

1. Telecommunications and Information Technology

A. Opportunities

The telecommunications market in France is strong and growing, under the influence of the market liberalization process, which should see the opening of all of France's telecommunication services to competition by January 1, 1998. Since July 1996, all services and infrastructure with the exception of voice telephone have been open to competition. Mobile communications, computer-telephone integration (CTI) and the information highway are of particular interest.

France represents 5% (\$17 billion in 1995) of the world informatics market for software. Adding in France's export activities, the French software market amounts to some \$22 billion. The most promising opportunities involving information technology companies appear to be in informatics management, communications software, software publishing and integrated system networks. The Internet is also taking off in France, as is the multimedia sector.

The main characteristics of the French market for software are a growing market for client-server networks; major growth in relational database management systems; a PC software market estimated at some \$435 million; and a dominance of Windows-supported software.

Promising Sectors

Mobile communications, alternative infrastructure, computer-telephony integration, information highway infrastructure and applications, communications software, multimedia applications, Internet hardware and software, management information systems and systems integration.

There are some 13,000 software packages available in France, of which 77% have been developed by French companies. Of the remaining 23%, half are of U.S. origin. Fewer than 1% of such products come from Canada.

Demand in the French electronics market — which includes active and passive components, production equipment, testing and measuring equipment and subcontracting — is driven mainly by the informatics and telecommunications industries, especially cellular telephones.

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Companies such as Nortel have established a presence in France. Photo courtesy of Nortel.

