

Paris Region consolidates its position as a major economic capital in 2022

2022 confirms Paris Region's attractiveness as a strategic center for the European economy. Foreign investments in Paris Region in 2022 have contributed to the Region's socio-economic development, with the support of Paris Region, Choose Paris Region and its partners.

"With more than 10,900 jobs created, the 2022 foreign investments are helping to transform the Region. We are actively working to promote economic development, the deployment of innovative technologies with a positive environmental and social impact, and territorial balance. We are particularly proud of the results we have achieved," said Alexandra Dublanche, President of Choose Paris Region and Vice President in charge of Recovery, Attractiveness, Economic Development and Innovation for Paris Region.

Foreign investment in Paris Region at an all-time high over the past 20 years

Choose Paris Region, Paris Region's international attractiveness agency, has published its annual report on foreign investment for the year 2022. 431 investment projects have been carried out, representing a 7% increase over 2021. 2022 is also a record year, with 10,937 direct jobs created, and 30,000 counting not only direct jobs but also indirect and induced jobs.

Foreign investment in 2022 will be mainly strategic, innovative and high value-added.

Thus 53% of direct international investments correspond to the establishment or extension of decision-making centers, a figure that confirms the Region's strategic position in Europe for international companies.

The high value-added sectors (consulting and engineering, IT, financial services) were also particularly dynamic, with nearly 200 projects.

In addition, Paris Region has confirmed its role as an innovative Region with 61 R&D projects: this represents 32% of the 191 R&D projects in France and 40% of the jobs, with a 41% increase in the number of jobs created in R&D compared with 2021. Paris Region is the world's leading Region for R&D investments according to the FDI Market ranking, followed by Barcelona, Karnataka in India and Singapore. It is the only French Region in the top 20, confirming its role as a driver of innovation at the national, European and global levels.

A competitive economy praised in international rankings

Paris Region has regained first place in the ranking of "major European Regions of the future", according to the ranking drawn up by fDi Intelligence, the "foreign investment" division of the Financial Times, published in February 2023. The ranking also awards Paris



Region the best "foreign direct investment strategy" in Europe, including the United Kingdom - ex-aequo with Catalonia. This is a steady progression since Paris Region was 5th in 2022 and out of the top 10 in 2020. As fDi Intelligence states: "*Choose Paris Region, which promotes Paris Region internationally, has adopted forward-looking strategies both within the organization and in its attraction of foreign investment. Its focus on high-growth sectors is bearing fruit [...]. The agency is a model for other investment promotion agencies seeking to improve their environmental, social and governance standards. [...] Its monitoring service has recently been enhanced with a [new platform](#) that connects investors with rigorously vetted service providers.*"

According to the European Commission, Paris Region is also the third most competitive region in Europe in 2022 (up from 8th in 2019) after the Dutch regions of Utrecht and Zuid-Holland^[1]. According to the Commission: "*this index measures a Region's ability to provide an attractive environment for businesses and residents to live and work.*" The indicator aggregates data on infrastructure, labor market efficiency, market size, institutions, macroeconomic stability, innovation, technological readiness, etc.

Attractive areas with the deployment of the Grand Paris Express and the approach of major international sporting events

Nearly a third of the direct jobs created in the medium term are in municipalities with fewer than 20,000 inhabitants. 60% more municipalities have benefited from at least one investment than last year, i.e. 120 municipalities compared to 91 in 2021. The number of jobs created by large groups in the inner and outer suburbs has risen sharply, from 4,861 in 2021 to 6,048 in 2022. Investors point to the arrival of the Grand Paris Express and the Olympic Games in 2024 as factors that will increase the attractiveness of the inner and outer suburbs of Paris.

The Brexit momentum is ahead of us

According to Bloomberg, the Paris Stock Exchange has dethroned the London Stock Exchange as Europe's leading stock market. Moreover, EY's Brexit Tracker indicates that while Paris is not the leading European financial center in terms of projects won, it is well ahead in terms of the number of jobs relocated (2,800 compared to Frankfurt's second place).

Today, Paris Region is therefore a magnet for many functions in the context of Brexit. As such, as part of the observatory it has set up since 2016, Choose Paris Region counts 220 confirmed Brexit-related projects that represent 7,139 confirmed jobs in a variety of sectors. The main sectors concerned are finance with 62% of projects and 77% of jobs, services and consulting activities representing 10% of projects and 11% of jobs, and digital services and content with 6% of projects and 3% of jobs. Projects from the UK account for 47% and represent 26% of jobs, while the US accounts for 25% of projects and 52% of jobs, while Japan, China and Singapore contribute 10% of projects and 8% of jobs between them.

The major US banks are making key appointments in Paris, making Paris Region an undisputed trading hub and the only global financial center in continental Europe, with a very broad spectrum of financial services centered around banks, insurers and asset



managers. Thanks to the largest pool of jobs in the European Union in financial services (338,000 jobs in the Finance/Insurance sector (Eurostat)), the recognized quality of engineering courses, French management schools and masters in finance (HEC Masters in Finance ranked No. 1 in the Financial Times), its leading position in the EU27 capital market and trading, among others, Paris Region is positioned as a European leader.

A focus on the region's sustainable transformation

In line with the new Regional Economic Development, Innovation and Internationalization plan (SRDEII) "Impact 2028", Choose Paris Region has initiated exploratory work on the assessment of Foreign Direct Investment (FDI) to measure its economic, social, environmental and fiscal impacts, in partnership with the firms Roland Berger and IN France. This methodology makes it possible to target priority projects and to work with project owners to make projects that require it more virtuous.

For example, Choose Paris Region is proud to have initiated the rating of investment projects in relation to the UN's sustainable development goals nearly two years ago. Nearly 25% of FDI projects (i.e. 113 projects) have a positive impact on at least one of the UN's sustainable development goals, particularly in the areas of ecological transition (62 projects) and social inclusion (14 projects).

In 2022, international direct investment generated around one billion euros of economic value added in the medium term and contributed 40 million euros to the Region's tax revenues.

The agency plays a real accelerator role since 3/4 of the investment projects that took place in Paris Region in 2022 benefited from its support: that is, 308 projects and 7,749 jobs.

About Choose Paris Region

As the attractiveness agency of Paris Region, Choose Paris Region develops the Region's influence around the world and attracts and supports international companies and talents who contribute to the Region's transformation while leaving a positive footprint on the territory. The agency's action is manifested through three roles it plays to maximize the impact of investments on its territory:

- a role of architect: the agency's participation in the most socio-economic contributory international direct investment projects, while considering environmental issues, helps shape the future of the Region.
- a role of promoter: the agency and its actions are decisive in the final decision of foreign companies to choose Paris Region as their European setup Region.
- a role of accelerator: Choose Paris Region facilitates and accelerates the investment projects of its clients through the services it provides, the partners (law firms, real estate agencies, etc.) with whom it works, and its knowledge of the Region's socio-economic ecosystem.

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[Ranking made public on March 27, 2023: https://ec.europa.eu/regional_policy/assets/regional-competitiveness/index.html#/](https://ec.europa.eu/regional_policy/assets/regional-competitiveness/index.html#/)