

EY France Attractiveness Survey 2026

# Europe under pressure. France at a crossroads.

Executive Summary



The better the question. The better the answer. The better the world works.



Shape the future  
with confidence

# In an increasingly volatile environment, does **France** still stand out?

## A chaotic global environment putting Europe under significant pressure

- A global environment shaped by geopolitical tensions, trade uncertainty and slower economic growth
- FDI projects in Europe fell by 7% in 2025, making it the region most affected by the global decline in international investment
- Despite this, EY still recorded more than 5,000 investment decisions across 47 European countries
- Competition within Europe is intensifying, with several Southern and Central European countries gaining ground through lower costs, more agile regulation and targeted attractiveness strategies...



FDI projects in Europe  
2025 vs. 2024  
Jobs: -25%

5,026

FDI projects  
in 47 European  
countries in 2025

## France remains Europe's leading destination for the 7th consecutive year...

- 852 projects recorded in 2025, keeping France in first place in Europe
- France remains ahead of the United Kingdom (730) and Germany (548), both affected by international tensions and domestic economic and fiscal pressures
- In France, FDI generated 28,000 jobs in 2025, a limited 4% decline, well below the European average (-25% vs. 2024)
- Areas of growth and/or European leadership include artificial intelligence, low-carbon energy, defence, logistics, IT services and software
- 5% of projects account for 50% of jobs created, mainly in logistics



852 FDI projects in  
France ahead of the UK  
(730) and Germany (548)



Strongest growth  
areas in France  
France No. 1 in Europe

## ...but its attractiveness is under pressure, and the deterioration cannot be ignored

- A 17% decline in projects announced in France in 2025 compared with 2024, a sharper drop than among its main competitors
- Fewer manufacturing sites opened or expanded in 2025 (354, -15% vs. 2024)
- Fewer R&D centres were established (down 47% vs. 2024), reflecting executive caution and sector-specific headwinds
- Several historically strong industrial sectors are in decline, including automotive, chemicals, plastics and metals
- The balance between industrial site openings and closures remains positive... but is narrowing rapidly



Steepest declines  
and major job  
contributors



FDI 2025 vs. 2024  
- 400 decisions  
compared to in 2022

# How do business leaders **assess** France, and what are their plans?

## A well-established set of strengths recognized beyond France's borders...

- 38% of the 500 executives surveyed rank France as the most attractive country in Europe, ahead of Germany and the United Kingdom (31% each)
- France's strengths remain widely recognized by investors, notably in the following areas:

### Top 5

#### ADVANTAGES



- 1 Market size (35%)
- 2 Level of innovation (30%)
- 3 Quality of infrastructures (27%)
- 4 Low-carbon energy (27%)
- 5 Quality of the workforce (25%)

## ...undermined by increasingly sharp criticism that is holding back investment

- Investment criteria are shifting rapidly towards cost competitiveness, administrative agility, regulatory stability and clear public action
- US and German companies have sharply scaled back their investment in France, halving it since 2022
- France facing growing scrutiny over several critical weaknesses, including:

### Top 5

#### DISADVANTAGES



- 1 Economic conditions (36%)
- 2 Political stability (33%)
- 3 Tax competitiveness (30%)
- 4 Labour costs (28%)
- 5 Cost of energy (27%)

## 2026-2028: a cautious pause before a possible rebound

- Investment strategies are becoming more cautious, more regional and more selective, with a focus on more technology-driven projects, smaller in scale and under tighter financial constraints
- In the short term, caution prevails: 57% of the executives surveyed are considering investing in France in 2026...
- ...while 69% of investors do not expect France's attractiveness to improve for another two to three years
- The Middle East crisis has had no observable impact so far, though effects are likely to emerge in the second half of 2026

57%

of executives **have plans in France** in 2026 (-5 pp vs. 2025)

# What are the **key priorities** for international investors in France and Europe?

## Time for decisions

France retains strong fundamentals, but the deterioration in several indicators, shifting investment strategies and intensifying international competition show that this position is now increasingly fragile and contested.

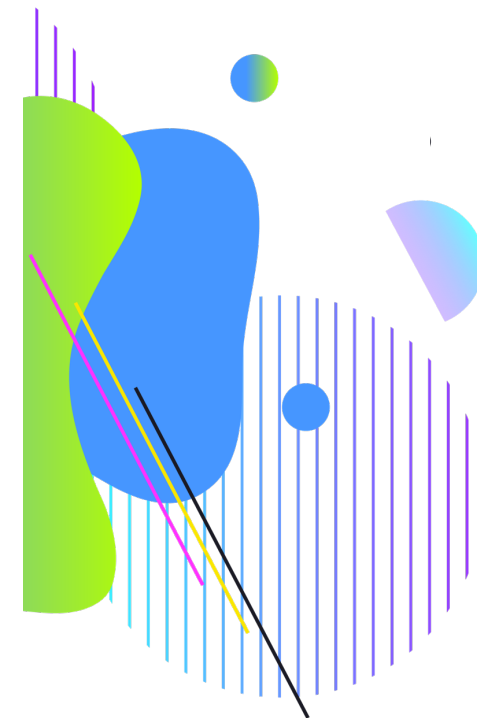
The question is no longer whether France is attractive today. The question is whether it will remain so. The challenge is no longer simply to uphold a European leadership that is itself fragile and under pressure. It is to reposition France in the new global industrial and technological cycle.

## 7 priorities for international business leaders

We have synthesised the expectations and recommendations expressed in recent weeks by our teams, drawing on discussions held with hundreds of companies and experts.

These have been structured around seven key priorities and translated into around twenty recommendations at the end of our full report.

- # 1 Restore **confidence and policy visibility**, as an immediate priority to preserve trust and investment
- # 2 Rebuild France's **competitiveness** and align it with the next wave of industrial and technological investment
- # 3 Adopt a **selective industrial and technology strategy** across large cap companies, mid-sized businesses, SMEs and entrepreneurs
- # 4 Prepare and fund the next economic cycle around **innovation and critical infrastructure**
- # 5 Turn **climate commitments** into lasting competitive strengths
- # 6 Secure the **talent and skills** needed for today and tomorrow
- # 7 Contribute to a **stronger, more united and more agile Europe** in a more demanding global environment



## EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.



EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2026 Ernst & Young Advisory.  
All rights reserved.

Studio BMC - 2603BMC076-05.  
SCORE France No. 2026-026.  
ED None.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

[ey.com/fr](https://ey.com/fr)