

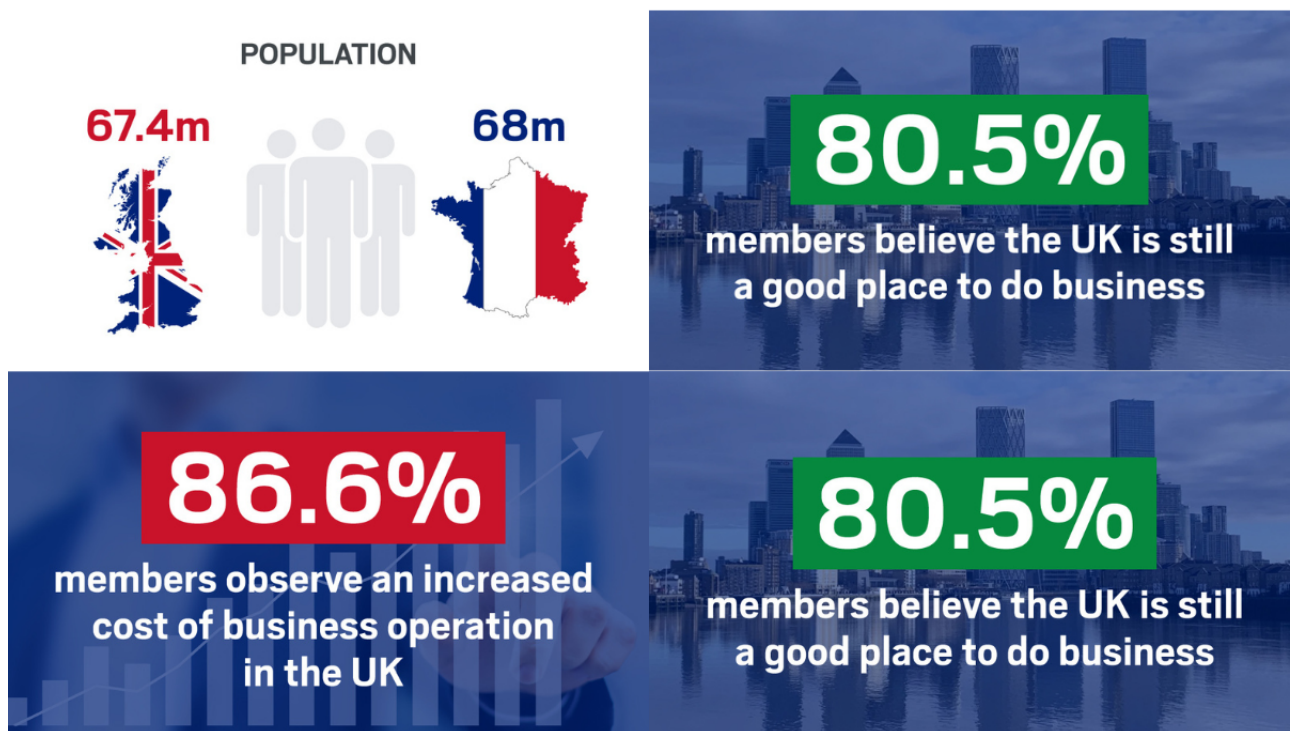
The UK-France Business Dashboard: Doing business in the UK

The new UK-France Business Dashboard unveils interesting trends in business operations costs and sentiment towards the UK as a place to do business, with data drawn from the French Chamber of Great Britain's 2023 membership survey.

Temps de lecture : minute

3 January 2024

The increase in operational costs is a significant concern, as they reflect the broader inflationary pressures across the UK economy, which have been exacerbated by supply chain disruptions and new trade barriers post-Brexit. These increases are likely to affect profitability and could lead to a reassessment of the UK as a favourable investment destination in the short term. For French SMEs, particularly those in sectors like retail and support services, the increased costs may stem from new tariffs, non-tariff barriers, and the complexities of customs declarations. Additionally, the UK's departure from the EU has necessitated new legal frameworks and compliance measures, adding layers of bureaucracy and costs that were previously unnecessary within the single market.



Discover The UK-France Business Dashboard

Despite this notable raise in costs, a majority of members believe the UK remains a favourable place for business, with significant optimism about future growth prospects. This reflects the resilience and confidence of the Franco-British business community in navigating current challenges.

Indeed, a majority of responses to our survey indicated a positive outlook, with "Very positive" and "Somewhat positive" impressions prevailing. This optimism suggests that the intrinsic strengths of the UK's business landscape—such as a historically robust financial market, a favourable corporate tax regime, and a dynamic entrepreneurial ecosystem—are still attractive to French companies. However, the presence of "Neutral" and "Somewhat negative" responses can't be overlooked. These might reflect ongoing concerns about market access, potential trade friction, and the UK's evolving relationship with the EU. The UK government's drive to

secure new trade deals and establish itself as a sovereign entity separate from the EU might be seen as a double-edged sword: while it offers autonomy and potential new opportunities, it also brings about uncertainty and adjustment challenges for foreign businesses.

In summary, the dashboard unveils a complex picture of cautious optimism tempered by tangible challenges. French SMEs appreciate the UK's enduring strengths as a business hub but are acutely aware of the new hurdles introduced by its recent political decisions. As the UK carves out its new identity on the global stage, The Chamber's survey documents a moment of transition, capturing the voices of French SMEs as they acclimatise to a changing UK market. Despite facing new operational costs and export barriers, there is a prevailing sense of optimism. French companies recognise the UK's economic strengths and are finding pathways to success amid the challenges. The responses signal a collective readiness to embrace change, seek out new opportunities, and continue to invest in the robust Franco-British economic relationship.

Through this *dashboard*, the French Chamber of Commerce in Great Britain provides a comprehensive snapshot of the intricate dynamics of the Franco-British business landscape, guiding stakeholders through its complexities.