The EIU compiled these data and economic impact assessments using publicly available government data, maintaining full editorial control of the process and using industry standard approaches. Any views or opinions expressed in this document are not necessarily those of The Economist Intelligence Unit.
France is the EU’s third-largest economy and host to an increasing number of cloud-born software companies with a promising future. It is also home to leading IT companies serving businesses and critical sector organisations worldwide such as Atos, Dassault Systèmes, Cegedim, and Thales.

The software industry in France directly contributed €37 billion to the economy and more than €113 billion in total — more than double that of Italy and almost three times as much as Spain.

Of the five EU Member States covered in this report, the total industry contribution (including direct, indirect, and induced impacts) to France’s economy as a percentage of GDP (5.3 percent) is second only to that in the UK (7.1 percent).

**METHODOLOGY**

To estimate the total contributions of the software industry to the EU economy, the EIU analyzed the direct contributions and estimated indirect and induced impacts using various economic multipliers:

1. **Direct contributions:** the levels of output, employment, or wages of the industry in question;
2. **Indirect impacts:** the inter-industry economic activity resulting from the direct contributions (e.g., purchases of inputs);
3. **Induced impacts:** the additional economic activity supported by spending on goods and services by households whose income was affected by the direct contributions and indirect impacts.

Data sources include the EIU itself, Eurostat, the European Central Bank, OECD, and the World Input-Output Database.

**FRANCE**

**Total* Value-Added GDP:**

€113.1 billion

5.3% of French total

**Direct Value-Added GDP:**

€37 billion

1.7% of French total

**EMPLOYMENT**

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<th>Direct:</th>
<th>Total:*</th>
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<td></td>
<td>446,272</td>
<td>1,198,304</td>
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<tr>
<td>as % of total French jobs</td>
<td>1.6%</td>
<td>4.4%</td>
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Providing 1.6 percent of total jobs, the French software sector is second only to the UK in its impact on the domestic employment market.

**WAGES**

**Average Annual Wage for Software Industry:**

€48,017

by comparison...

- All industries: €36,086
- Service sector: €31,069

Software wages in France are the second highest among all “Big Five” countries, 33 percent more than the country average and more than 54.5 percent higher than the French services sector average.

**Total annual French wages paid by the software industry:**

€21.4 billion

**R&D**

**€2.6 billion**

Software R&D expenditures

8.5% of R&D expenditures by business enterprise

French investment in software R&D is, in relative terms, third among all “Big Five” countries, after the UK and Spain. In absolute terms it is second only to Germany.

* direct, indirect, induced

1 All data are from 2014 and were provided by EIU unless otherwise indicated.