

[Home](#)[E-mail](#)[What's New](#)[Search](#)

1-Information and Communication Technology

Promising Areas

Radiocommunications, telecommunication services, educational, recreational-educational and entertainment software for the general public, decision-support software, software for electronic document management, software for all computer-assisted applications, call centres, e-commerce, secure electronic transfers, and more generally, the French government's priorities in the areas of education, culture, modernization of the public service, professional services, innovation and regulation.

A. Potential Market

The telecommunications industry in France is now reaping the benefits of the privatization of this sector, as are computer products and services, where sales are exploding. In addition, the French government is doing all it can to position France well in the global ICT market.

Telecommunications - The telecommunications industry in France is still benefiting from its privatization begun in January 1998. The telecommunications market as such grew by 12.3% in 1998, reaching 150 billion FF (\$1 = 4.17FF on 17/08/99). This growth is particularly impressive in view of the fact that revenues from local communications declined as a result of France Telecom reducing its rates on several occasions. The mobile telecommunications market is expanding at an annual rate of 67%, which is the most remarkable growth in the entire sector.

France Telecom now has more than 60 competitors. As a result of this competition, its sales declined by 9% over the first six months of 1998 (the year when the new competitors arrived). The fiercest competition is in the area of long distance calls and pre-paid cards, in which sales reached 3 billion FF in 1998. Canadian companies have considerable experience with a number of competing operators and the need for them to continually update their services and make them attractive. Supplies of software and new communication services are therefore very welcome in France.

France Telecom is still the dominant player on local markets. However telephone service, television and the Internet are converging, in France as in Canada. Cable TV is the best method of intensifying competition in local telephone markets, according to the French government and the Autorité de Régulation des Télécommunications (ART), while a number of companies are experimenting with local loop radio to compete with France Telecom. Cable TV currently has 2.3 million subscribers. On this network, 2 400 people subscribe to the telephone service and 35 000 to the Internet, or twice as many as a year ago. Among other things, these results have prompted France Telecom to begin testing ADSL connections on its lines. Canada's acknowledged experience with convergence means that offers of new services from