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**FOREIGN AFFILIATES TRADE STATISTICS**  
**IN THE FRENCH ECONOMY**  
**(1995-1996)**

*For several years now, a number of international bodies such as the World Trade Organization, the OECD and Eurostat have turned their attention to the increasing internationalization of companies through the establishment of foreign affiliates, including in the service sector. In December 1993, the General Agreement on Trade in Services (GATS) gave a strong impetus to the liberalization of international service transactions, which includes establishing direct affiliates abroad.*

*Foreign Affiliates Trade Statistics (FATS) were developed in response to the need for more effective tools for measuring this phenomenon. These statistics measure the activity of subsidiaries of foreign firms on domestic territory (inward) as well as that of subsidiaries of domestic firms located abroad (outward). The objective of these indicators is to track the various ways in which an economy becomes more international given that an increasing share of trade is carried out via affiliates established abroad. Although they cover all sectors of the economy, FATS tend to focus on internationalization in the service sector, in which it is also essential to establish a presence abroad.*

*The compilation of these statistics gives rise to a number of theoretical and practical problems, in particular regarding the principle for the geographical allocation of control (immediate country of control rather than ultimate country of control), and the sectoral classification, which in both cases is based on the principle of resident firms: subsidiaries in inward FATS and parent companies in outward FATS (see methodological note). Moreover, the use of this data is somewhat limited, since there is still no relatively consistent basis for international wide comparisons. In any event, information is more comprehensive for inward (four variables: turnover, value-added, employment, imports and exports of goods and services) than outward data (one variable: turnover). On the whole FATS are becoming more and more valuable indicators*

*This primarily descriptive study focuses on foreign affiliates broader sense, i.e. including trade. It merely aims to present the recent work of the Balance of Payments Department of the Banque de France on the subject. The Balance of Payments compiles its data according to the definitions and concepts used in the Eurostat questionnaire on FATS. The information presented in this article relates to 1995 and 1996, the only years for which data are available, the year 1997 being currently processed.*

## METHODOLOGICAL NOTE

### Definition of FATS

Foreign affiliates trade statistics (FATS) measure the activity of subsidiaries of foreign firms on domestic territory (inward) and that of subsidiaries of domestic firms located abroad (outward).

The main indicators are:

- the *turnover* posted by foreign-held subsidiaries. This indicator takes into account domestic sales in the country in which the subsidiary is established, and sales to other countries, including that of the parent company;
- the *employment figures* of these affiliates;
- the *value added* recorded by the affiliates in the country in which they are located;
- *imports and exports* of goods and services.

Contrary to inward FATS, only the turnover for outward FATS is available in France. The other variables could be collated by the Balance of Payments Department, but to do so the questionnaire on the stock of French direct investment abroad would first have to be considerably extended.

It should also be noted that the questionnaire used by the OECD and Eurostat is far less extensive for outward than for inward FATS in terms of geographical and sectoral breakdowns. The geographical breakdown required for outward FATS is limited to the OECD countries and to a few other countries outside that area, whereas it is very detailed for inward statistics. When devising the streamlined questionnaire, the OECD and Eurostat were probably anticipating the difficulties the member countries would have gathering outward data.

FATS include only majority owned companies with a control of at least 50 %.

### The difference between "direct investment" and "foreign affiliate or subsidiary"

FATS relate to only a portion of direct investment.

According to the methodology applied by the IMF, direct investments arise as soon as an investor holds at least 10% of the capital of a company<sup>1</sup>. Where more than 50% of a company is held by a non-resident investor, it is considered to be a foreign affiliate, i.e. a subsidiary.

### Other information

The following points must be clarified to compile FATS.

**Investment threshold.** Where there is a majority holding of over 50% in a subsidiary, the latter's entire turnover is automatically allocated to the controlling company.

**Geographical breakdown.** Contrary to the methodology for direct investment, the origin of the foreign investment is the immediate country of control (inward) or the immediately controlled country (outward), rather than the ultimate beneficiary owner. This approach is difficult to implement, because it calls for detailed knowledge of the structure of international groups.

**The subsidiary's sector of activity.** The sectoral classification of the subsidiaries is not symmetrical. In inward FATS, subsidiaries are classified according to their actual sector of activity in the country in which they are located, while in outward FATS, they are classified according to the sector of activity of their parent companies.

**Data collated use the Banque de France database relating to the balance sheets of about 25000 firms.** This companies database, which provided the data for this study together with direct investment surveys, comprises only companies with turnover of over FRF 5 million and more than 20 employees. This may give rise to a minimal risk of under-estimation.

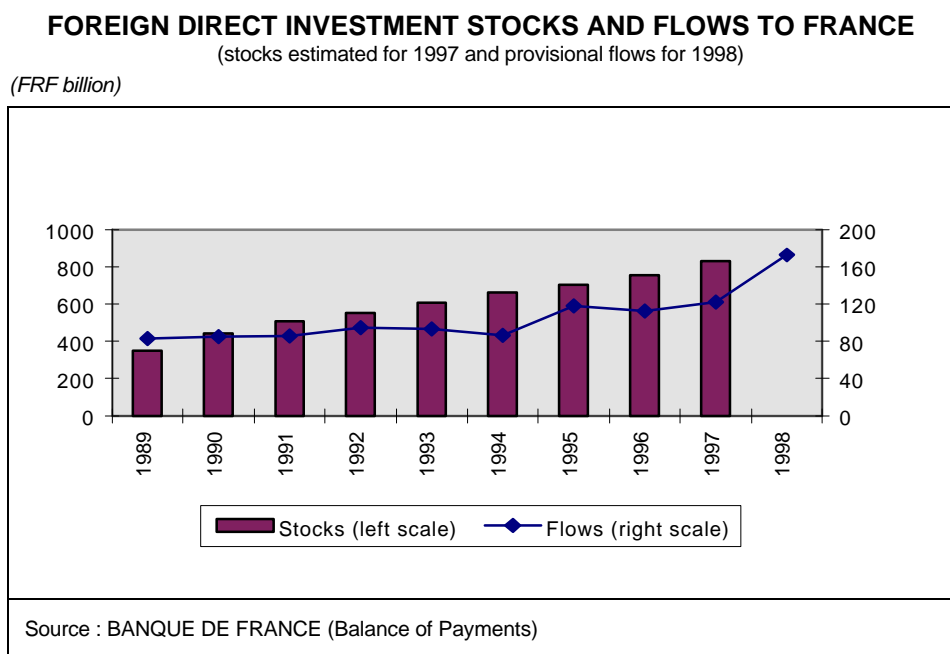
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<sup>1</sup> More specifically, foreign direct investment includes equity holdings of 10% or more of the target company, real estate investments and long-term loans. The IMF and the OECD recommend including short-term loans and cash transactions between subsidiaries as well as reinvested earnings in the flow data. France did not adopt this recommendation until 1996.

## 1. THE ACTIVITY OF FRENCH SUBSIDIARIES OF FOREIGN COMPANIES (INWARD FATS)

France is one of the leading host countries for foreign direct investment. In 1997, it ranked third among the G-7 countries receiving foreign direct investment (fourth including China), and first in the euro area<sup>2</sup>. Located in the heart of Europe, it boasts an excellent transport infrastructure, a highly-skilled workforce, a large domestic market and political and financial stability. These criteria are very important to foreign firms when selecting a location in Europe to benefit from the single European market.

The number of companies surveyed is about 7500, of which 335 banks, 82 insurance companies and 7069 firms.



*Four economic variables are examined: turnover (sales), value-added, employment, exports and imports of goods and services.*

<sup>2</sup> According to the 1997 *World Competitiveness Yearbook*.

## 1.1. TURNOVER

*More than half of the turnover of the French subsidiaries of foreign firms comes from the manufacturing sector*

<b>TURNOVER OF FOREIGN FIRMS IN FRANCE</b> (sectoral breakdown)				
<i>(in millions FRF and %)</i>				
	1995		1996	
	Amount	%	Amount	%
<b>Agriculture</b>	<b>2 459</b>	<b>0.17</b>	<b>2 229</b>	<b>0.15</b>
<b>Extracting industries</b>	<b>2 131</b>	<b>0.15</b>	<b>2 191</b>	<b>0.15</b>
<b>Manufacturing industries</b>	<b>800 076</b>	<b>55.48</b>	<b>841 838</b>	<b>55.92</b>
<b>Electricity, gas and water</b>	<b>66</b>	<b>0.00</b>	<b>71</b>	<b>0.00</b>
<b>Construction</b>	<b>7 203</b>	<b>0.50</b>	<b>6 854</b>	<b>0.46</b>
<b>Services (total)</b>	<b>630 136</b>	<b>43.70</b>	<b>652 216</b>	<b>43.33</b>
Wholesale retail trade and repair of motor vehicles and household goods	442 608	30.69	478 282	31.77
of which: . Wholesale and repair of vehicles	72 554	5.03	99 240	6.59
. Wholesale	343 538	23.82	344 127	22.86
. Wholesale retail	26 516	1.84	34 915	2.32
Hotels and restaurants	7 060	0.49	6 488	0.43
Transports, storages, telecommunications	19 114	1.33	23 870	1.59
Financial intermediation	47 038	3.26	45 024	2.99
Real estate and business services	111 524	7.73	90 882	6.04
of which: . Research and development	72	0.00	810	0.05
. Other enterprises (holdings)	84 853	5.88	69 773	4.63
Other services	2 792	0.19	7 670	0.51
<b>TOTAL</b>	<b>1 442 071</b>	<b>100.00</b>	<b>1 505 399</b>	<b>100.00</b>

Source: Banque de France

In 1996, the French affiliates of foreign firms posted a turnover of FRF 1 505 billion (EUR 229 billion), representing 12.3% of the total turnover of all resident companies. The presence of foreign firms predominates in the **manufacturing sector**, with a turnover of FRF 842 billion, (EUR 128 billion), accounting for 55.9% of the total amount. The electric and electronic equipment, gas refinery and chemical industry sectors head the list.

Also the **service sector** plays a very important role in the internationalization of trade. In 1996, service companies accounted for 43% of the total turnover recorded by foreign-held firms in France. The commercial subsidiaries head the list of service sector with 32% of turnover, far away from business service companies and financial intermediaries.

### *Trade and repair of motor vehicles and household goods*

In the trade sector, *wholesale trade* subsidiaries posted the highest rate of penetration. Three-fourths of the turnover of commercial subsidiaries are generated by wholesalers. These include the commercial

companies of large foreign industrial groups, in particular in the chemical products, machine tools, electronic equipment and consumer goods sectors. Setting up a wholesale trade subsidiary abroad allows investors, particularly industrial groups, to introduce manufactured products on the French market, control their distribution and provide maintenance services.

The *trade and repair of motor vehicles* sector comes in second. It accounts for 20% of the total turnover of the trade sector and 6.6% of the turnover of all foreign companies established in France. It comprises all the commercial subsidiaries of the foreign automobile groups, such as Mercedes, Ford, Fiat, etc.

The *retail* sector attracts little foreign capital. It represents only 2% of the total turnover of foreign companies in France.

### *Transport, storage, postal services, telecommunications*

Transport and communications are some of the sectors with the least foreign investment. In 1996, they accounted for only 2% of the total turnover of foreign subsidiaries established in France.

The low degree of foreign penetration is due to the fact that the transport and communications sector still enjoys a national monopoly. In the telecommunications sector, for example, until very recently only a limited portion of the telecommunications business was carried out in a competitive environment, giving the state utility, France Télécom, a monopoly on fixed-line telephony and data transmissions. This monopoly was abolished with the entry into force, on 1 January 1998, of the European directive on the deregulation of the telecommunications market, which stimulated the expansion of numerous companies, including subsidiaries of foreign groups. Our study could not track these developments as it covers only the period to 1996.

Another European directive, which was adopted in 1997, provides for the gradual liberalization of the *mail services*, which have always been in the hands of the French Postal Office.

### *Financial intermediation*

Financial intermediaries in the broadest sense, that is banks, insurance companies, pension funds and financial holding companies, account for 3% of the total turnover posted in France by foreign-held companies (income: banks' receipts minus expenditure). This appears to be fairly low in view of financial intermediaries' share in the foreign direct investment in France, which was 19.6% in 1996<sup>3</sup>. This difference between the share in turnover and the share in foreign-held investment indicates that foreign financial intermediaries play a far more important role as investors than as creators of wealth.

The liberalization of foreign exchange transactions and capital flows in 1990, together with the gradual dismantling of the trade barriers in banking and financial services—in 1993 in the European Union and in 1994 in the European Economic Area<sup>4</sup>—enabled foreign financial institutions to increase their penetration of the French market. However, tax and regulatory differences within the EU worked against France until a fairly recent date and prompted many financial institutions to set up business in

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<sup>3</sup> Bulletin de la Banque de France, no. 51, March 1998.

<sup>4</sup> Austria, Finland, Sweden, Norway and Iceland in 1994. Iceland, Liechtenstein and Norway at the end of 1995.

Luxembourg or the United Kingdom. The GATS agreement of December 1997 on the worldwide liberalization of financial services act as a catalyst for foreign establishments.

### *Real estate*

In 1996, the real estate sector had the least foreign investment, accounting for only 0.1% of the total turnover of foreign subsidiaries in France. Real estate services include development (sales of housing, offices, miscellaneous premises or lots) and rentals, as well as any real estate transaction or management. This activity is very cyclical, alternating between periods of strong expansion and slumps. The 1993 real estate crisis also affected foreign firms, although they remain fairly rare in France.

### *Rental services*

In addition to rentals of construction machinery and equipment, these services comprise rentals of computer and other business equipment, vehicles and personal and household goods.

At the end of 1996, the foreign subsidiaries operating in this sector posted turnover of FRF 7.5 billion, representing 0.5% of the total turnover of foreign-held firms in France.

### *Business services*

Business services generated 5% of the turnover of foreign-held firms. Developments in business services are difficult to explain since the sector covers a heterogeneous group of companies.

Legal services and management consultancy dominate the business service sector with 49% of turnover in 1996. The main consultancy firms in France are Anglo-Saxon, such as the subsidiaries of the American audit firms, the Big Six, which have since become the Big Five: Arthur Andersen, Ernst & Young, Price Waterhouse-Coopers & Lybrand, KPMG and Deloitte & Touche. This business has enjoyed strong growth in the past years due to factors both cyclical, such as the changeover to the euro, and structural, related to the complexity of the business environment and the increase in restructuring operations.

The IT sector comes next with 13% of the business service turnover. This is also a high-growth sector thanks to developments in information systems and the strong demand created by the need to adapt existing programmes to the Year 2000 date change and the euro.

Recruitment services and human resource consultancy services in general, as well as the supply of temporary manpower, take third place among foreign business service subsidiaries in France.

They are followed by advertising agencies and marketing and economic survey companies, which reported turnover of FRF 4 billion in 1996. The presence of foreign companies in this sector in France can be explained by the importance of the media and marketing in educating and shaping public opinion. The large Anglo-Saxon international groups are the main market leaders.

Of the other business services, engineering and technical studies generated FRF 4 billion in turnover in 1996, while the other services such as accounting, industrial clean-up, waste management and sanitation are of limited interest to foreign investors.

The research and development sector also attracts little investment. This does not mean that foreign subsidiaries have no R&D expenditure, but simply that in most cases, the research laboratories are functionally linked to one of the group's production units.

### *Personal services*

Consumer services gave rise to a turnover of FRF 18 billion or 1% of the total turnover of foreign-held firms.

More than half of the turnover stems from the hotel and restaurant sector. In fact, the development of fast catering and the rising number of tourists in France have encouraged foreign firms to establish businesses in this sector.

Travel agencies, services related to leisure, sports and cultural activities (radio, television, cinema, videos, etc.) come next, followed by personal services (hairdressers, beauticians, etc.).

***An analysis of the geographical breakdown shows that European countries represent the majority***

<b>FOREIGN DIRECT INVESTMENT STOCKS IN FRANCE AND TURNOVER OF FRENCH AFFILIATES OF FOREIGN FIRMS</b>						
<i>(stocks and turnover in billion FRF)</i>						
	1995			1996		
	Stock	Turnover	%	Stock	Turnover	%
European Union	<b>446.2</b>	<b>810</b>	<b>56.2</b>	<b>480.1</b>	<b>834</b>	<b>55.4</b>
(of which euro zone)	(323.1)	(632)	(43.8)	(371.0)	(669.3)	(44.5)
Other European countries	68.6	195	13.5	76.4	183	12.2
North America	154.8	371	25.7	157.6	414	27.5
South and Central America	3.6	1	0.1	3.0	1	0.1
Asian countries	12.7	52	3.6	17.5	61	4.0
Other	18.1	13	0.9	19.2	12	0.8
<b>Total</b>	<b>704.0</b>	<b>1 442</b>	<b>100.0</b>	<b>753.8</b>	<b>1 505</b>	<b>100.0</b>
OECD countries	678.3	1 371	95.1	727.4	1 412	93.8
Non OECD countries	25.7	71	4.9	26.4	93	6.2
<b>Total</b>	<b>704.0</b>	<b>1 442</b>	<b>100.0</b>	<b>753.8</b>	<b>1 505</b>	<b>100.0</b>

Source: Banque de France

The majority of subsidiaries in France are held by European parent companies, accounting for 55.4% of the turnover. The affiliates of North American companies accounted for 27.5% in 1996, with nearly 2/3 in the manufacturing sector. Among the European countries the Netherlands and Germany are at the first rank of investors countries (with 16.2% and 15.8% of the turnover), followed by Switzerland (11.7%) and United Kingdom (8.3%).

Turning to the service sector, the affiliates of Anglo-Saxon companies operate chiefly in wholesale trade, financial intermediation, IT services and legal and management consultancy. German companies tend to specialize more in wholesale trade and the automobile sector. In relation to the size of their

economies, Belgium and Luxembourg invest more in financial intermediation and transport, while Japan channels almost all its investment into the wholesale trade.

### ***Penetration rate of foreign firms in France<sup>5</sup>***

French subsidiaries of foreign firms accounted for 9.4% of the total turnover of resident enterprises in France in 1995 (FRF 1 442 billion compared to 15 332 billion). *The rate was 17.2% in the manufacturing sector*; the main invested sectors were gas refinery, chemical industry, and electronic equipment.

*Foreign firms accounted for 6.8% in the services sectors.* The main invested sectors were business services (14.3%) and trade (9%); in this field, the more important penetration rate concerns wholesale trade (12.9%) and car repairs (11.8%). Setting up subsidiaries in these last sectors is the best way for the investors (particularly industrial groups), to introduce manufacturing goods in the market, to control their distribution and to provide the maintenance. On the other hand, the retail trade seems, so far, not very attractive for foreign investments (1.6%).

In 1995, the weight of foreign firms was low in transportation, warehouses and telecommunications sectors (2.3%), notably because they enjoyed a national monopoly. The presence of foreign firms remains low in the construction services (less than 2%); this fact can be explained by socio-economic reasons (the need for flexibility, the assessment of the market...). The same goes for the research and development sector, but it does not mean that foreign affiliates do not have research expenditure (according to a survey of the Research Ministry, the foreign affiliates, most of the time belonging to the industrial sector, devoted FRF 18 billion to research expenditures, that is to say 16% of RD expenditures of the whole resident enterprises in 1994).

Finally, the turnover of the manufacturing sector, controlled by non residents, amounts to nearly 20% of the total turnover in this sector (domestic + foreign).

## **1.2. EMPLOYMENT**

### ***French subsidiaries controlled by foreign companies employed 812 300 people in 1996<sup>6</sup>***

The number of employees of French subsidiaries controlled by foreign companies (excluding the financial sector) reached 812 300 in 1996, that is to say a little more than 3.7% of the total of workforce. About 58% belonged to the manufacturing sector and 41% to service sectors (mainly trade sector and business services).

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<sup>5</sup> Measured by the share of the turnover realized by subsidiaries of foreign enterprises compared with the turnover of the whole resident enterprises.

<sup>6</sup> So far, the employment in the financial sector is excluded in this paper



<b>SECTORAL BREAKDOWN OF EMPLOYMENT IN FRANCE OF AFFILIATES OF FOREIGN FIRMS (excl. financial intermediation)</b>				
<i>(number of people and breakdown in percentage)</i>				
	1995		1996	
	Employment	%	Employment	%
<b>Agriculture</b>	<b>1 993</b>	<b>0.3</b>	<b>1 795</b>	<b>0.2</b>
<b>Extracting industries</b>	<b>1 941</b>	<b>0.2</b>	<b>1 905</b>	<b>0.2</b>
<b>Manufacturing industries</b>	<b>462 086</b>	<b>58.5</b>	<b>469 676</b>	<b>57.8</b>
<b>Electricity, gas and water</b>	<b>116</b>	<b>0.0</b>	<b>121</b>	<b>0.0</b>
<b>Construction</b>	<b>7 496</b>	<b>0.9</b>	<b>7 260</b>	<b>0.9</b>
<b>Services (total)</b>	<b>316 924</b>	<b>40.1</b>	<b>331 520</b>	<b>40.8</b>
Whole sale, retail trade and repair of motor vehicles and household goods	154 661	19.6	155 204	19.1
of which: . Trade and repair of motor vehicles	8 085	1.0	11 589	1.4
. Wholesale trade	117 460	14.9	113 809	14.0
. Retail trade	29 116	3.7	29 806	3.7
Hotels and restaurants	18 728	2.4	16 500	2.0
Transports, storage, telecommunications	18 674	2.4	19 512	2.4
Financial intermediation	nd	nd	nd	nd
Real estate and business services	121 995	15.4	127 425	15.7
of which: . Research and development	1 024	0.1	2 023	0.2
. Other enterprises services (holdings)	102 784	13.0	109 222	13.4
Other services	2 866	0.4	12 879	1.6
<b>TOTAL</b>	<b>790 556</b>	<b>100.0</b>	<b>812 277</b>	<b>100.0</b>
Source: Banque de France				

Concerning employment, the geographical concentration is slightly less important than for sales, although European companies control 65% of all staff (67% for turnover). As for North-American mother companies, they employ 31% of the total staff against 27,5% for sales. The number of people concerned amounts to 243 800 for US companies, 135 800 for German, 96 400 for Swiss, 93 200 for Dutch, and 68 300 for British. During 1996, 22 000 jobs have moved under American management.

### **1.3. VALUE ADDED**

*Industry represents nearly 70% of the value added of French subsidiaries controlled by foreign companies*

The gross value added of foreign affiliates accounts for FRF 353 billion in 1996 (EUR 53.8 billion). It accounts for 7.9% of the total value added in the French economy. Industry represents 68.4% of the value added of foreign affiliates, while services reach 30.5%. It is interesting to see that this split is the opposite of the share observed at the national level, where services activities generate 53.7% of the value added and industry 32.8%. This is due to the fact that “trade” subsidiaries have an important weight. Indeed, some of the traded goods, by definition, need not too much transformation (cars,

equipment goods). In this last case, the value added represents just the difference between the price of the goods ex works, and the selling price by the retailer (commercial margin).

***Service sector foreign affiliates are less integrated to the French economy than foreign affiliates in manufacturing sector***

Vertical integration of the foreign affiliates to the French economy can be measured by the ratio of the value added compared to the turnover. By definition, the higher is this ratio, the lower is the share of the intermediate consumption in the production. This ratio reaches 23.5% in 1996, higher (28.7%) in the manufacturing sector than in the service sectors (16.5%)<sup>7</sup>. The lower ratio in the service sector means a higher intermediate consumption of goods and services in the production of these services.

Preliminary results show that the integration of foreign investors is higher in manufacturing than in services (more value added compared to the turnover). However, for a more accurate measurement of the integration of foreign investors, it would be necessary to calculate the contribution of the domestic input to the production (the difference between total intermediate consumption and imports of goods and services), considering that the highest is the share of the imports, the lowest is the domestic input. For instance, in the manufacturing sector the ratio of imports compared to intermediate consumption reaches 20.7% for the whole sector and 40.2% for foreign affiliates; in the service sectors, the corresponding rates are 12.1% and 45.1% which shows that multinational firms are more dependant on trade.

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<sup>7</sup> Referring to a US paper measuring the penetration rate of foreign enterprises in the USA in the year 1994, the corresponding ratio reached 29.7% whereas it is 37.3% for the sole US companies on the US territory (see "Survey of Current Business", april 1998).

<b>TURNOVER (T) AND VALUE ADDED (VA) OF AFFILIATES IN FRANCE OF FOREIGN FIRMS</b>						
<i>(turnover and value added in million FRF, ratio in percentage)</i>						
	1995			1996		
	T	VA	VA/T	T	VA	VA/T
<b>Agriculture</b>	<b>2 459</b>	<b>619</b>	<b>25.17</b>	<b>2 229</b>	<b>614</b>	<b>27.55</b>
<b>Extracting industries</b>	<b>2 131</b>	<b>928</b>	<b>43.55</b>	<b>2 191</b>	<b>1 038</b>	<b>47.38</b>
<b>Manufacturing industries</b>	<b>800 076</b>	<b>234 704</b>	<b>29.34</b>	<b>841 838</b>	<b>241 351</b>	<b>28.67</b>
<b>Electricity, gas and water</b>	<b>66</b>	<b>33</b>	<b>50.00</b>	<b>71</b>	<b>30</b>	<b>42.25</b>
<b>Construction</b>	<b>7 203</b>	<b>2 181</b>	<b>30.28</b>	<b>6 854</b>	<b>2 162</b>	<b>31.54</b>
<b>Services (total)</b>	<b>630 136</b>	<b>104 548</b>	<b>16.59</b>	<b>652 216</b>	<b>107 771</b>	<b>16.52</b>
Wholesale, retail trade and repair of motor vehicles and household goods	442 608	61 474	13.89	478 282	61 951	12.95
of which: . Trade and repair of motor vehicles	72 554	5 930	8.17	99 240	8 600	8.67
. Wholesale trade	343 538	50 360	14.66	344 127	47 369	13.76
. Retail trade	26 516	5 184	19.55	34 915	5 982	17.13
Hotels and restaurants	7 060	3 259	46.16	6 488	2 967	45.73
Transports, storage, telecommunications	19 114	4 998	26.15	23 870	5 560	23.29
Financial intermediation (a)	47 038	nd	ns	45 024	nd	ns
Real estate and business services	111 524	33 722	29.68	90 882	34 568	37.07
of which: . Research and development	720	427	59.31	810	515	63.58
. Other enterprises services (holdings)	84 853	20 707	24.40	69 773	23 121	33.14
Other services	2 792	1 095	39.22	7 670	2 725	35.53
<b>TOTAL</b>	<b>1 442 071</b>	<b>343 013</b>	<b>23.79</b>	<b>1 505 399</b>	<b>352 966</b>	<b>23.45</b>

(a) The Value Added is not yet available for "financial intermediation"

Source: Banque de France

#### 1.4. IMPORTS AND EXPORTS OF GOODS AND SERVICES

The data used are settlements, reported to the BOP department by the banks and the Direct Reporting Companies.

*A trade deficit (of goods and services) reaching FRF 139 billion in 1996 (EUR 21.2 billion)*

Imports of foreign affiliates (FRF 497 billion in 1996, EUR 75.8 billion), are higher than exports (FRF 359 billion, EUR 54.7 billion), giving a deficit of FRF 139 billion (EUR 21.2 billion). Resident enterprises altogether (including foreign affiliates), show the same year a surplus of FRF 122 billion (EUR 18.6 billion).

However, the results are heterogeneous on a sectoral basis, with a surplus in the manufacturing sector (FRF +16 billion) and a deficit in service sectors (FRF -155 billion). As expected, trade subsidiaries take the main part to the deficit, as these companies account for 31.2% of total French imports and only 15.2% of exports. According to a study conducted by the statistics department of the Ministry for the economy (the SESSI), most of this trade relates to intra-company flows. This deficit of a bit over FRF 140 billion is structural, as the main activity of most of these companies is distributing imported

products on the domestic market. The “ other business services ” contribute to the deficit, but take a lesser part.

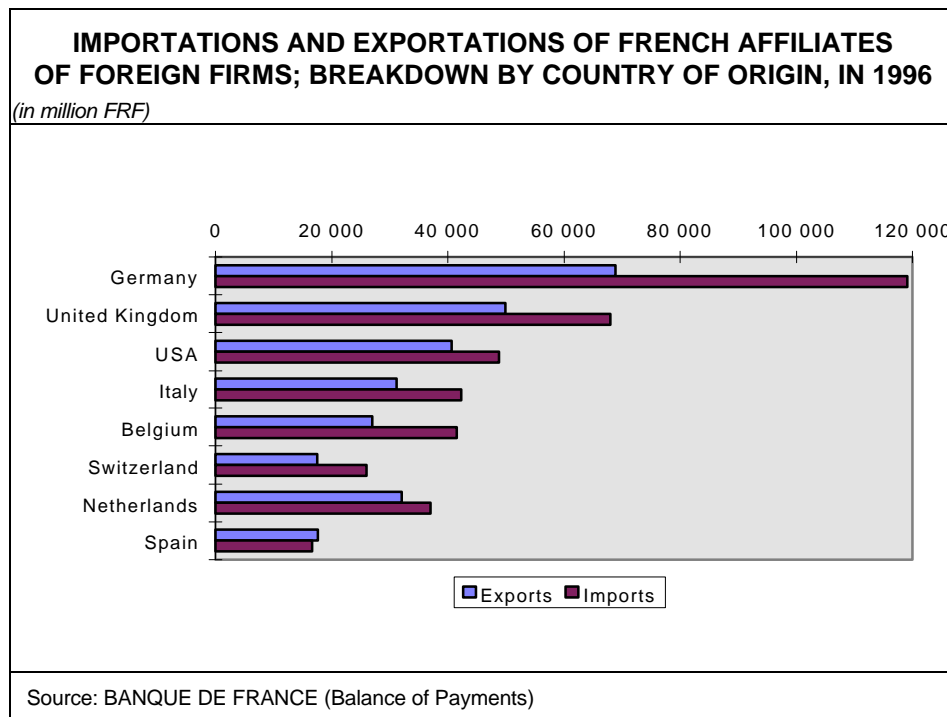
<b>EXPORTATIONS AND IMPORTATIONS OF GOODS AND SERVICES OF FRENCH AFFILIATES OF FOREIGN FIRMS</b>						
<i>(amounts in million FRF)</i>						
	1995			1996		
	Exports	Imports	Balance	Exports	Imports	Balance
<b>Agriculture</b>	<b>454</b>	<b>251</b>	<b>203</b>	<b>426</b>	<b>276</b>	<b>150</b>
<b>Extracting industries</b>	<b>793</b>	<b>258</b>	<b>535</b>	<b>549</b>	<b>214</b>	<b>335</b>
<b>Manufacturing industries</b>	<b>240 551</b>	<b>227 550</b>	<b>13 001</b>	<b>260 240</b>	<b>244 480</b>	<b>15 760</b>
<b>Electricity, gas and water</b>	<b>1</b>	<b>4</b>	<b>- 3</b>	<b>2</b>	<b>113</b>	<b>- 111</b>
<b>Construction</b>	<b>394</b>	<b>400</b>	<b>- 6</b>	<b>525</b>	<b>469</b>	<b>56</b>
<b>Services (total)</b>	<b>88 462</b>	<b>236 816</b>	<b>- 148 354</b>	<b>96 843</b>	<b>251 635</b>	<b>- 154 792</b>
Wholesale, retail trade and repair of Motor vehicles and household goods	53 210	190 119	- 136 909	55 414	199 334	- 143 920
of which: . Trade and repair of motor vehicles	2 638	42 552	- 39 914	2 878	47 650	- 44 772
. Wholesale trade	49 447	143 253	- 93 806	51 693	143 960	- 92 267
. Retail trade	1 125	4 314	- 3 189	843	7 724	- 6 881
Hotels and restaurants	131	151	- 20	146	112	34
Transports, storage, telecommunications	2 763	2 706	57	4 403	5 037	- 634
Financial intermediation	11 572	7 126	4 446	11 864	7 857	4 007
Real estate and business services	20 660	36 427	- 15 767	24 633	38 647	- 14 014
of which: . Research and development	322	110	212	365	84	281
. Other enterprises services (holdings)	16 325	32 797	- 16 472	20 232	34 216	- 13 984
Other services	126	287	- 161	383	648	- 265
<b>TOTAL</b>	<b>330 655</b>	<b>465 279</b>	<b>- 134 624</b>	<b>358 585</b>	<b>497 187</b>	<b>- 138 602</b>
Source: Banque de France						

### *The highest deficit with Germany*

When crossing data on a sectoral basis and on a country basis, it can be seen that there is a high deficit when the foreign partner is mostly involved in « trade » transactions, but a surplus when the partner is involved in manufacturing transactions.

For instance, the deficit with Germany (FRF – 50 billion), is due to « trade » affiliates (FRF –57 billion, of which FRF –29 billion for trade and repair of cars and FRF –26 billion for wholesale trade), whereas the global bilateral surplus is nearly balanced. On the other hand, the industry sector shows a surplus of FRF 13 billion. The second bilateral deficit comes from the United Kingdom (FRF –18 billion) and is linked to trade affiliates, while the manufacturing trade balance shows an equilibrium. The deficit with Italy (FRF –11 billion), is linked to wholesale trade and business services.

The surplus with Spain and Portugal in 1996 is due to the industry sector whose exports have grown significantly.



***In 1996, foreign affiliates in France are responsible for 20.4% of total French exports of goods and services and 30.5% of total imports.***

Manufacturing enterprises affiliated with foreign companies account for 35.8% of total imports and 25.4% of total exports in the year 1996. The corresponding rates for services sectors are 27.6% and 14.2%; (31.2% and 15.2% for trade affiliates).

*The FATS survey does not provide, for the time being, with a breakdown showing specifically the trade between affiliates and foreign parents. However a measurement of foreign intrafirm<sup>8</sup> trade in industry, which has been made by the Ministry of economy on 1993, shows that this intrafirm trade amounts to about one third of French exports and 18 % of imports (see table at the bottom of page 20).*

The deficit due to foreign affiliates shows that the production of goods and services coming from foreign affiliates is meant to the host economy rather than to exports towards the investor country or towards other foreign countries.

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<sup>8</sup> French groups trade with their foreign affiliates and affiliates in France of foreign groups.

<b>INDUSTRIAL AND SERVICE SECTORS IN 1996: A COMPARISON</b>										
<i>(turnover, value added, export-import in billion FRF; employment in units)</i>										
	Turnover		Employment		Value added		Exportations		Importations	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Manufacturing industries	841.8	55.9	469.6	57.8	241.3	68.4	260.2	72.6	244.5	49.2
Other industrial sectors	11.3	0.8	11.0	1.4	3.8	1.1	1.5	0.4	1.0	0.2
Services (total)	652.2	43.3	331.5	40.8	107.8	30.5	96.8	27.0	251.6	50.6
<b>TOTAL</b>	<b>1 505.3</b>	<b>100.0</b>	<b>812.3</b>	<b>100.0</b>	<b>352.9</b>	<b>100.0</b>	<b>358.5</b>	<b>100.0</b>	<b>497.1</b>	<b>100.0</b>
Source: Banque de France										

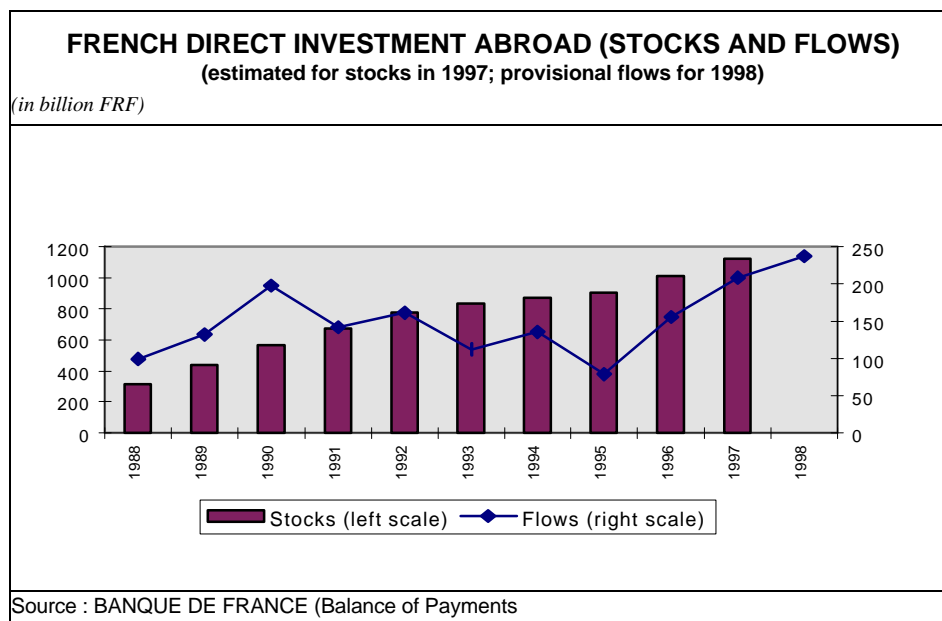
## **2. THE ACTIVITY OF FOREIGN SUBSIDIARIES OF FRENCH COMPANIES (OUTWARD FATS)**

About 6800 companies have been surveyed. It should first be remembered that the only statistics available for outward FATS (French affiliates abroad) relate to turnover. In addition, the sectors of activity analyzed below are those of the French parent companies, rather than those of the subsidiaries established abroad. And lastly, the geographical breakdown is based on the first country of destination of the investment (“ first shot ”), and not that of the ultimate beneficiary. As a result, the survey only covers first-ranking subsidiaries (as opposed to UBO), thus reducing the amount of sales recorded abroad.

### **2.1. THE INTERNATIONALISATION OF FRENCH ENTERPRISES**

The beginning of the 80’s has been a turning point for foreign direct investment of French enterprises, creating affiliates in foreign countries or buying existing enterprises (see the chart below). The geographical allocation of French direct investment has been done at the beginning primarily in european countries, foreseeing the liberalization of trade and the deregulation of financial flows. French direct investment has targeted, later on, the United states: an attractive market by its size, enjoying a high and continuous rate of growth. Lastly, French enterprises turned to emerging countries of South-America, Asian countries and Eastern countries.

As a result, French foreign direct investment stock has been multiplied by three between 1988 and 1996, from FRF 312 billion to FRF 1 011 billion (EUR 154 billion). In 1996, according to the World Investment report, French foreign direct investment accounted for 6.1% of world direct investment, at the fifth rank behind the USA, the UK, Japan and Germany.



## 2.2. A HIGH GROWTH RATE OF THE TURNOVER OF FOREIGN SUBSIDIARIES OF FRENCH COMPANIES BETWEEN 1995 AND 1996

The turnover of foreign subsidiaries of French companies grew between 1995 and 1996 from FRF 992 billion to FRF 1 235 billion (+24.5%). This high growth rate is closely linked to French direct investments whose stock grew in parallel from FRF 903 billion to FRF 1 011 billion (EUR 154 billion).

*Manufacturing industry* participates for 44.6% of the total turnover, with a growth rate of 30.3% between the years 1995 and 1996. These figures are closely correlated to direct investment, newly set up in food and kindred products, industrial chemicals, electronic components; they are also linked to the performances of the foreign subsidiaries.

French affiliates established abroad in the *service sector* participate for 42% to the total turnover of foreign subsidiaries of French companies, that is to say FRF 513 billion in 1996 (EUR 78.3 billion), against FRF 454 billion in 1995, representing a 13% increase over the period.

<b>TURNOVER OF SUBSIDIARIES ABROAD OF FRENCH FIRMS</b>				
<b>Sectoral breakdown (based on the activity of the mother company)</b>				
<i>(in million FRF and in percentage)</i>				
	1995		1996	
	Turnover	%	Turnover	%
<b>Agriculture</b>	<b>495</b>	<b>-</b>	<b>402</b>	<b>-</b>
<b>Extracting industries</b>	<b>97 422</b>	<b>9.8</b>	<b>146 014</b>	<b>11.8</b>
<b>Manufacturing industries</b>	<b>422 748</b>	<b>42.6</b>	<b>551 048</b>	<b>44.6</b>
<b>Electricity, gas and water</b>	<b>6 332</b>	<b>0.6</b>	<b>13 796</b>	<b>1.1</b>
<b>Construction</b>	<b>10 436</b>	<b>1.1</b>	<b>10 126</b>	<b>0.8</b>
<b>Services (total)</b>	<b>454 481</b>	<b>45.8</b>	<b>513 207</b>	<b>41.6</b>
Wholesale, retail trade and repair of motor vehicles and household goods	185 276	18.7	208 234	16.9
of which: . Trade and repair of motor vehicles	137	0.0	545	0.0
. Wholesale trade	106 042	10.7	122 557	9.9
. Retail trade	79 097	8.0	85 132	6.9
Hotels and restaurants	13 037	1.3	15 182	1.2
Transports, storage, telecommunications	9 134	0.9	11 391	0.9
Financial intermediation	126 324	12.7	125 450	10.2
Real estate and business services	119 727	12.1	151 675	12.3
of which: . Research and development	279	0.0	200	0.0
. Other enterprises services (holdings)	85 218	8.6	111 925	9.1
Other services	983	0.1	1 275	0.1
<b>TOTAL</b>	<b>991 914</b>	<b>100.0</b>	<b>1 234 593</b>	<b>100.0</b>
Source: Banque de France				

The commercial companies investing abroad comprise chiefly companies specializing in *wholesale and retail trade*, with 20% and 17% respectively of total turnover recorded abroad on services. By contrast, companies involved in the *trade and repair of motor vehicles*, which focus primarily on selling finished goods, invested very little abroad.

As for *financial intermediaries*, it is noteworthy that with a turnover [income = bank's receipts minus expenditure] of FRF 125 billion in 1996, French affiliates abroad outperformed their foreign counterparts in France, which recorded only FRF 45 billion. Since 1993, the procedure for the right of establishment and free provision of services within European Union has fostered an increase in the number of French affiliates, particularly with the creation of branches. The agreement of the European Economic Area, which came into effect in January 1994, extended the exercise of this freedom to the territories of the Member States of the European Free Trade Association.

The *real estate* sector attracts few French investors abroad. In 1996, the turnover of French affiliates abroad amounted to FRF 3 billion, compared to FRF 2 billion in 1995. The *rental sector*, however appears more vigorous, with a turnover of FRF 17 billion in 1996 against FRF 14 billion the year before. The French affiliates specialize chiefly in the rental of IT and other business equipment to companies.

*Business services* accounted for 12% of total turnover on services abroad for FRF 51 billion. Investments made in this sector related mostly to IT services, with FRF 20 billion in 1996;



advertising and economic surveys with FRF 5 billion; engineering and technical studies with FRF 9 billion, and recruitment and the supply of manpower with FRF 9 billion.

Lastly, *personal services* represented 3.6% of total services abroad, generating a turnover of FRF 16 billion in 1996. Most of these services related to the hotel and restaurant industry where the French Groups are among the largest operators.

### 2.3. IN 1996, ABOUT 19% OF THE TURNOVER OF FOREIGN AFFILIATES OF FRENCH COMPANIES IS DUE TO FDI IN THE UNITED STATES

<b>FRENCH DIRECT INVESTMENT STOCKS ABROAD AND TURNOVER OF THE AFFILIATES ABROAD</b>						
<i>(in billion FRF and percentage for the turnover)</i>						
	1995			1996		
	Stock	Turnover	%	Stock	Turnover	%
USA	176.5	196.5	19.8	202.9	230.7	18.7
Netherlands	135.6	42.6	4.3	131.1	69.6	5.6
Belgium/Luxembourg	107.8	73.5	7.4	115.6	70.4	5.7
United Kingdom	85.9	78.3	7.9	94.8	97.9	7.9
Germany	49.7	104.8	10.6	54.5	119.1	9.6
Spain	51.7	126.1	12.7	51.9	154.4	12.5
Italy	40.1	80.4	8.1	44.7	125.4	10.2
Switzerland	53.3	26.5	2.7	39.9	25.3	2.0
Brazil	18.7	23.5	2.4	25.8	23.4	1.9
Others	184.2	239.7	24.2	249.4	318.4	25.8
<b>Total</b>	<b>903.5</b>	<b>991.9</b>	<b>100</b>	<b>1010.6</b>	<b>1234.6</b>	<b>100</b>
European Union (15)	494.7	534.8	53.9	526.0	705.7	57.2
OECD countries	764.5	739.5	74.6	819.8	908.9	73.6
Non OECD contries	139.0	252.4	25.4	190.8	325.7	26.4

Source: Banque de France

The turnover of French affiliates abroad is mainly recorded within the *European Union*, which accounted for 57% of the total compared with 54% the previous year.

The largest French presence is in *Italy and Spain*. The subsidiaries established in these two countries generated respectively 10% and 12% of the total turnover recorded abroad in the service sectors. This phenomenon can be explained by the geographical and cultural proximity of these countries. In addition, both Italy and Spain used foreign direct investment to boost and modernize their economies after joining the European Union.

*Germany* comes next with 7.5% of total 1996 turnover, and the United Kingdom with 6%.

The *Netherlands and Bleu* contributed 6%, respectively, to turnover in 1996. It should be remembered that these countries due to fiscal incentives host numerous holding companies with no productive functions, but which manage the financial transactions of the groups to which they belong.

The *United States* has attracted the vast majority of French affiliates abroad. In 1996, 19% of the total turnover of French companies abroad, i.e. FRF 231 billion (EUR 35 billion), was recorded in this country.

*Brazil* is the leading destination for French investment in emerging economies, with French subsidiaries posting FRF 23 billion in turnover in 1996.

Despite some growth, the share of French affiliates in the *rapidly developing Asian countries* and in central and eastern Europe remains limited.

\* \*  
\*

## CONCLUSION

The measurement of FATS is clearly a very valuable input for the analysis of FDI and international comparisons in the current globalisation process.

### **A number of comments may be made :**

- the inward side is indeed better assessed than the outward side, mainly due to data collection problems;
- the methodology seems sufficiently refined for the main four variables targeted. Nonetheless, the UBO concept is not implemented so far in some countries such as France and other MS of EU. Also the interpretation may be different in practice in the countries. For instance it appears that the threshold used in the USA, in terms of capital detained, is 10% –covering majority and minority owned affiliates– whereas for France it is 50% (as requested by EUROSTAT vademecum for EU countries). However it is maybe not so important in practice;
- the use of documents from the joint OECD/EUROSTAT SURVEY was a little disappointing because the information is not the same in the different countries (see the summary tables of replies below). Also the information is not immediatly comparable, except for employment, because the amounts are expressed in national currency! In this area we are all more or less « beginners » except the USA with a lot of variables for many years (see below some comparisons in the two tables for INWARD and OUTWARD).

**Although methodologies are not fully comparable, it is interesting to notice –with existing data– similar pattern at global level<sup>9</sup> for some ratios at least for INWARD between France and the USA for instance:**

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<sup>9</sup> Analysis by sector would be also very useful...

- turnover/total ..... 12.3% for France in 1996 and 9.8% for the USA in 1992,
- employment/total ..... 3.7% for France in 1996 and 4.1% for the USA in 1992,
- value added/turnover 23.5% for France in 1996 and 22.4% for the USA in 1997.

**INWARD:International comparison (Source OECD-November 1998)**

	France 1996 <sup>(3)</sup>	USA 1997 <sup>(3)</sup>	Germany 1995	UK 1994	Japan 1994
- Turnover (billion USD)	294	1717	354	[180] <sup>(2)</sup>	170 <sup>(1)</sup>
<i>Share in total (%)</i>	12.3	9.8 (in 1992)			
- Employment (in millions)	0.81	5.16	0.75	0.76	0.23
- Value added (billion USD)	69	385		21.3	55 <sup>(1)</sup>
<i>Value added/T(%)</i>	23.5	22.4		11.8	32
- Exports <sup>(4)</sup> (billion USD)	70	141			20
- Imports <sup>(4)</sup> (billion USD)	97	261			40
- Net income (b.USD) <sup>(4)</sup>		42.5			
- Employment INWARD/TOTAL (%) <sup>(5)</sup>	3.7	4.1			

(1) Page 17 of OCDE:169880 million JPY instead of 16988 billion (probably)  
(2) Only services (partial: excl.in particular financial intermediation and other community and personal services)  
(3) Non banks only  
(4) Goods and services for France  
    Goods for the USA  
(5) For France: excl.Financial sector

**OUTWARD:International comparison (Source OECD-November 1998)**

	France 1996	USA 1995	Germany 1995	UK 1994	Japan 1994
- Turnover (in billion USD)	241	2140	409	na	914
- Employment (in millions)	na	7.38	1.82	na	2.19

\* \* \*

**Ideally, further developments have to be encouraged although there is a cost to improve data collection. In particular:**

- net income and rates of returns,
- research and development,
- residency based framework *versus* ownership based framework (to analyze intra firms trade between affiliates and other companies),
- the balance of employment IN/OUT.

In addition, for intra-company trade it is interesting to comment the table relating to France (1993) and the USA (1994):

- exports **from** foreign affiliates located in the country plus mother national companies **to** affiliates abroad represent 34% in the case of France and 36% for the USA,
- as for imports the ratio is much smaller in the case of France (18%) against nearly 43% for the USA.

<b>INTRA FIRM TRADE IN MANUFACTURING</b>				
<i>(in % of total flows for US, only manuf for France)</i>				
	Exports		Imports	
	Foreign affiliates (in the country to mother companies)	Mother resident companies to affiliates abroad	Foreign affiliates (in the country to mother companies)	Mother resident companies to affiliates abroad
- France (1993)	13	21	11	7
- USA (1994)	10	26	24.7	18

*The role of Transnational Companies is indeed of crucial importance, notably in the increasing process of Mergers and Acquisitions, with the impact, on the interpretation of FDI data, of cross participations.*

## REFERENCES

1. Banque de France, *Bulletin de la Banque de France*, no. 63, March 1999.
2. Banque de France, *Bulletin de la Banque de France*, no. 51, March 1998.
3. INSEE and Banque de France, *Les comptes des services en 1996 et 1997*.
4. INSEE and Banque de France, *Les comptes du commerce en 1996 et 1997*.
5. INSEE, *La France des services*, 1999.
6. 1996 Report of the Credit Institutions and Investment Firms Committee (CECEI).

## STATISTICAL SOURCES

1. The data on the turnover, workforces and value added of companies with foreign investment was extracted from the FIBEN companies database.
2. The data on imports and exports of goods and services stems from the database on regulations of the Balance of Payments Division.
3. The surveys of direct investment conducted by the SIPEX division of the Balance of Payments Directorate.
4. The data on all credit institutions operating in France was provided by the General Secretariat of the Banking Commission (BAFI database).
5. The remaining data was derived from external sources such as INSEE (France's national statistics institute), the Commission de contrôle des assurances (insurance supervisory commission) and economic publications.

<b>IMPORTATIONS OF GOODS AND SERVICES OF ALL RESIDENT ENTERPRISES; OF WHICH AFFILIATES OF FOREIGN FIRMS</b>						
<i>(in million FRF)</i>						
	1995			1996		
	All resident firms	Of which firms under foreign control	Share %	All resident firms	Of which firms under foreign control	Share %
<b>Agriculture</b>	<b>1 907</b>	<b>251</b>	<b>13.2</b>	<b>1 953</b>	<b>276</b>	<b>14.1</b>
<b>Extracting industries</b>	<b>2 592</b>	<b>258</b>	<b>10.0</b>	<b>3 895</b>	<b>214</b>	<b>5.5</b>
<b>Manufacturing industries</b>	<b>669 872</b>	<b>227 550</b>	<b>34.0</b>	<b>682 423</b>	<b>244 480</b>	<b>35.8</b>
<b>Electricity, gas and water</b>	<b>18 648</b>	<b>4</b>	<b>-</b>	<b>21 855</b>	<b>113</b>	<b>0.5</b>
<b>Construction</b>	<b>8 370</b>	<b>400</b>	<b>4.8</b>	<b>9 051</b>	<b>469</b>	<b>5.2</b>
<b>Services (total)</b>	<b>840 576</b>	<b>236 816</b>	<b>28.2</b>	<b>912 712</b>	<b>251 635</b>	<b>27.6</b>
Wholesale, retail trade						
and repair of motor vehicles and household goods	591 902	190 119	32.1	638 356	199 334	31.2
of which: . Trade and repair of motor vehicles	72 196	42 552	58.9	81 070	47 650	58.8
. Wholesale trade	481 466	143 253	29.8	517 238	143 960	27.8
. Retail trade	38 240	4 314	11.3	40 048	7 724	19.3
Hotels and restaurants	710	151	21.3	799	112	14.0
Transports, storage, telecommunications	83 431	2 706	3.2	81 682	5 037	6.2
Financial intermediation	63 359	7 126	11.2	77 303	7 857	10.2
Real estate and business services	76 302	36 427	47.7	84 830	38 647	45.6
of which: . Research and development	8 037	110	1.4	7 917	84	1.1
. Other enterprises services (holdings)	57 359	32 797	57.2	63 260	34 216	54.1
Other services	24 872	287	1.2	29 742	648	2.2
<b>TOTAL</b>	<b>1 541 965</b>	<b>465 279</b>	<b>30.2</b>	<b>1 631 889</b>	<b>497 187</b>	<b>30.5</b>

Source: Banque de France (Balance of Payments)

<b>EXPORTATIONS OF GOODS AND SERVICES OF ALL RESIDENT ENTERPRISES; OF WHICH AFFILIATES OF FOREIGN FIRMS</b>						
<i>(in million FRF)</i>						
	1995			1996		
	All resident firms	Of which firms under foreign control	Share %	All resident firms	Of which firms under foreign control	Share %
<b>Agriculture</b>	<b>3 891</b>	<b>454</b>	<b>11.7</b>	<b>3 698</b>	<b>426</b>	<b>11.5</b>
<b>Extracting industries</b>	<b>8 681</b>	<b>793</b>	<b>9.1</b>	<b>9 392</b>	<b>549</b>	<b>5.8</b>
<b>Manufacturing industries</b>	<b>989 579</b>	<b>240 551</b>	<b>24.3</b>	<b>1 022 871</b>	<b>260 240</b>	<b>25.4</b>
<b>Electricity, gas and water</b>	<b>21 891</b>	<b>1</b>	<b>-</b>	<b>20 466</b>	<b>2</b>	<b>0.0</b>
<b>Construction</b>	<b>16 466</b>	<b>394</b>	<b>2.4</b>	<b>17 456</b>	<b>525</b>	<b>3.0</b>
<b>Services (total)</b>	<b>598 432</b>	<b>88 462</b>	<b>14.8</b>	<b>679 954</b>	<b>96 843</b>	<b>14.2</b>
Wholesale, retail trade						
and repair of motor vehicles and household goods	316968	53 210	16.8	364 863	55 414	15.2
of which: . Trade and repair of motor vehicles	9 687	2 638	27.2	11 355	2 878	25.3
. Wholesale trade	298 470	49 447	16.6	343 597	51 693	15.0
. Retail trade	8 811	1 125	12.8	9 911	843	8.5
Hotels and restaurants	1 157	131	11.3	1 365	146	10.7
Transports, storage, telecommunications	82 249	2 763	3.4	80 082	4 403	5.5
Financial intermediation	86 554	11 572	13.4	102 695	11 864	11.6
Real estate and business services	90 841	20 660	22.7	107 954	24 633	22.8
of which: . Research and development	3 697	322	8.7	4 453	365	8.2
. Other enterprises services (holdings)	71 814	16 325	22.7	83 833	20 232	24.1
Other services	20 663	126	0.6	22 995	383	1.7
<b>TOTAL</b>	<b>1 638 940</b>	<b>330 655</b>	<b>20.2</b>	<b>1 753 837</b>	<b>358 585</b>	<b>20.4</b>

Source: Banque de France (Balance of Payments)