

# Austrian investment in France



**A**ustria has a population of 8.3 million; it is therefore a relatively small country compared to Germany (82 million) or France (64 million). Austria has a GDP of approximately €233 billion, which represents a lower GDP per capita than France. However, economic growth rate in 2007 in Austria was higher than in France.

**A**ustria is primarily a Central European country in terms of its geographical location, its history and its economy that is directed towards Eastern Europe. Consequently, France registers a significant lack of visibility in Austria.

**T**he data used in the present document in terms of the number of projects and jobs created, comes from reports on international investment in France edited by the IFA since 1993.

## Austrian companies based in France

### General characteristics

**A**ustria is ranked 15th among countries investing in France in 2007: 14 investment projects led to the creation of 502 jobs. These figures rise to 18 projects and over 1,000 jobs, if takeovers over healthy companies are included.

**I**t is important to note that Austrian investment in France is relatively recent. From 1993 to 2005, the annual rate of investment operations was roughly 4 projects per year. Since 2006, this has been nearer to 15, which corresponds more closely to Austria's economic potential.

### Statistics 2007

#### Stocks :

- > Number of companies based in France: 210
- > Number of employees: 9,000
- > FDI stocks in France as at 31/12/2005<sup>1</sup>: €6 billion

#### Flows :

- > Number of projects concerned: 14
- > Number of jobs concerned: 502

### Sectors

**T**hese include the traditional industrial sectors in which Austria specializes: the automotive, construction, plastics and wood sectors are among the most active. There has also been a significant increase in innovative sectors such as the sustainable energy and ITC sectors. In 2007, the “transport, storage, construction” sector was predominant in terms of the number of projects (4), and there was significant diversity among the other sectors of activity.

### Type of investment

**T**he relatively recent nature of Austrian investment in France logically implies a predominance of business creations, which indeed account for over 60% of investment operations recorded in 2007. Business extensions (and takeover-extensions) account for almost 30% of total projects. In 2007, there was only one operation involving the takeover of an ailing business (230 jobs maintained).

1- Bank of France – Austrian FDI stocks in France are given here according to the country of residence of the direct investor, defined as being the entity at the source of the chain of financial links (more than 50%) that constitute a group.

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## Regional investment locations

Traditionally, Austrian investment operations have been concentrated in the Alsace region for obvious reasons of cultural proximity. This trend has clearly evolved over the past few years. Today, the Ile-de-France and Rhône-Alpes, which are France's leading economic regions, are clearly targeted by Austrian investment. The Ile-de-France region comes out ahead in 2007, with 14% of jobs created by Austrian companies in France (36% in terms of total projects).

## Austrian investment flows since 2000

### From 2000 to 2007

Since 2000, some 40 investment projects have led to 1,760 jobs being created or maintained in France.

### In 2007

14 investment projects have created or maintained 502 jobs.

#### Main Austrian investment projects in France in 2007 included:

- > The Voestalpine AG group, specialized in the steel industry, enabled 230 jobs to be maintained by taking over the Territoire-de-Belfort company that was in major economic difficulty.
- > The Wienerberger AG group, specialized in brick manufacturing, decided to expand a production unit at Durtal in the Maine-et-Loire region, which will be hiring a further 60 employees.
- > The Nanoident Technologies AG company, specialized in electronic components, decided to set up an R&D center employing 50 people, in the Isère region.
- > Doka Industrie GmbH (Austria), specialized in the construction industry, will be creating 40 jobs at two sites in the Yvelines and Bouches-du-Rhône regions.
- > Hinke Schwimmbad decided to set up business in the Seine-Saint-Denis region, creating 20 jobs.