tax on asset value and includes all tangible assets, plus financial investments and debts owed. Some antiques, fine art and business assets are exempt from the asset value calculation. The value of an occupied principal residence may be reduced for wealth tax purposes. The rate of tax applicable operates on a sliding scale.
- **Capital Gains Tax - Impôt sur les plus-values:** Capital gains tax is levied on any gains realised from the sale of property that is not the principal residence and the disposal of shares. There are some exemptions available.
- **VAT (TVA) - Taxe sur la valeur ajoutée:** The scope of value-added tax is quite large. It is imposed on all "economic activities", any transaction specifically designated as taxable by law, and any exempt activity for which a person may elect liability.
- **Corporation Tax - Impôt sur les sociétés:** French corporation tax is assessed on the net taxable earnings of "capital" companies and other legal entities subject to this tax. France applies a territoriality principle to its corporation tax. Only activities exercised in France are subject to French company tax. The foreign trading activities of French companies are not directly subject to French corporation tax.
- **Foreign Company Taxation in France:** As soon as a foreign company conducts profitable business in France, that profit is taxed in France. This rule applies regardless of the type of company. In the case of a branch or a permanent establishment with no separate legal status, the proceeds of the business conducted in France are derived from the accounts of the foreign company. Tax treaties signed between France and over one hundred countries generally help avoid double profit taxation in France and in the foreign country of origin. The concept of permanent plant is defined in each

individual tax treaty.

Tax rates and allowances are covered in Wikipedia at:
http://en.wikipedia.org/wiki/Taxation_in_France

Exporting

UK Trade and Investment encourages the availability of competitive export finance to all UK companies seeking to export goods or services or invest overseas. For further information, visit www.uktradeinvest.gov.uk

The Integrated Tariff of the United Kingdom contains helpful information on Importing or Exporting. It includes references to the relevant laws and regulations. For further information, visit www.hmrc.gov.uk

Export licences (from UK)

You should check with Her Majesty's Revenue and Customs to see if a licence is required for any goods you wish to export to France. There are a number of licensing requirements, relevant to exports. These include:

- Common Agricultural Policy (CAP) Licences;
- Department for Business, Innovation and Skills (BIS);
- Department for Environment, Food & Rural Affairs (DEFRA) Licences;
- Department of Culture, Media and Sports (DCMS) Licences.

An export licence is mandatory if you are exporting certain products. If a licence is required and is not presented at the time of export, the consignment will not be able to leave. For further information, visit: www.hmrc.gov.uk

The BIS's Export Control Organisation is the first point of contact for information on export controls. They provide advice on many issues, including how to establish whether or not specific goods need an export licence, the different types of export licences, how to complete export licence application forms and how long they take to process. They are also the point of contact for Export Control Organisation publications and licence application forms. For further information visit: <http://www.bis.gov.uk/exportcontrol>

The Defence Export Services Organisation (DESO) can provide information concerning

the export of defence related equipment. For further information visit www.deso.mod.uk

For information concerning export controls on antiques and works of art, please visit the Department for Culture, Media and Sport website. For further information visit www.culture.gov.uk

Export Credits Guarantee Department (ECGD)

ECGD can provide insurance or arrange medium/long-term finance packages in a wide range of markets worldwide for UK exporters of capital goods and projects. They can also provide contacts for private sector insurance for UK exporters of consumables. For more information on how ECGD may be able to help you, please visit the ECGD website at www.ecgd.gov.uk or contact their helpline: Tel: +44 (0) 20 7512 7887.

Local Representation

There are many independent agencies that provide services to develop a business in France. Typical services include Business Development, Market Entry, Landing, Finance and Partnering services. UK Trade an Investment can assist with market intelligence, advice on regulations, sales leads and financial and practical support.

Technical Help for Exporters

Technical Help for Exporters (THE) is a service provided by the British Standards Institution (BSI) to provide information and advice on compliance with overseas statutory and other technical requirements.

THE produces a wide range of publications and provides a special updating service of information in some product fields. THE can supply detailed information on foreign regulations; identify, supply and assist in the interpretation of foreign standards and approval procedures; research and consult on technical requirements for a specific product; and provide translations of foreign standards, items of legislation and codes of practice. Fees vary according to the amount of work involved.

For further information visit the British Standards Institution (BSI) website at: www.bsi-global.com/Technical+Information/index.xhtml or e-mail: THE@bsi-global.com

Packaging Regulations

France has packaging regulations designed to

reduce the impact which packaging is having on the environment. Labelling, instructions for care and use etc should be translated into French and if using dual or multi-language labelling, the French should be as visible and as intelligible as any other language used. These are legal requirements under a law known as the "Loi Toubon" – details are at: http://en.wikipedia.org/wiki/Toubon_Law

The Decret Lalonde which came into effect on 1 January 1993 obliges companies, including UK exporters, to share responsibility for the effective elimination of waste. Details are at: <http://ukinfrance.fco.gov.uk/en/business/export-help-for-uk-companies/faq-ukti-trade/topic/packaging-regulations>

Export Documentation

SITPRO is the UK's trade facilitation body dedicated to simplifying the international trade process by cutting red tape. It manages the UK Aligned Series of Export documents, and licenses a network of approved suppliers to provide them. The series now contains nearly 70 standard commercial, transport, banking, insurance and official forms.

SITPRO also offer advice, briefings, publications and checklists covering various international trading practices. For more information on how SITPRO can help you with export documentation and procedures visit www.sitpro.org.uk or contact them on +44 (0) 20 7215 8150.

Importing

If goods are produced in the UK (or in another EU member state) they are not liable for import duty on entry into France. If goods have entered the EU from a non-member country and had any necessary import duty paid on them, they can enter France without any further import duties being levied.

The Integrated Tariff of the United Kingdom contains helpful information on Importing or Exporting. It includes references to the relevant laws and regulations.

Although the UK version is called the "Integrated Tariff of the United Kingdom", the same format is used throughout the EC. For further information, visit www.hmrc.gov.uk

Import licenses

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from France. There are a number of licensing requirements, relevant to imports. These include;

- Common Agricultural Policy (CAP) Licences,
- Department for Business, Innovation and Skills (BIS);
- Department for Environment, Food & Rural Affairs (DEFRA) Licences,
- European Commission Licences,
- Forestry Commission Licences and
- Radio Communications Agency (RDA) Licences.

If a licence is needed and is not presented at the time of importation, the goods will not be allowed to enter the country.

Customs Duties

If goods are produced in the UK (or in another EU member state) they are not liable for import duty on entry into France. If goods have entered the EU from a non-member country and had any necessary import duty paid on them, they can enter France without any further import duties being levied.

Excise duty is levied on certain goods including alcohol, tobacco and fuel. More information is available from French customs at www.douane.gouv.fr

Terms of Payment

Most UK banks can provide advice on payment, credit management, short term credit insurance and factoring. Generally speaking, any of the customary methods of payment used in international commercial transactions can be used when doing business with French companies.

There are no "standard" payment terms in France. The term "30 jours fin du mois" means that a company will expect to be paid 30 days from the end of the month of the invoice.

Advertising and Marketing

All written and spoken publicity must be in French. Even English slogans must be translated into French. "Tarif Media" is a comprehensive guide (in French only) and is available from the UK Trade & Investment Information Centre. For further information

visit www.uktradeinvest.gov.uk

The trade association responsible for the advertising industry in France is:

Bureau de Verification de la Publicite
5 rue Jean Mermoz
75008
Paris
Tel 00 33 1 43 59 89 45
Fax 00 33 1 45 61 46 90

Sales Promotion

Many French business people can speak and conduct business in English. However, it is strongly recommended that you use French for any initial correspondence and that any product literature should be translated into French by a professional and followed up in French by a telephone call.

You will need to consider whether or not to quote in euros. Large importers are more likely to want to use the euro early on, given the advantages of lower transaction costs and transparent pricing between euro-zone countries.

Minitel and the Internet

France Telecom provides a teletext service known as Minitel. Although the Internet has replaced Minitel to a large extent for online transactions there are still approximately 1 million terminals in use, which allow users to access information and to carry out some transactions such as travel bookings and mail order purchases.

Although the use of the Internet overtook the use of Minitel in 2002, it is still widely used and regarded as a secure environment for financial transactions. In 2007, approximately 220 million Minitel connections were made generating a transaction turnover of 100 million euros.

Business Hours

Banks generally open from 0930 - 1200 and 1400 - 1600 Monday - Friday. Some banks are closed on Mondays. General office hours are 0900 - 1200 and 1400 - 1800 Monday - Friday.



Business Etiquette

The French appreciate the efforts of others to speak in French and it is worth learning some basic phrases before your visit. You might also consider employing French-speaking staff or hiring an interpreter.

First names are rarely used in French business relationships. This does not mean your French colleagues wish to maintain a distance. Meetings are generally always more formal than in Britain. Smart business attire and formal business courtesies are generally expected.

For further information on business etiquette, visit UK Trade and Investment at www.uktradeinvest.gov.uk

Transport and Travel

The main transport options for France are road, airfreight, post, air parcel post, and express or courier service and rail freight. With the exception of post, it may be easier to use a freight forwarder for transporting goods. The British International Freight Association offers up to one day's free consultancy to advise companies on such matters as modes of transport, distribution methods, costing, documentation and payment terms. Further information can be found at: www.bifa.org

Air Transport

The main international airport is Charles de Gaulle which is 30km outside Paris. The Paris to London air route is the busiest in the world, with 3.3 million passengers making the 1 hour journey each year. The second airport in Paris is Orly, 15km south of the city. Main international airports include Bordeaux, Lille, Lyon, Marseilles, Nice and Toulouse. Other destination airports from the UK include Biarritz, Brest, Lourdes, Lyon, Montpellier, Mulhouse, Nantes, Pau, Perpignan, Strasbourg and Toulon.

Train Transport

The Eurostar service runs every day between London and Ashford to Paris, Lille, and Calais-Fréthun. Direct seasonal services run from London and Ashford to Avignon in Provence and to the French Alps. With a simple change in Lille, Paris or Brussels, you can also reach over 100 more destinations across France, Belgium, the Netherlands and Germany. Road

vehicles are also carried through the channel tunnel on 'Le Shuttle' between the UK terminal near Folkstone and the French terminal near Calais. Journey time is about 35 minutes.

Within France, the rail system is characterised by high-speed services, including the Train à Grand Vitesse (TGV). Key destinations include Bordeaux, Marseilles, Nice, Avignon, Tours, Lyon, Poitiers and Montpellier.

Water Transport

The Channel is the world's busiest stretch of water and links France to the UK, Belgian, Dutch and German North Sea ports as well as out to the Atlantic Ocean. There are two internationally significant seaports: Le Havre/Rouen at the mouth of the Seine, and Marseille on the Mediterranean at the mouth of the Rhone.

There are ports or harbours in the following locations: Bordeaux, Boulogne, Cherbourg, Dijon, Dunkerque, La Pallice, Le Havre, Lyon, Marseille, Mulhouse, Nantes, Paris, Rouen, Saint Nazaire, Saint Malo and Strasbourg.

Ferries cover a number of routes from several UK and French ports, which is convenient for those wishing to take their own transport across the Channel. Ferry crossings can vary in length of journey time, but the fastest route, Dover to Calais, takes about 1.15 hours.

Travel Advice

If you are planning to visit the country you are advised to consult the Foreign and Commonwealth Office who issue regularly updated travel advice. Tel: +44 (0) 207 238 4503 / 4504. Their website is at: www.fco.gov.uk

You should take with you a European Health Insurance Card (EHIC). This is available for a small charge from most United Kingdom post offices, or free online from www.ehic-card.com. It will cover part of the cost of emergency health care at State hospitals in Spain during your stay.

However, an EHIC does not cover all medical fees, or medical repatriation, or on-going medical treatment of a non-urgent nature.

The Foreign and Commonwealth Office recommends that you obtain comprehensive travel and medical insurance. For further

information on health, check the Department of Health's website.

Passports/Visas

A passport is required to visit France from the UK. British citizens only require a passport to be valid for the length of their stay and do not need a visa for stays of less than three months. Where a visa is not required, passport validity varies according to nationality. More information can be found at: www.ukfrance.co.uk.

Remember to carry your passport with you at all times as it is a legal requirement in France to carry ID.

Useful Contacts

British Embassy in France

Tel: +33 (0)1 44 51 31 00
www.amb-grandebretagne.fr

British International Freight Association

The primary body representing the UK international freight services industry.
Tel: +44 (0) 208 844 2266
www.bifa.org

CIA Factbook

A factbook compiled by the CIA with country statistics.
www.cia.gov/cia/publications/factbook

FirmaFrance

An export directory of over 20,000 manufacturers and suppliers.
www.firmafrance.com

France Guide

The official tourist website for France.
www.franceguide.com

Franco-British Chamber of Commerce

Tel: +33 (0)1 53 30 81 30
www.franco britishchambers.com

Franco-British Council

Tel: +44 (0) 207 976 8380
www.franco britishcouncil.org.uk

French Chamber of Commerce in London

Tel: 0207 304 4040
www.ccfgb.co.uk

French Embassy in London

Tel: +44 (0) 207 2375 7080
www.dree.org/ru

IBT Partners

Business development services for UK companies exporting to/or investing in France.

Tel: +33 (0)1 56 88 29 00
www.ibtpartners.com

Invest in France Agency

Tel: +44 (0) 207 823 1895
www.investinfrance.org

Institute of Directors France

Tel: +33 (0)1 44 51 96 73
www.iod.com/france

SITPRO

Tel: +44 (0) 207 215 8150
E-mail: info@sitpro.org.uk
www.sitpro.org.uk

UK Trade and Investment

The UK Government website with information to help you do business internationally.

Tel: +44 (0) 207 215 8000
www.uktradeinvest.gov.uk

Country Data

Feature	Country Data
Local time	France is one hour ahead of GMT
Population	64.9 million (Source: World Bank, 2010).
Capital City	Paris (11.2 million of which 2.2 million live within the city)
Language /Religion	The language is French. The principal religion is Roman Catholic
Area	The land area is almost 545,630 sq km.
Public and Statutory holidays	See: http://en.wikipedia.org/wiki/Public_holidays_in_France
International dialling code from UK	00 33
Local currency	Euro (100 euro cents = 1 €)
Weights and measures	The metric system is used in France: distances and speed are measured in kilometres, liquids are sold by the litre, and temperature is measured in Celsius.
Electricity supply	220 volts AC, 50hz. Plug fittings used are two-pin round.

Further Information

This guide is for general interest - it is always essential to take advice on specific issues. We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

If you would like to receive further information about this subject or other publications, please call us – see our contact details on the next page.

Acknowledgement

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