

# Legal 500

## Country Comparative Guides 2025

France

Investing In

Contributor



FTPA Avocats

**Nathalie Younan**

Partner | [nyounan@ftpa.fr](mailto:nyounan@ftpa.fr)

**Amélie Cordier**

Associate | [acordier@ftpa.fr](mailto:acordier@ftpa.fr)

**Sarah Rouach**

Associate | [srouach@ftpa.fr](mailto:srouach@ftpa.fr)

This country-specific Q&A provides an overview of investing in laws and regulations applicable in France.

For a full list of jurisdictional Q&As visit [legal500.com/guides](https://legal500.com/guides)

# France: Investing In

## 1. Please briefly describe the current investment climate in the country and the average volume of foreign direct investments (by value in US dollars and by deal number) over the last three years.

During the last 5 years, France came first in the ranking of the most attractive European country for foreign investments. In 2023, 1,815 foreign investment decisions from 56 different countries were taken.

The net flows of foreign direct investments over the last three years have been evaluated as follows<sup>1</sup>:

- In 2021: approximately €27.6 billion (\$28.7 billion).
- In 2022: approximately €72.7 billion (\$75.6 billion).
- In 2023: approximately €39.1 billion (\$40.7 billion).

However, according to recent surveys, the political instability and the uncertainties related to new tax regulations could affect this attractiveness although foreign investors seem to maintain a strong confidence in the country.

Footnote(s):

<sup>1</sup> According to the data published by the "Banque de France"

(<https://www.banque-france.fr/fr/publications-et-statistiques/statistiques/les-investissements-directs>)

## 2. What are the typical forms of Foreign Direct Investments (FDI) in the country: a) greenfield or brownfield projects to build new facilities by foreign companies, b) acquisition of businesses (in asset or stock transactions), c) acquisition of minority interests in existing companies, d) joint ventures, e) other?

Acquisition of businesses (in asset or stock transactions).

## 3. Are foreign investors allowed to own 100% of a domestic company or business? If not, what is the maximum percentage that a foreign investor can own?

Yes, foreign investors are allowed to own 100% of a domestic company or business.

## 4. Are foreign investors allowed to invest and hold the same class of stock or other equity securities as domestic shareholders? Is it true for both public and private companies?

Yes, foreign investors are allowed to invest and hold the same class of stock or other equity securities as domestic shareholders in both public and private companies.

## 5. Are domestic businesses organized and managed through domestic companies or primarily offshore companies?

Domestic companies.

## 6. What are the forms of domestic companies? Briefly describe the differences. Which form is preferred by domestic shareholders? Which form is preferred by foreign investors/shareholders? What are the reasons for foreign shareholders preferring one form over the other?

There are different forms of domestic companies but the most commonly used are the *Société par Actions simplifiée* (SAS), the *Société à Responsabilité Limitée* (SARL) and the *Société Anonyme* (SA).

These corporate forms have different requirements in terms of:

- management structure: great flexibility in the SAS / mandatory boards and governance rules in the SA / certain minimum requirements in the SARL such as having an individual as a manager.
- payment and release of the share capital: minimum share capital of € 37,000 and release of at least 50% of the cash contributions when the company is formed in the form of a SA / no minimum share capital and release of at least 50% of the cash contributions when the company is formed in the form of a SAS and no minimum share capital and release of at least 20% of the cash contributions when the company is formed in

the form of a SARL.

- organization and functioning: more rigid in SARL and SA than in a SAS.

In the three corporate forms, the liability of the shareholders is limited to their contribution.

It should be noted that the SA corporate form is mandatory for companies making a public offering and listed on a financial market.

#### **Which form is preferred by domestic shareholders?**

*Société par actions simplifiée (SAS).*

#### **Which form is preferred by foreign**

**investors/shareholders?** *Société par actions simplifiée (SAS).*

#### **What are the reasons for foreign shareholders preferring one form over the other?**

The "*Société par Actions Simplifiée*" or "SAS" offers more flexibility than the other corporate forms on many aspects:

- There is no minimum capital requirement.
- The governance is freely determined in the articles of association. A SAS is managed by a President who represents the company towards third parties. Apart from the appointment of a President, the way the company is managed is freely specified in the articles of association. Shareholders are free to choose the type of management they wish and the powers granted. For instance, the articles of association may provide for the appointment of a single President, or a management committee and a President, or a Board of Directors and a President, and also stipulate that one or more persons other than the President such as a General Manager(s) (*Directeur Général*) may exercise the same powers as the President and represent the company towards third parties.
- The rules of appointment and removal of the directors are set in the articles of association.
- The shares can be transferred freely unless a restrictive clause exists in the articles of association (e.g.: prior approval of the other shareholders, right of first refusal, etc.).
- The majority rules for the shareholders decisions are freely determined in the articles of association (except for the decisions that shall be adopted unanimously pursuant to the provisions of the French Commercial Code).

## **7. What are the requirements for forming a**

**company? Which governmental entities have to give approvals? What is the process for forming/incorporating a domestic company? What is a required capitalization for forming/incorporating a company? How long does it take to form a domestic company? How many shareholders is the company required to have? Is the list of shareholders publicly available?**

#### **Which governmental entities have to give approvals?**

No prior approval from governmental entity is required, except for certain regulated activities which require specific licenses or authorization.

#### **What is the process for forming/incorporating a domestic company?**

The main steps are as follows:

1. Corporate Name: Choice of the corporate name and verification of the availability of such corporate name with the relevant authorities.
2. Subscription of the share capital: opening of a bank account in a bank located in France, subscription and payment of the share capital and issuance by the bank of the affidavit of receipt of the funds within 1 to 10 days. This indicative timing may be extended if the bank requires additional information to comply with money laundering requirements and KYC process when the shareholder is a foreign company.
3. Registered Office: Execution of a lease agreement or a temporary lease agreement ("*convention de domiciliation*").
4. Articles of association: Preparation of a draft of the articles of association ("*statuts*") and after completion of steps above, execution of such articles of association.
5. Ultimate Beneficial Owner ("UBO"): preparation of the UBO form.
6. Registration with the Trade and Companies Register: Indicative timing: 8 to 15 days following filing of all documents.

#### **What is a required capitalization for**

**forming/incorporating a company?** 1 euro for SAS and SARL / 37,000 euros for SA.

#### **How long does it take to form a domestic company?**

Approximately 3 to 5 weeks.

#### **How many shareholders is the company required to have?**

1 in SAS and SARL / 2 minimum in SA.

**Is the list of shareholders publicly available?** No but when there is only a sole shareholder, it can be identified in the decisions that are made public on the Trade and Companies Register website (if its identity appears in such document).

## 8. What are the requirements and necessary governmental approvals for a foreign investor acquiring shares in a private company? What about for an acquisition of assets?

In principle, the acquisition of shares in a private company by a foreign investor is unrestricted.

However, the prior authorization of the Ministry of Economy is required for the acquisition of the control of a company having sensitive activities listed in Article R.151-3 of the French Monetary Code (such as defense, cybersecurity, energy, transport) where national security or strategic economic interests are at stake pursuant to articles L.151-1 and seq. and R.151-1 and seq. of the French Monetary Code.

The same rules apply for the acquisition of assets (i.e., acquisition of all or part of a business branch "*branche d'activité*").

A simple statistic declaration to the Bank of France (*Banque de France*) is also required when a foreign direct investment (acquisition of more than 10% of the share capital or voting rights) in France exceeds €15 million with 20 days following the investment pursuant to article R152-3 of the French Monetary Code.

Merger control clearance by the French Competition Authority ("FCA") is also required in case of acquisition of control of a French company when certain thresholds are reached, i.e.,

- the combined worldwide turnover of the companies concerned by the transaction exceeds €150 million; and
- the turnover achieved in France by each of at least two of the companies concerned by the transaction €50 million; and
- the transaction must not exceed the thresholds triggering the European Commission's jurisdiction.

## 9. Does a foreign investor need approval to acquire shares in a public company on a domestic stock market? What about acquiring shares of a public company in a direct (private)

## transaction from another shareholder?

Under French law, a foreign investor wishing to acquire shares in a company listed on a French stock market does not require prior authorization to make such an investment.

However, a foreign investor taking a significant stake in a listed company representing 10% or more of the share capital or voting rights, will have to provide with a declaration of intent to the French Financial Markets Authority – ("*Autorité des marchés financiers*" or "*AMF*").

In addition, if the investor exceeds the thresholds of 5%, 10%, 15%, 20%, 25%, 50%, 66% and 90% of share capital and voting rights, he must inform the French Financial Markets Authority – *Autorité des Marchés Financiers* – and the target company.

If the target company has sensitive activities / acts in a strategic sector, prior authorization must be sought in the event of acquisition of control pursuant to articles L.151-1 and seq. and R.151-1 and seq. of the French Monetary Code.

## 10. Is there a requirement for a mandatory tender offer if an investor acquired a certain percentage of shares of a public company?

If an investor, alone or in concert with third parties, acquires directly or indirectly more than 30% of the share capital or voting rights of a listed company, it is obliged to launch a takeover bid for the remaining outstanding shares. The purpose of the takeover bid is to enable other shareholders to sell their shares to the buyer at a fair price. The offer price must be at least equal to the price paid for the shares acquired over the last 12 months (this may also be a weighted average price over a given period). This 30% threshold is therefore a standard which ensures that the investor does not take control of a company without the other shareholders having the opportunity to exit or participate in the transaction.

In addition, if the investor exceeds the thresholds of 5%, 10%, 15%, 20%, 25%, 50%, 66% and 90% of voting rights, he must inform the French Financial Markets Authority – *Autorité des Marchés Financiers* – and the target company. Exceeding these thresholds does not automatically trigger a takeover bid, but it does require public declarations.

## 11. What is the approval process for building a

## **new facility in the country (in a greenfield or brownfield project)?**

Aside from aspects relating to foreign direct investment screening, the construction of a new facility must comply with specific rules and administrative procedures.

First, planning permission must be obtained in the same way as a building permit, with an appraisal period that can extend to two or even three months.

To meet the objectives of Paris Agreements (COP 21) several national laws enforce existing and new buildings to integrate electricity generation devices.

In addition, and regarding a Nomenclature an environmental impact assessment may have to be carried out if a building and renovation project involves effects on nature, air quality, traffic, or wild animals (even in urban spaces). Such an environmental assessment requires more than six months.

For industrial project, the investor will also need to apply for a Classified installations for Environmental Protection – *Installations Classées pour la Protection de l'Environnement* (ICPE) authorization. The ICPE inspectorate is responsible for the environmental policing of industrial and agricultural facilities. This involves not only preventing but also reducing nuisances and hazards associated with facilities, to protect people and the environment. Nevertheless, operators remain responsible for their facilities from the moment they are set up until they cease operations (including the remediation of any pollution).

Finally, in very specific cases a prefectural decree may be required to validate the operating conditions of the facility.

**12. Can an investor do a transaction in the country in any currency or only in domestic currency? a) Is there an approval requirement (e.g. through Central Bank or another governmental agency) to use foreign currency in the country to pay: i. in an acquisition, or, ii. to pay to contractors, or, iii. to pay salaries of employees? b) Is there a limit on the amount of foreign currency in any transaction or series of related transactions? i. Is there an approval requirement and a limit on how much foreign currency a foreign investor can transfer into the**

**country? ii. Is there an approval requirement and a limit on how much domestic currency a foreign investor can buy in the country? iii. Can an investor buy domestic currency outside of the country and transfer it into the country to pay for an acquisition or to third parties for goods or services or to pay salaries of employees?**

Under French contract law, article 1343-3 of the French Civil Code provides that the parties may agree that payment will be made in a foreign currency between professionals, when the use of a foreign currency is commonly accepted for the transaction concerned. Transposed to foreign investments, an investor can make payments and transactions in foreign currency in France, provided that the parties to the contract agree.

France, as a member of the European Union and the euro zone, has abolished many restrictions on foreign currency transactions. However, there are a few situations in which the use of foreign currency may be subject to control or approval, such as international fund transfers (particularly foreign investments). These may include declarations of capital movements to the Banque de France or the Autorité des Marchés Financiers in the case of foreign investments, as well as anti-money laundering and anti-terrorism controls put in place by financial institutions to monitor international capital flows and prevent abuse.

Payment of contractors in foreign currency is not subject to approval requirement but it should have been provided in the contract.

Salaries of employees must be paid in euros except if the place of work is outside of the euro zone.

**Is there a limit on the amount of foreign currency in any transaction or series of related transactions?**

**Is there an approval requirement and a limit on how much foreign currency a foreign investor can transfer into the country?** Only reporting requirement (declaration to customs authorities) for transfer of cash exceeding €10,000.

**Is there an approval requirement and a limit on how much domestic currency a foreign investor can buy in the country?** No.

**Can an investor buy domestic currency outside of the country and transfer it into the country to pay for an acquisition or to third parties for goods or services or to pay salaries of employees?** No particular restriction.

### 13. Are there approval requirements for a foreign investor for transferring domestic currency or foreign currency out of the country? Whose approval is required? How long does it take to get the approval? Are there limitations on the amount of foreign or domestic currency that can be transferred out of the country? Is the approval required for each transfer or can it be granted for all future transfers?

#### Whose approval is required?

As a member of the European Union, France applies the principle of the free movement of capital, which allows individuals and companies to freely transfer funds in and out of the country, whether in foreign currencies or in euros. This means that foreign investors can transfer currency internationally without having to obtain any specific authorization, as long as the transaction complies with the laws in force.

However, there are reporting obligations for certain amounts. In fact, for electronic funds transfers or bank transfers, there is no reporting obligation for amounts below a certain threshold (no specific limit for bank transfers, except for anti-money laundering control). French banks and financial institutions must, however, monitor large or suspicious transactions, in line with anti-money laundering and anti-terrorist financing regulations. If a transaction exceeds a significant amount or appears unusual, it may be reported to the relevant authorities, such as TRACFIN.

#### How long does it take to get the approval? Are there limitations on the amount of foreign or domestic currency that can be transferred out of the country? Is the approval required for each transfer or can it be granted for all future transfers?

Under French law, no time limit or amount is specified, it is left to the discretion of competent authorities such as TRACFIN to detect suspicious financial flows.

### 14. Is there a tax or duty on foreign currency conversion?

No, there is no specific tax or duty on foreign currency conversion in France, but fees may apply from financial institutions.

### 15. Is there a tax or duty on bringing foreign or

### domestic currency into the country?

There is no tax on the introduction of foreign currency. However, if financial transactions involve currencies, they will be subject to the tax on financial transactions (0,3%) provided in article 235 ter ZD of the French Tax Code.

### 16. Is there a difference in tax treatment between acquisition of assets or shares (e.g. a stamp duty)?

There are significant differences in tax treatment between the acquisition of assets and shares in France:

- **Acquisition of shares (*actions*)** (Article 627 of the French Tax Code):
  - For shares in listed companies with a market capitalization of over €1 billion: financial transaction tax of 0.3%
  - For shares in unlisted companies: registration duty of 0.1%
- **Acquisition of shares (*parts sociales*)** (Article 627 of the French Tax Code): registration duty of 3% (after application of a deduction of 23,000 euros).
- **Acquisition of property companies:** registration duty of 5% on the value of the shares.
- **Acquisition of business assets:** Transfer duty of 3% up to 200,000 euros, then 5% above that amount.

### 17. When is a stamp duty required to be paid?

According to Article 635 of the French Tax Code, any transfer of shares or ownership interests in a company must be officially registered within one month to ensure it is recognized legally.

### 18. Are shares in private domestic companies easily transferable? Can the shares be held outside of the home jurisdiction? What approval does a foreign investor need to transfer shares to another foreign or domestic shareholder? Are changes in shareholding publicly reported or publicly available?

Yes, subject to FDI screening.

**Can the shares be held outside of the home jurisdiction?**  
Yes.

**What approval does a foreign investor need to transfer shares to another foreign or domestic shareholder?** None except for the approval ("*agrément*") from the other

shareholders when provided by the articles of association (or by law for the SARL).

**Are changes in shareholding publicly reported or publicly available?** No.

**19. Is there a mandatory FDI filing? With which agency is it required to be made? How long does it take to obtain an FDI approval? Under what circumstances is the mandatory FDI filing required to be made? If a mandatory filing is not required, can a transaction be reviewed by a governmental authority and be blocked? If a transaction is outside of the home jurisdiction (e.g. a global transaction where shares of a foreign incorporated parent company are being bought by another foreign company, but the parent company that's been acquired has a subsidiary in your jurisdiction), could such a transaction trigger a mandatory FDI filing in your jurisdiction? Can a governmental authority in such a transaction prohibit the indirect transfer of control of the subsidiary?**

**With which agency is it required to be made?** Ministry for the Economy.

**How long does it take to obtain an FDI approval?**

This procedure consists in two phases which may not exceed the maximum regulatory period of a total of 75 business days.

1. The first phase of review of the application lasts 30 business days (maximum) from the day a complete application has been filed (i.e., all information and documents requested have been provided). In this respect, please note that this phase will be suspended if the application is incomplete. At the end of the first phase, the applicant receives one of three possible answers from the administration:

- The proposed transaction does not fall within the scope of FDI screening in France. In this case, it may proceed with the completion of the proposed transaction without further formality.
- The proposed transaction falls within the scope of FDI screening and is authorised without condition. In this case, it may also proceed with the completion of the proposed transaction without delay.
- The proposed transaction falls within the scope of

FDI screening and further investigation is needed to determine if conditions are required to safeguard national interests. In this third situation, a second phase of review then begins.

2. The second phase of review of the application would last 45 business days (maximum) from the receipt of the notice from the Minister of Economy noticing the beginning of the second phase. At the end of the second phase, the applicant receives one of three possible answers from the administration:
  - The proposed transaction is authorized without condition.
  - The proposed transaction is authorized subject to conditions to safeguard national interests. In this event, the applicant must comply with the conditions for as long as it exercises control over the French target company or for a specified length of time.
  - The proposed transaction is not authorized. Refusal may or may not be explicitly provided, it is implied if no response is given within the prescribed regulatory deadline. The grounds on which the Minister may refuse authorization are strictly limited, i.e., there should be doubts about the investor's profile (in particular regarding its criminal background or its intentions) or it should not be possible to attach sufficient conditions to the authorization to protect national interests.
3. It should be noted that any decision taken by the Minister can be appealed before the Administrative Court of Paris within 2 months.

**Under what circumstances is the mandatory FDI filing required to be made?**

The FDI filing is required to be made:

- when the investor is a non-French investor or French investor domiciled outside of France for tax purposes (Article R. 151-1 of the French Monetary Code).
- when the foreign investment consists in an acquisition of control, the acquisition of a branch of business or for non-EU / non-EEA foreign investors the acquisition of more than 25% of voting rights in a French Company (10% of the voting rights in French listed companies) (Article R. 151-2 of the French Monetary Code); **and**
- when it is made in sensitive sectors (such as defense, cybersecurity, energy, transport) and where national security or strategic economic interests are at stake (Articles L.151-3 and R.151-3 of the French Monetary Code).

**If a mandatory filing is not required, can a transaction be reviewed by a governmental authority and be blocked?**

No.

**If a transaction is outside of the home jurisdiction (e.g. a global transaction where shares of a foreign incorporated parent company are being bought by another foreign company, but the parent company that's been acquired has a subsidiary in your jurisdiction, could such a transaction trigger a mandatory FDI filing in your jurisdiction?**

FDI filing is also required in the event of indirect acquisition of the control of a French company. The notion of control is the one provided by article L.233-3 of the French Commercial Code (i.e., holding of a portion of the share capital granting the majority of the voting rights).

**Can a governmental authority in such a transaction prohibit the indirect transfer of control of the subsidiary?**

## 20. What are typical exit transactions for foreign companies?

Sale to a French or foreign investor.

## 21. Do private companies prefer to pursue an IPO? i. on a domestic stock market, or ii. on a foreign stock market? iii. If foreign, which one?

Domestic stock market.

## 22. Do M&A/Investment/JV agreements typically provide for dispute resolution in domestic courts or through international arbitration?

Mergers and acquisitions are, by their very nature, complex business transactions, especially when conducted across borders. These transactions often involve multiple corporate entities and extensive, intricate agreements. Arbitration has become the preferred method for resolving disputes related to M&A, and today, this area of international business law has one of the highest proportions of arbitration agreements.

A significant share of arbitration disputes arises from joint ventures as well. They frequently involve partners from different countries conducting operations in yet another jurisdiction. Since JV partners are generally reluctant to resolve disputes in each other's domestic courts, most international joint venture agreements

include provisions for resolving disputes through international arbitration.

## 23. How long does a typical contract dispute case take in domestic courts for a final resolution?

In France, the duration of a typical contract dispute case in domestic courts can vary significantly depending on the complexity of the case, the workload of the courts, and whether appeals are involved. However, on average:

- First instance: A contract dispute case before a Tribunal de Commerce (Commercial Court) typically takes 10 to 18 months to reach a judgment at the first instance.
- Appeal: If the decision is appealed before the Cour d'Appel, it can take an additional 12 to 24 months for a final decision.
- Cour de Cassation: If the case proceeds to the Cour de Cassation (Supreme Court for civil and commercial matters), the process can add 2 to 3 more years for a final resolution.

## 24. Are domestic courts reliable in enforcing foreign investors rights under agreements and under the law?

Yes, French domestic courts are widely regarded as reliable in enforcing foreign investors' rights under agreements and the law. France benefits from a well-established legal framework and an independent judiciary, offering a fair and predictable environment for dispute resolution, including for foreign investors. Key aspects include:

- Rule of law and judicial independence: French courts operate under the rule of law, with an independent judiciary that guarantees fair treatment for both domestic and foreign parties.
- Enforcement of contracts: French courts consistently uphold contracts, including those involving foreign investors, as long as they comply with applicable laws and do not contravene French public policy (ordre public).
- Recognition of international standards: France is a signatory to key international treaties, such as:
  - The New York Convention of 1958, ensuring recognition and enforcement of arbitral awards.
  - Various bilateral investment treaties (BITs), which safeguard foreign investors' rights, including guarantees of fair treatment and protection against expropriation.

- EU and international commitments: As a member of the European Union, France adheres to EU regulations that prohibit discrimination and ensure equal treatment of foreign investors. Additionally, investors benefit from broader protections under international law.
- Enforcement of foreign judgments and awards: French courts recognize and enforce foreign arbitral awards and judgments through the exequatur procedure, provided they satisfy international jurisdictional standards, due process, and French public policy requirements.

## 25. Are there instances of abuse of foreign investors? How are cases of investor abuse handled?

Instances of abuse against foreign investors in France are exceedingly rare, as the country offers a robust legal framework and a stable, investor-friendly environment. Nevertheless, disputes may arise, particularly in situations involving regulatory changes, public interest measures, or alleged breaches of contractual obligations. France remains committed to upholding its reputation as a reliable jurisdiction by ensuring such disputes are addressed through fair and transparent processes.

Foreign investors benefit from the same rights as domestic parties within the French judicial system, which is independent and operates under the rule of law. In addition to domestic courts, international arbitration is widely available and often preferred, particularly for cross-border disputes. France is a recognized leader in arbitration, with Paris serving as a prominent arbitration hub. As previously mentioned, (Question 24), investors can rely on mechanisms established under international treaties, such as bilateral investment treaties (BITs) and the New York Convention, which guarantee protections like fair treatment and the enforcement of arbitral awards.

As a member of the European Union, France is also bound by EU laws that safeguard investors' rights and prohibit discriminatory treatment. In cases where state actions cause harm, mechanisms are in place to ensure accountability and, where warranted, compensation for damages.

## 26. Are international arbitral awards recognized and enforced in your country?

Yes, international arbitral awards are recognized and

enforced in France under a highly arbitration-friendly legal framework. Two sets of rules apply: Articles 1487 et seq of the French Code of Civil Procedure for domestic awards and Articles 1514 et seq for international awards rendered in France or abroad. The latter regime is particularly liberal and supportive of arbitration.

France is a party to major treaties facilitating the recognition and enforcement of arbitral awards, including the New York Convention (1958), the ICSID Convention (1965), and the European Convention on International Commercial Arbitration (1961). However, due to the "more favourable law" rule under Article VII of the New York Convention, French law takes precedence where it offers more liberal provisions. For example, French courts may recognize awards annulled in the seat of arbitration, which goes beyond the Convention's standards.

To enforce an international arbitral award, exequatur must first be obtained from a French judge. The process involves a limited review to ensure the award does not contravene French public policy or fundamental legal principles. Once exequatur is granted, the award has res judicata effect and can be enforced as a domestic judgment.

In practice, the pro-arbitration stance of French courts and the liberal enforcement regime make France a leading jurisdiction for the recognition and enforcement of international arbitral awards.

## 27. Are there foreign investment protection treaties in place between your country and major other countries?

Yes, France has signed numerous foreign investment protection treaties with major countries worldwide, primarily in the form of Bilateral Investment Treaties (BITs). These treaties are designed to protect foreign investors' rights and ensure a stable and predictable investment environment. France counts 83 BITs in force and 6 BITs signed but not in force.

In addition to BITs, France is a party to several multilateral trade agreements negotiated within international frameworks such as the World Trade Organization and the OECD. As a member of the European Union, France is also bound by EU-administered treaties that include investment provisions.

However, within the EU, the landscape of investment treaties has shifted following the Achmea case (2018). In this decision, the Court of Justice of the European Union ruled that arbitration clauses in BITs between EU member

states are incompatible with EU law. This ruling led to the signing of the Agreement for the Termination of Bilateral Investment Treaties between EU Member States on 29

May 2020, which formally extinguished intra-EU BITs. This development limits investor-state arbitration within the EU but does not affect France's BITs with non-EU countries.

---

## Contributors

**Nathalie Younan**  
Partner

[nyounan@ftpa.fr](mailto:nyounan@ftpa.fr)



**Amélie Cordier**  
Associate

[acordier@ftpa.fr](mailto:acordier@ftpa.fr)



**Sarah Rouach**  
Associate

[srouach@ftpa.fr](mailto:srouach@ftpa.fr)

