CBI MARKET SURVEY

THE FRESH FRUIT AND VEGETABLES MARKET IN FRANCE

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Report summary
This document presents the following highlights for the fresh fruit and vegetables market in France:

- Exotic fruits are popular in France. Imports of these products are among the highest in the EU.
- France is the third largest importer of fruit and vegetables in the EU and imports are increasing. Import shares of vegetables from developing countries are high compared to other EU countries.
- France has a large market for minor products such as avocados and artichokes.

Introduction
The survey provides exporters of fresh fruit and vegetables with sector-specific market information related to gaining access to France. By focusing on a specific country, this document provides additional information, complementary to the more general information and data provided in the CBI market survey 'The fresh fruit and vegetables market in the EU', which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used, as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.nl/marketinfo.

1. Market description: consumption and production

Consumption

Total consumption
Fresh fruit and vegetables enjoy a very positive image in France. French consumers regard these products as an essential part of every daily meal. The variety of fruit and vegetable products available in retail outlets is large and the French spend considerable time on purchasing.

Product groups
In 2004, fruit consumption amounted to €73 per household, an increase of 12% compared to 2003. The long-term trend in volume is also upwards (Table 1.1).[1]

The most popular fruits are apples, peaches and nectarines, pears and oranges. Consumption of exotic fruit such as pineapples, lychees and mangos is growing fast, but their share in total fruit consumption is still small.

In 2004, French consumption of fresh vegetables was €71 per household, a decrease of 7% compared to 2003. Compared to the 1999-2003 average, household consumption declined in both value and volume. Tomatoes, carrots, lettuce and chicory are the most popular fresh vegetables in France.

[1] These figures may differ from figures in the CBI market survey Fresh fruit and vegetables in the EU. In the CBI market surveys covering individual countries national sources are preferred for providing the most detailed information, while the general survey uses statistics that are easily comparable between countries.

Table 1.1 Total consumption of fresh fruit and vegetables in France per household, 2003-2005, value in euro (€) and volume in kg

	1999-2003*		2003		2004	
	volume	Value	volume	value	volume	value
Total fruit	130.81	75.58	136.16	72.32	134.83	73.16
Total fresh vegetables	136.23	74.30	139.64	70.42	130.06	70.77

*average consumption over 5 years
Source: CTIFL 2005

Market segmentation
Elderly people (65+ years) and middle-aged families (35-64 years) are the largest consumers of fresh fruit and vegetables. Consumption among this groups shows the largest growth; compared to 2003, they consumed 58% and 28% more fruits and vegetables in 2004 (CTIFL 2005). Young, single people are the group of consumers that consumes least by far. One reason for the low popularity of fresh fruit and vegetables among young people is that they find them cumbersome to eat or prepare.

The amount of money spent on food has slightly decreased from 2004 to 2005, partly because of the increased popularity and market share of hard discounters. The low-prices strategy of these stores forces other multiple retailers to lower their prices as well.

Trends in consumption
In general, French consumers have a strong preference for domestically produced food (especially meat). However, there is much interest for fruit and vegetables of non-French origin as well. Sales of exotic fruits are increasing and a growing number of consumers are interested in new (non-French) dishes and products. Thai, Indian, and northern African cuisine are increasing in popularity. The trend of convenience is clearly noticeable in the market, with prepared and ready-to-eat products becoming more popular (USDA 2004). In addition, French consumers are increasingly interested in healthy lifestyles, choosing food products that fit these, including low-fat products.

Production

Total production
France is the third largest producer of both fresh fruits and fresh vegetables in the EU. It accounts for 16% of total EU fruit production and 13% of vegetable production. After a sharp decline in 2003, fruit production increased again, reaching 10.6 million tonnes in 2005. Between 2001 and 2005, production fell by 8%. Vegetable production in 2005 amounted to 8.1 million tonnes, which is a decrease of 6% compared to 2003 (Table 1.2).

Due to the presence of different climates (temperate in the north and Mediterranean in the south), diverse types of fruit are produced in France. By far the most important product is grapes, with a share of almost 64% in total fruit production. Most are used for producing wine, while just a small part is consumed as table grapes. Other fruits produced in France are apples, peaches and nectarines, (cantaloupe) melons, plums and pears. Between 2001 and 2005, production of apples declined by 11%. The products that have increased most in production are apricots (+82%), cherries (+31%), oranges (+28%) and berries (+8%).

A wide range of vegetables is produced in France (Table 1.2). The most important product is tomatoes, with a share of 8% in total production. From 2001 to 2005, tomato production fell by 27%. In 2005, as much as 93% of tomatoes was grown in greenhouses; the remainder in the open air. Other important products are lettuce (7% of total production), sweet corn (6%), onions, green peas, carrots, cauliflower and string beans (each with a share of 5%). France is the largest producer of sweet corn together with Hungary; each country accounts for 50% of total EU production in 2005. 30% of the sweet corn is consumed domestically.

Table 1.2 Production of fresh fruit and vegetables in France, per product group, 2001-2005, in thousand tonnes

	2001	2003	2005		2001	2003	2005
Total fruit	**11,278**	**9,890**	**10,642**	**Total vegetables**	**8,130**	**8,535**	**8,064**
Total fruit excl. grapes	**4,053**	**3,583**	**3,855**				
Grapes	7,225	6,307	6,787	Tomatoes	859	825	631
Apples	2,397	2,137	2,123	Lettuce	491	461	526
Peaches and nectarines	458	347	425	Sweet corn	445	508	497
Cantaloupes and other melons	318	299	296	Onions	405	374	432
Plums	272	250	283	Green peas	474	421	428
Pears	260	199	279	Carrots	649	688	418
Apricots	103	124	187	Cauliflower	402	414	395
Kiwifruit	79	74	78	String beans	360	352	363
Cherries	56	51	73	Cabbages	243	215	220
Strawberries	53	45	52	*Other vegetables*	*3,803*	*4,277*	*4,155*
Total citrus	26,691	25,458	24,250				
Total berries	19,163	19,188	20,680				
Other fruits	*12,136*	*11,760*	*13,770*				

Source: FAOSTAT 2006.

Forecast and trends in production

France is an important producer of a wide variety of fruit and vegetables and will probably remain to be so. Production, however, cannot meet demand for exotics and year-round availability of fresh fruit and vegetables.

Useful sources

- CTIFL, Centre Technique interprofessionel de fruits et légumes. http://www.ctifl.fr.
- Fruit et Legumes. http://www.fruits-et-legumes.net.
- FAOSTAT, Statistics database FAO. http://faostat.fao.org.

2. Trade: imports and exports

Imports

France is the third largest importer of fresh fruit and vegetables in the EU. In 2005, total fruit and vegetables imports amounted to almost €3.6 billion with a volume of 4.2 million tonnes.

From 2001 to 2005, fruit imports increased by 12% in value to €2.3 billion and by 11% in volume to 2.7 million tonnes. In 2005, the value of imports from developing countries decreased by 1%; its volume decreased by 12% because less bananas and pineapples were imported. In 2005, 68% of fruit imports by value came from other EU countries and 25% from developing countries (Table 2.1). Spain is the main supplier of fresh fruit to France, with a share in import value of 41%. Morocco is the leading supplier from the developing countries with an import share of 6%.

The imports of fresh vegetables amounted to €1.3 billion and 1.5 million tonnes in 2005, an increase of 22% in value and 6% in volume compared to 2001. In 2005, the share of imports from EU member countries in total import value of vegetables was 70%. Developing countries had a share of 25% in the total import value (Table 2.1). The leading supplier is Spain, accounting for 42% of total import value, followed by Morocco with 20%. From 2001 to 2005, the imports from developing countries increased by 42% in value and 33% in volume.

Table 2.1 French imports of fresh fruit and vegetables, € million, and leading supplying countries with their value shares, 2005

	Leading suppliers 2005	Share	Import value
Fruit			
Intra EU:	Spain (41%), Belgium (9%), Italy (8%), The Netherlands (6%), Germany (2.8%)	68%	1,544
Extra EU:	Israel (6%), USA (0.5%)	7%	159
DC*:	Morocco (6%), South Africa (2%), Tunisia (1.6%), Mexico (1.1%), Chile (0.9%), Peru (0.9%)	25%	567
Vegetables			
Intra EU:	Spain (42%), The Netherlands (9%), Belgium (9%)	70%	957
Extra EU:	Israel (4%)	5%	349
DC*:	Morocco (20%), Kenya (1.1%), Senegal (0.9%), Argentina (0.6%), Turkey (0.4%), Egypt (0.4%)	25%	66

Source: Eurostat 2006

Fruit

Tangerines are the main imported fruit with imports of €269 million, 12% of total fruit import value in 2005, followed by oranges (10%), bananas (10%), strawberries (8%) and grapes (6%). France is also one of the largest importers of other citrus fruit such as grapefruit, lemons and limes. Bananas and pineapples are the major fruits imported from developing countries. Most are imported from West Africa, unlike in many other countries. The former French colony Côte d'Ivoire is the largest supplier. The supplies have decreased since 2004 when the country became politically unstable.

France imports large amounts of avocados compared to other EU member countries. In 2005, French imports amounted to 38% of EU imports of avocados by value. France is also a large importer of minor exotics such as dates, figs, durians, tamarinds and lychees. Northern African countries have a large share in the supply of these products, and in strawberries and melons.

Table 2.2 French imports of fresh fruit in 2003 and 2005 and major supplying countries with their market shares in 2005, in € million, in brackets import value from developing countries

Product	2003	2005		Leading suppliers in 2005 (share of total import value in %)	Share (%)
Banana	158 (106)	228 (100)	Intra EU:	Belgium (36%), Italy (7%), Germany (7%)	56%
			Extra EU excl DC*:		0%
			DC*	Côte d'Ivoire (35%), Surinam (5%), Cameroon (2.3%), Colombia (0.9%), Venezuela (0.6%), Ecuador (<0.1%)	44%
Pineapple	106 (92)	85 (68)	Intra EU:	Belgium (9%), The Netherlands (5%), Germany (2%)	19%
			Extra EU excl DC*:		0%
			DC*	Côte d'Ivoire (54%), Ghana (20%), Benin (1.8%), Cameroon (1.5%), Guinea (0.9%)	81%
Melons, other than watermelon	107 (27)	133 (55)	Intra EU:	Spain (47%), The Netherlands (1.2%), Italy (1.1%)	51%
			Extra EU excl DC*:	Israel (8%)	8%
			DC*	Morocco (38%), Dominican Rep. (2.9%), Senegal (0.5%), Egypt (0.1%), Brazil (0.1%)	41%
Avocados	151 (84)	136 (55)	Intra EU:	Spain (21%), The Netherlands (4.5%), Germany (1.3%)	29%
			Extra EU	Israel (31%)	31%

Product	2003	2005		Leading suppliers in 2005 (share of total import value in %)	Share (%)
			excl DC*:		
			DC*	Mexico (15%), Kenya (8%), South Africa (8%), Peru (6%), Chile (2.8%), Brazil (0.4%)	40%
Strawberrries	153 (32)	182 (45)	Intra EU:	Spain (60%), Belgium (8%), Germany (3.5%)	74%
			Extra EU excl DC*:	USA (1.0%)	1%
			DC*	Morocco (23%), Egypt (1.4%), Israel (0.3%), Mexico (0.2%), Brazil (0.1%)	25%
Dates	42 (33)	44 (35)	Intra EU:	Germany (1.0%), Belgium (0.7%), United Kingdom (0.4%)	3%
			Extra EU excl DC*:	Israel (15%), USA (1%)	16%
			DC*	Tunisia (51%), Algeria (27%), South Africa (1.1%), Iran (1.0%)	81%
Guavas, mangos and mangosteens	51 (36)	68 (34)	Intra EU:	The Netherlands (10%), Belgium (3.7%), Spain (3.7%)	19%
			Extra EU excl DC*:	Israel (31%), Australia (0.7%)	32%
			DC*	Peru (18%), Côte d'Ivoire (13%), Brazil (5%), Mali (3.1%), Pakistan (2.4%)	49%

Source: Eurostat 2006
* Developing countries

Vegetables
The major products imported by France (Table 2.3) are tomatoes (27% of total import value in 2005), peppers (18%), courgettes (10%) and beans (7%). Courgettes are one of the fastest-growing products with an increase of 14% in value and volume from 2003 to 2005. Import values of tomatoes and beans increased as well, by 12 and 10%, but volumes remained the same. France is the largest importer of (French) beans in the EU accounting for 25% of total value of imports.

The leading products imported from developing countries are tomatoes, beans, courgettes, (sweet) peppers, and garlic (Table 2.3). Developing countries have the highest share in import value in tomatoes and beans. Morocco is the leading supplier of both products. Morocco is also an important supplier of many other fresh vegetables imported from developing countries.

Table 2.3 French imports of fresh vegetables in 2003 and 2005 and leading suppliers with their market shares in 2005, in € million, in brackets import value from developing countries

Product	2001	2005		Leading suppliers in 2005 (share of total import value in %)	Share (%)
Tomatoes	323 (117)	366 (154)	Intra EU:	Spain (34%), Belgium (10%), the Netherlands (6%)	54%%
			Extra EU excl DC*:	Israel (4%)	4%%
			DC*	Morocco (40%), Turkey (0.8%), Tunisia (0.7%), Senegal (0.7%), Colombia (0.2%)	42%
Sweet peppers	133 (5)	149 (15)	Intra EU:	Spain (55%), The Netherlands (8%), Belgium (1.5%)	66%
			Extra EU excl DC*:	Israel (24%)	24%
			DC*	Morocco (9%), Madagascar (0.1%), Senegal (0.1%), Turkey (0.1%)	10%
Courgettes	114	132	Intra EU:	Spain (65%), Italy (2.0%), Germany	%

Product	2001	2005		Leading suppliers in 2005 (share of total import value in %)	Share (%)
				(0.8%)	
			Extra EU excl DC*:		0%
	(34)	(41)	DC*	Morocco (31%)	31%
			Intra EU:	Spain (11%), The Netherlands (1.6%), Germany (1.5%)	16%
			Extra EU excl DC*:		0%
Beans	90 (70)	100 (84)	DC*	Morocco (56%), Kenya (13%), Senegal (9%), Egypt (4.0%), Burkina Faso (1.4%), Madagascar (0.3%)	84%
			Intra EU:	Spain (65%), Germany (2.3%), The Netherlands (1.3%)	72%
			Extra EU excl DC*:		0%
Garlic	38 (10)	38 (11)	DC*	Argentina (20%), China (3.5%), Mexico (3.0%), Egypt (0.7%), Morocco (0.7%)	28%

Source: Eurostat 2006

Exports
In 2005, total exports of fresh fruit were €1.1 billion and 1.4 million tonnes. From 2001 to 2005, fruit exports declined by 10% in value and 11% in volume. The United Kingdom and Germany are the main destinations for the exported fruits. Apples are by far the largest product exported by France (36% of export value in 2005), followed by bananas (10%), peaches and nectarines (8%) and strawberries (6%). All exports of bananas are re-exports since France does not produce any bananas. The bananas are mainly imported from Côte d'Ivoire.

France is the third largest exporter of fresh vegetables in the EU and the fourth largest exporter of fresh fruit. Total export value amounted to €812 million and 874 thousand tonnes in 2005. From 2001 to 2005, export value of vegetables increased by 16% and volume by 8%. The major export products are tomatoes, cauliflower and broccoli, together accounting for 50% of export value in 2005. The main destination of the exported vegetables is Germany (30% of total export value), followed by the United Kingdom (15%), Italy (12%) and Spain (11%).

Opportunities and threats
France has a large consumer market for fresh fruit and vegetables. The consumption of exotic fruit is high compared to other EU countries. Most bananas and pineapples are imported directly from developing countries, in particular from former French colonies such as Côte d'Ivoire. A part is imported from Belgium. Minor exotics and other fruit and vegetables such as artichoke, avocado, dates, lychees, and many others have a ready market in France. Such products provide interesting opportunities. France's importance as a re-exporter of exotics is growing.

Useful sources
- EU Expanding Exports Helpdesk - http://export-help.cec.eu.int/
- Eurostat – official statistical office of the EU - http://epp.eurostat.cec.eu.int

3. Trade structure

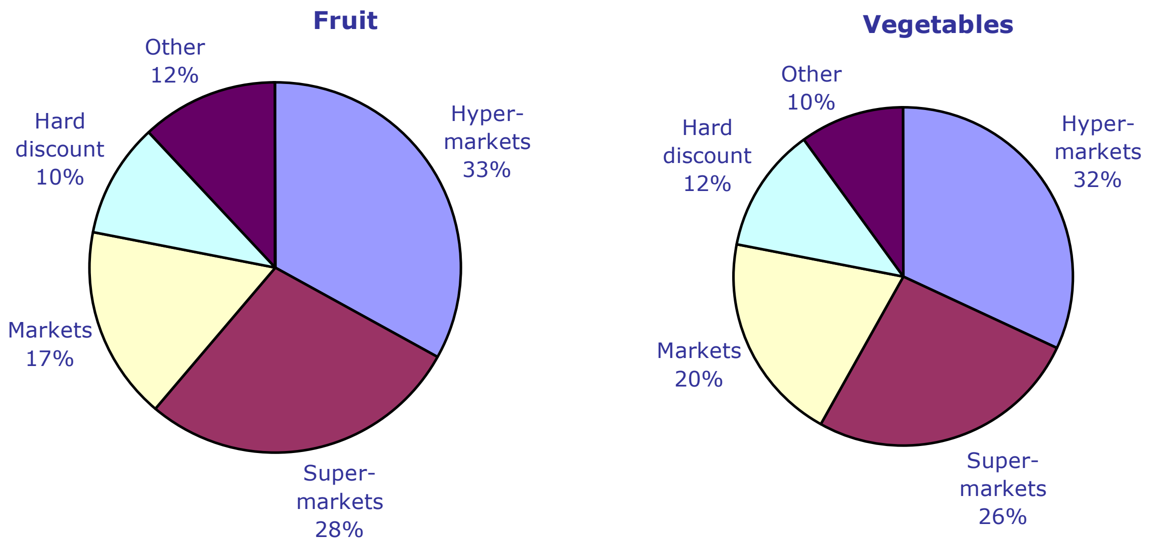
Trade channels
France has a highly developed distribution system for fresh fruit and vegetables. Imports from developing countries usually enter France through the port of Le Havre, the Belgian port of Antwerp and the Dutch port of Rotterdam. Imports from the Mediterranean and African countries may also come in through the southern port of Marseilles. Rungis is the largest wholesale market in France and one of the largest in Europe. It is located about 12 km south

of Paris. At this wholesale market, both French and imported produce is traded. Other large wholesale markets are located at Lyon, Marseilles, Nice, Bordeaux, Nantes and Lille. Importers and agents are the major trading partners for exporters in developing countries.

Retail trade
There are two types of retail outlets in France: large outlets located outside of the city centres and small shops located in the city centres. The large outlets such as hypermarkets and supermarkets account for a large share of total French retail sales. These outlets offer a large assortment of food and non-food products. Multiple retailers (hypermarkets, supermarkets and discount stores) account for 70% of both total fruit and total vegetables sales in 2004 (Figure 3.1). The share of hard discount stores, currently at 10% for fruit and 12% for vegetables, is rising rapidly. The market share of hypermarkets is also growing but more slowly than the hard discounters. The growth of the large retailers is at the expense of "superettes" (small neighbourhood supermarkets).

The largest retailers in France are:
- Carrefour, http://www.carrefour.fr
- Casino Group, http://www.groupe-casino.fr
- Intermarché, http://www.intermarche.com
- E.Leclerc, http://www.e-leclerc.com
- Delhaize Group, http://www.delhaizegroup.com

Figure 3.1 Retail distribution of fresh fruit and vegetables in France, 2004, % of volume.



Source: Ctifl / Secodip, 2005

Trends
As in many European countries, hard discount stores experience a strong growth in sales of food products because French consumers are becoming more price-conscious. Fruit and vegetables are part of the core product assortment of these stores. Although the French food culture is well developed, the modern busy lifestyle leaves less time for preparing meals, resulting in an increased demand for convenience food products.

For more information on trade structure, see the CBI market survey *The fresh fruit and vegetables market in the EU*, which can be downloaded from http://www.cbi.nl/marketinfo.

4. Prices

From 2001 to 2005, the average import price of fruit decreased by 3.6% to €0.77 per kg. The average price of imports from developing countries increased by 13%, to €0.95 per kg.

The average price of bananas imported from developing countries in 2005 was €0.64 per kg, close to the EU average of €0.65. From 2003 to 2005, the average import price of bananas increased by 24%. Mangos, guavas and mangosteens imported from developing countries increased in price by 22% to €2.30. The average import prices from developing countries decreased for: pineapples -6%, €0.78; dates -5%, €1.40; strawberries -13%, €2.04; and avocados -16%, €1.32.

From 2001 to 2005, the average price of vegetables imported from all countries increased by 15%. The price of vegetables imported from developing countries was €1.04 per kg in 2005.

The average price of tomatoes imported from developing countries grew by 16% to €0.78 per kg. The import price of beans increased by 9% to €1.84. Products with a decreasing price were: garlic -3%, €1.04; and sweet peppers -7%, €0.84.

Importers and agents can give up-to-date information on the price levels of individual products.

Useful resources
- CIRAD, Observatoire des marchés. http://passionfruit.cirad.fr.
- Interfel - The French association publishes an annual balance of the French fruit and vegetables trade. This publication includes an extensive section giving prices. http://www.interfel.fr.
- SNM (Services des Nouvelles des Marchés). http://www.snm.agriculture.gouv.fr.

5. Market access requirements

As a manufacturer in a developing country preparing to access France, you should be aware of the market access requirements of your trading partners and the French government. Requirements are defined through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns

Legislative requirements

National legislation in EU countries is compulsory for all products traded within the country concerned. Therefore, as an exporter in a developing country you have to comply with the legislative requirements that are applicable to your products. For information on legislation for fresh fruit and vegetables go to the CBI website at http://www.cbi.nl/marketinfo, select your market sector and the EU country of your interest in the category search, click on the search button and click on legislative requirements for an overview of all documents on legislation in your country of interest

Non-legislative requirements

Social, environmental and quality related market requirements are of growing importance in international trade and are often defined by European buyers through labels, codes of conduct and management systems. For information on non-legislative requirements applicable to fresh fruit and vegetables, go to the CBI website at http://www.cbi.nl/marketinfo, select your market sector and the EU country of your interest in the category search, click on the search button and click on your subject of interest under non-legislative requirements for an overview of all documents on the subject concerned in your country of interest.

Packaging, marking and labelling
Requirements for packaging and labelling are subject to the EU marketing standards of fresh fruit and vegetables. You can download information on these requirements for the CBI website. Go to http://www.cbi.nl/marketinfo.

Tariffs and quota
Access for fruit and vegetables to the European market is regulated through EU Regulation EC 2200/96, on the common organization of the market in fruit and vegetables. This regulation states, among other things, the arrangements regarding trade with third countries. For many fresh fruits and vegetables an import duty has to be paid. For some product, also an entry price or tariff quota may be applied. Countries that are part of the Generalised System of Preferences (GSP) of the EU can make use of the preferential duty rates which are substantially lower than the normal rates. More information on the GSP system can be found at the EU Export Helpdesk for Developing Countries, http://export-help.cec.eu.int.

For fresh fruit and vegetables, the reduced value-added tax (VAT) rate of 5.5% is applicable.

6. Business practices

Selecting a suitable trading partner
France has a long history in the international trade of fruits and vegetables. There are numerous importers and wholesalers for fresh fruit and vegetables.

The business environment in the France is professional but the way of doing business can be informal. Punctuality and follow up in agreements are important. French people do not need long introductions to come to business. It would be an advantage to be able to address your trading partner in French. English is often spoken with a certain reluctance or not at all.

For information on selection of suitable trading partners, please refer to http://www.cbi.nl/marketinfo. For general information, go to CBI's publication 'Export Planner', at http://www.cbi.nl/marketinfo.

Coming to terms with your trade partner
For information regarding different payment methods and delivery terms, please refer to CBI's Export Planner, and the CBI market survey covering the EU market for fresh fruit and vegetables 2006. Both documents can be downloaded from the CBI website at http://www.cbi.nl/marketinfo.

Sales promotion
Trade journals are an important information source of up-to-date information on developments in the French fresh produce sector. The most relevant magazine for exporters of fresh fruit and vegetables to France is FLD – http://www.fldhebdo.fr.

7. References

CTIFL. 2005. Consumer survey on sales of fresh fruit and vegetables, consumer panel Sécodip, available at http://www.ctifl.fr.

USDA. 2004. France – Exporter Guide – Annual 2004. USDA Foreign Agricultural Services, GAIN report FR4065.

USDA. 2005. France – Tomatoes and products – Annual 2005. USDA Foreign Agricultural Services, GAIN report FR5043.

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