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France

Fishery Products

Annual

2005

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Report Highlights:
France is a major consumer of seafood products and a net importer of many seafood products. In 2004, the best export opportunities for U.S. seafood were Alaska pollack fillets, surimi base, salmon, lobster, and scallops. In 2004, salmon remained French consumers' preferred fish. U.S. salmon exports to France in 2004 were favored by the U.S. dollar/euro exchange rate and a French media campaign against farm-raised European salmon. The U.S. market share of groundfish fillet products increased from 7 percent to 9 percent in 2004 and the potential for continued growth remains positive. The United States was France's largest supplier of live lobster in 2004 ahead of Canadian lobster. The United States has become a major supplier of scallops to France and this trend continues in 2005. France is the largest market for surimi in Europe and the United States is France's leading supplier of surimi base.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Paris [FR1]
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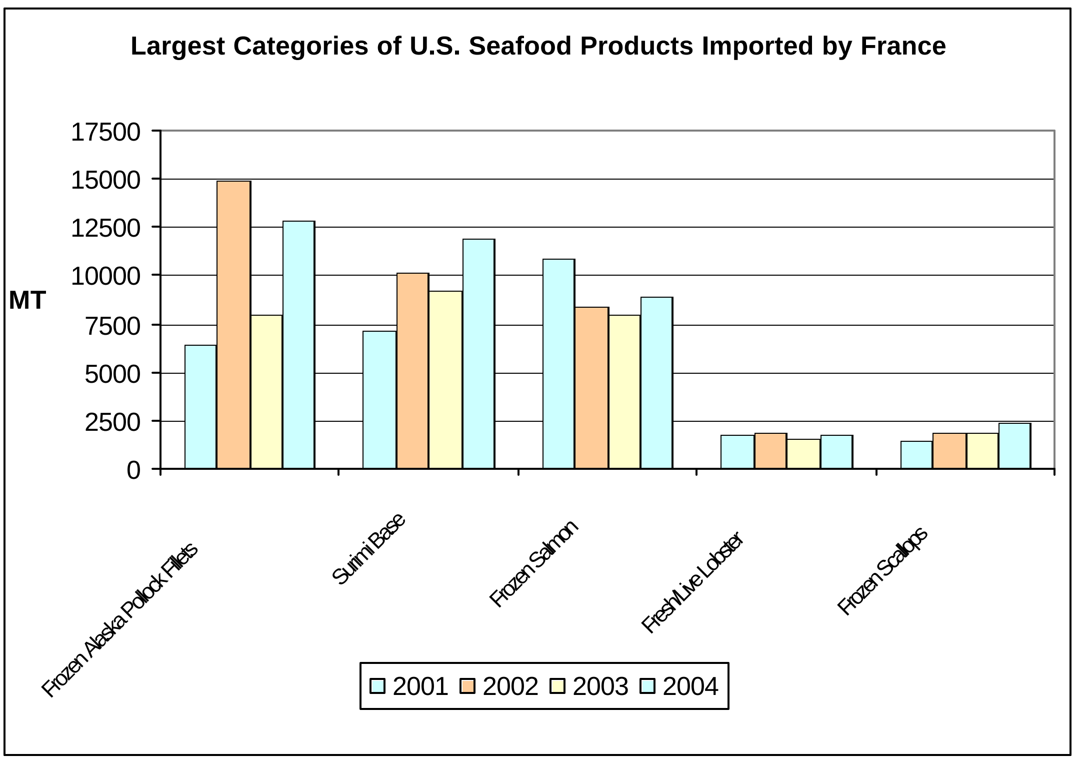
Executive Summary

France is a major consumer of seafood products and a net importer of many seafood products. In 2004, the best export opportunities for U.S. seafood were Alaska pollack fillets, surimi base, salmon, lobster, and scallops. In 2004, salmon remained French consumers' preferred fish. U.S. salmon exports to France in 2004 were favored by the U.S. dollar/euro exchange rate and a French media campaign against farm-raised European salmon. The U.S. market share of groundfish fillet products increased from 7 percent to 9 percent in 2004 and the potential for continued growth remains positive. The United States was France's largest supplier of live lobster in 2004 ahead of Canadian lobster. The United States has become a major supplier of scallops to France and this trend continues in 2005. France is the largest market for surimi in Europe and the United States is France's leading supplier of surimi base.

Situation and Outlook

France is a major import market for seafood because its domestic production is significantly lower than demand. In 2004, France's trade deficit for seafood products was 604,050 MT valued at 2.125 million euros. This figure is a 14 percent from 2003 in quantity but stable in value. The United States, with a 4 percent market share was France's third largest supplier after the European Union and Madagascar.

The primary U.S seafood exports to France in 2004 (by quantity) were frozen fillets of Alaska Pollack, surimi base, frozen salmon, lobster and scallops.



The United States has supplied frozen fillets of Alaska Pollack since 2001 in direct competition with China and Russia. In 2004, direct imports of frozen Alaska pollack from the United States represented 31 percent of the French market. Interestingly, a significant part of shipments from China (36 market share) consisted of Alaska pollack caught in the United

States, exported to China for cutting, and re-exported to France. In 2005, with the recent reduction of Total Authorized Catch (TAC) set by the EU authorities in 2005 for pollack (22 percent decline from 2004), the potential for increased market share for U.S. Pollack is very positive.

France is the largest European market for surimi base for further processing. The French market for surimi continued to expand in 2004 but less rapidly than the previous year's annual expansion of 10 percent on average. This slowing down in the expansion of the French surimi market resulted from increased sales by hard discounters. The United States is France's largest supplier of surimi base, with 65 percent market share in 2004. U.S. surimi base principally competes in the French market with Chilean products. In addition, France has imported increasing quantities of processed surimi products from Lithuania since 2001. That country now has 66 percent of the French market, due to the development of the industrial surimi processor, Viciunai.

France is the largest market for salmon in Europe, and with 13 percent market share, it is the French consumers' favorite finfish specie. In France, Alaska salmon (8 percent in 2004) competes with Norwegian (42 percent), Scottish (23 percent) and Irish salmon (8 percent). Price and seasonality of supply are drawbacks of Alaska salmon compared to farm-raised European salmon. However, the French media campaign against farm-raised fish benefited imports of U.S. salmon in 2004.

The United States is, by far, France's largest supplier of lobster, and more specifically live lobster. Canadian lobster is the strongest competitor to U.S. lobster on the French market, although most of Canadian products are imported frozen into France. In 2004, the market share for U.S. products on the French market was 24 percent, ahead of Canadian lobster (19 percent).

The French market for scallops is growing, and the United States is now a major supplier to France, with 11 percent market share in 2004. During the first half of 2005, U.S. scallop imports increased from the same period in 2004. U.S. products compete principally against products from Argentina and Chile on the French market.

Acronyms used in this report are the following:
ADISUR: French surimi organization
GIRA Food Service: Food service survey agency
MinAg: French Ministry of Agriculture, Food, Fisheries and Rural Affairs
OFIMER: French seafood board
SECODIP: Consumer survey agency

Section I: Total Fishery Product

Production

The most complete data available on French seafood and aquaculture production from the French Ministry of Agriculture and Fisheries (MinAg) and the French Seafood board (OFIMER) is for 2003. It includes the following:

	2002		2003	
	Quantity (MT)	Value (million Euros)	Quantity (MT)	Value (million Euros)
Fresh Wild Catch Sold at Auction Markets	296,774	698	292,862	706
Fresh Wild Catch not Sold at Auction Markets	97,175	240	94,828	261
Aquaculture	250,378	512	246,919	542
Frozen Wild Catch	224,411	182	239,788	177
TOTAL	868,738	1,632	874,397	1,686

Sources: OFIMER, MinAg

To date, only sales at auction markets are available for 2004. They included the following:

	2003			2004		
	Quantity (MT)	Value (million Euros)	Average Price (Euro per kg)	Quantity (MT)	Value (million Euros)	Average Price (Euro per kg)
Finfish	207,585	517	2.49	187,782	503	2.68
Crustaceans	10,847	68	6.27	9,771	62	6.37
Shellfish	32,483	58	1.79	29,106	54	1.86
Cephalopods	25,726	71	2.76	26,484	72	2,71

Source: OFIMER

During the first half of 2005, 110,050 MT of seafood, valued at 320 million euros, were sold at French auction markets. This corresponds to a 10% decline in quantity and 5% decline in value from the first half of 2004.

Canned Fishery Products

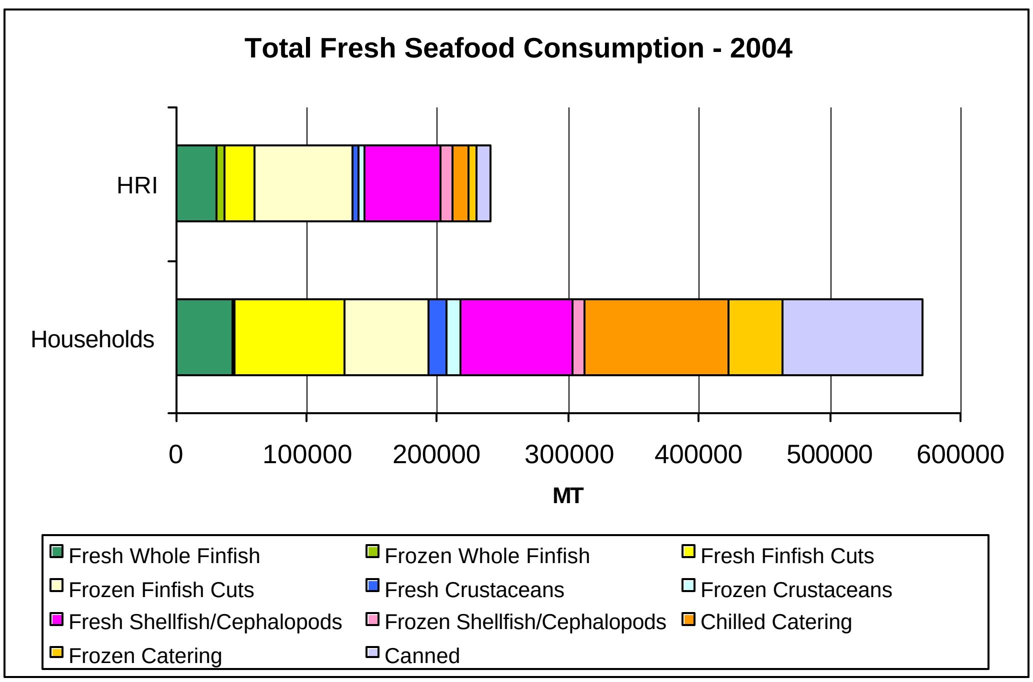
France is a major producer of canned fishery products. As indicated in the following table, the major species canned in France are tuna, sardines and mackerel.

	2002		2003	
	Raw material used (whole fish equivalent, MT)	Processed Products (net weight, MT)	Raw material used (whole fish equivalent, MT)	Processed Products (net weight, MT)
Sardines	18,774	9,956	17,417	8,782
Tuna	39,960	43,005	43,277	46,272
Mackerel	33,885	21,305	26,584	16,283
Salmon/Trout	702	223	727	302
Other (incl. Herring, shellfish and other)	6,241	9,187	4,187	9,164
Total	98,860	83,453	91,465	80,501

Source: FIAC (French Federation for the Canning Industry)
http://www.adepale.org

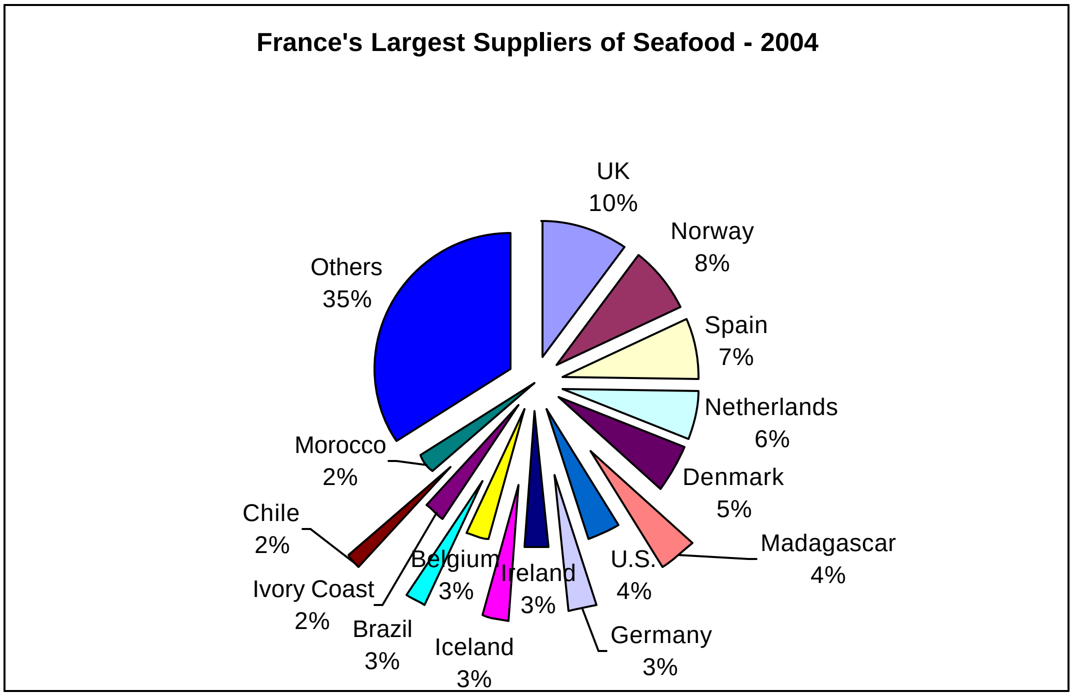
Consumption

According to OFIMER, SECODIP and GIRA, French seafood consumption totaled 813,334 MT in 2004, comprised of 70 percent household consumption and 30 percent consumption at hotels, restaurants and institutions (HRI). The share of the HRI sector has increased significantly in the past few years. In 2004, it totaled 44 percent of frozen purchases, 34 percent of fresh purchases, 10 percent of catering products and 9 percent of purchases of canned products.

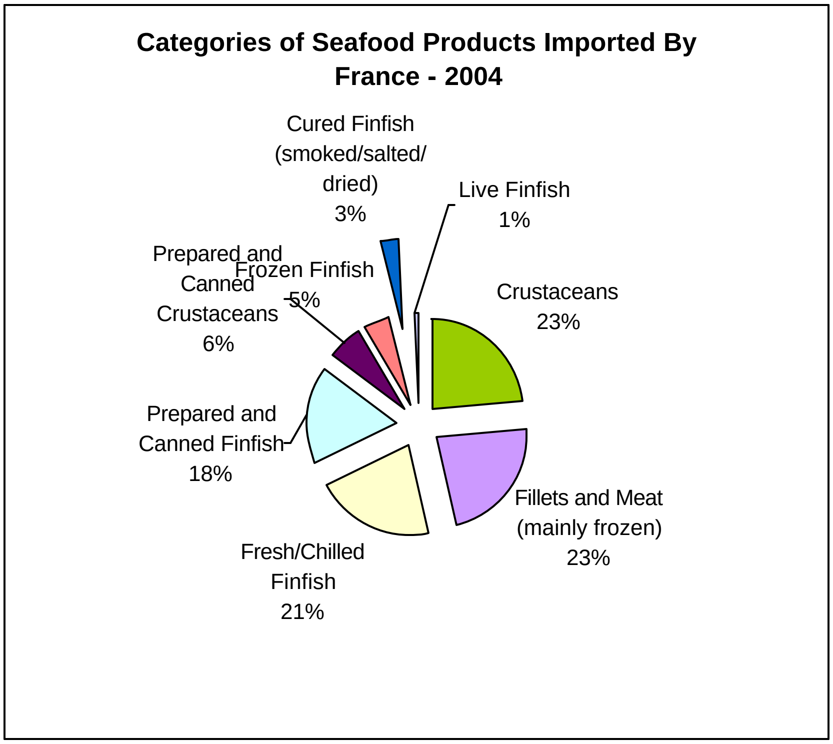


Trade

According to French Customs, France has a trade deficit for fishery products of 604,050 MT or 2,1 billion euros in 2004, up 14 percent in quantity and stable in value from 2003. In 2004, the United States was France's third leading supplier of fishery products, in value, after the European Union and Madagascar.



The largest categories of seafood products imported by France were the following in 2004:



Marketing

Trade Shows

- European Seafood Exposition, Brussels

The European Seafood Exposition is the leading seafood show in Europe. It takes place every year in Brussels, Belgium. The next ESE will take place on May 9-11, 2006. Information to participate is located at: http://www.euroseafood.com

FAS/Paris promotes seafood products in France through trade shows and marketing activities. The best way for a U.S. company to penetrate the French market is to participate in trade shows. FAS/Paris recommends the following trade shows which are USDA-endorsed and where U.S. companies participating in USDA's Market Access Program (MAP) can be reimbursed up to 50 percent of their expenses if they join the U.S. Pavilion.

- SIAL (International Food Show), France

The International Food Show (SIAL) takes place every other year in Paris, France. It is the EU's leading food show along with Germany's ANUGA. In 2004, there were 5,300 exhibitors in total and 135,000 visitors from 98 countries at SIAL. Next SIAL will take place on October 22-26, 2006. Information on SIAL is located at: http://www.sial.fr

SIAL is a USDA-endorsed show with U.S.A. Pavilions. To be part of the USA Pavilion at SIAL, please contact:

IMEX Management, Inc.
505 East Boulevard, Suite 200
Charlotte, NC 28203
Tel: 704 365 0041
Fax: 704 365 8426
Email: sial@imexmgt.com
Contact: François Gros

- SIRHA (International Food Service and Gastronomic Trade Exhibition)

SIRHA is a USDA-endorsed show with a U.S.A. Pavilion, held biennially. SIRHA is the premier international forum for the HRI Food Service Sector. It is also the international meeting place for Chefs and food professionals. SIRHA showcases quality food and food ingredient products as well as foodservice equipment and industry innovation. This show, closely linked to Chicago's National Restaurant Association Trade Show, is also host to the world famous "Bocuse d'Or" and the World Pastry Cup culinary competitions.

In 2005, SIRHA had 1,750 exhibitors, including 10 international pavilions. There were 164,000 visitors from 120 countries and 911 journalists from all over the world. Visitors at SIRHA are hotel/restaurant managers, caterers, wholesalers, distributors and importers from supermarkets and the food service and retail sectors.

To participate at SIRHA on January 20-27 2007, please contact:

Maria Nemeth-Ek/Sharon Cook
Trade Show Office

USDA - FAS
1400 Independence Ave., SW - Stop 1052
Room 4939 - South Building
Washington, D.C. 20250-1052
Tel: (202) 720 3623
Fax: (202) 690 4374
Email: nemeth@usda.gov
sharon.cook@usda.gov

or:

SEPELCOM
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Avenue Louise Bleriot - BP 87
69683 Chassieu Cedex
Tel: (33-4) 72 22 3241
Fax: (33-4) 72 22 3218
Email: mofondeur@sepelcom.com
Internet: http://www.sirha.com/

U.S. Seafood Cooperators in France

ASMI and Food Export USA, representing seafood of the East Coast, is represented in France by
MARKONSULT
58, rue Pottier
78150 Le Chesnay
Tel: (33-1) 39 23 20 07
Fax: (33-1) 39 23 20 17
NMasson@Alaskaseafood.org

East Coast Seafood France SARL (U.S. lobster)
Dominique Moreau
1, rue de la Corderie
94586 Rungis Cedex
tel: (33-1) 49 78 92 54
fax: (33-1) 46 86 35 74
dmoreau@myseafood.com

FAS/Paris and the State Regional Trade Groups (SUSTA, WUSATA, Food-Export-USA and MIATCO) conduct promotional activities and buyer missions for seafood products in France. For more information on these activities, please visit our website or contact FAS/Paris directly. For additional information on above trade shows and activities, please contact FAS/Paris at: agparis@usda.gov
or visit our website at: http://www.amb-usa.fr/fas/hfas.htm

Marketing Activities

The upcoming marketing activities organized by FAS/Paris in cooperation with U.S. Trade Associations and State Regional Trade Groups to promote seafood products in France are the following:

US Food Service Promotion "Flavors of America" (June 2006): the promotion will entice the French food service trade (hotels/restaurants and institutions) and media to discover U.S. food products, including seafood, under the theme of *Flavors of America.* This is a multi-cooperator project targeting food service trade, brokers, buyers, importers, distributors, cooking schools and chefs from leading restaurants, as well as the specialized food press.

Seafood Initiative Promotion with Auchan Supermarket Stores (July/September 2006): the promotion will aim to educate French consumers about U.S. seafood and to increase sales of fresh and frozen seafood, complementary products, and methods of preparation from all regions of the United States. The operation will be the "engine" for the promotion through Agence MBI (Auchan special promotions Agency).

"Western Regional Cuisine" A Food and Food Service Promotion with Casino and Casino Cafeterias (date to be determined): "Western Cuisine" theme menu/dish promotion with Casino cafeterias in their 230 stores throughout France. The promotion is designed to educate French consumers about Western Regional cuisine, food and flavors. The promotion will be coupled with a retail promotion of products that tie-in to the promotion and will be available for purchase in Casino supermarkets. A variety of products from the West coast of the United States will be offered to Casino, including seafood.

Section II: Salmon

PSD Table						
Country	France					
Commodity	Salmon, Whole/Eviscerated				(MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2003		01/2004		01/2005
Beginning Stocks	31000	31000	31000	31000	31000	31000
Total Production	10	9	0	12	0	12
Intra-EC Imports	92400	45033	0	45185	0	45000
Other Imports	8300	69820	0	70086	0	70000
TOTAL Imports	100700	114853	0	115271	0	115000
TOTAL SUPPLY	131710	145862	31000	146283	31000	146012
Intra-EC Exports	5500	10002	0	11441	0	10500
Other Exports	500	479	0	527	0	500
TOTAL Exports	6000	10481	0	11968	0	11000
Domestic Consumption	90710	100381	0	99315	0	100012
Other Use/Loss	4000	4000	0	4000	0	4000
TOTAL Utilization	94710	104381	0	103315	0	104012
Ending Stocks	31000	31000	31000	31000	0	31000
TOTAL DISTRIBUTION	131710	145862	31000	146283	0	146012

Sources: French MinAg, French Customs, OFIMER/SECODIP

Production

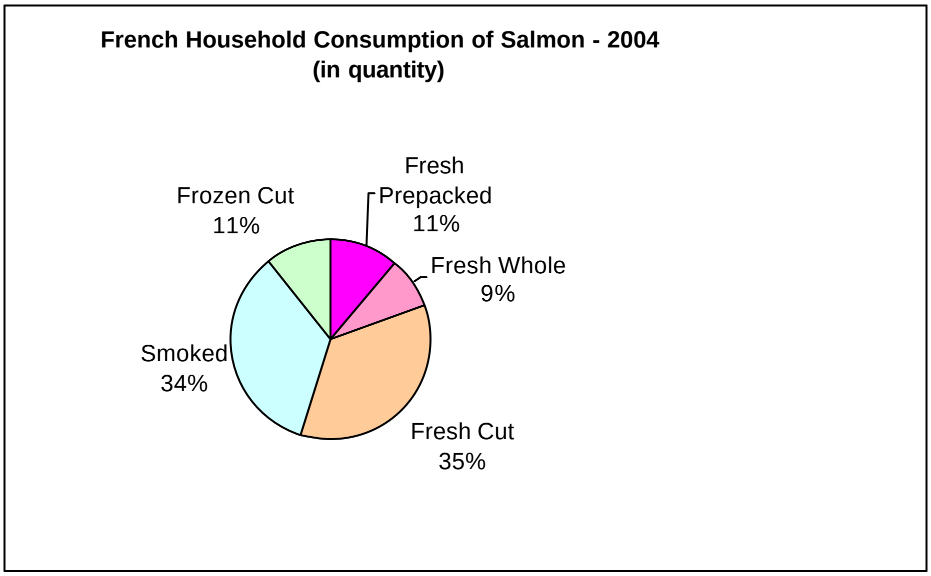
Salmon production remains marginal in France. According to the French MinAg, domestic salmon production increased from 9 MT valued at 205,000 euros in 2003 to 12 MT valued at 228,000 euros in 2004.

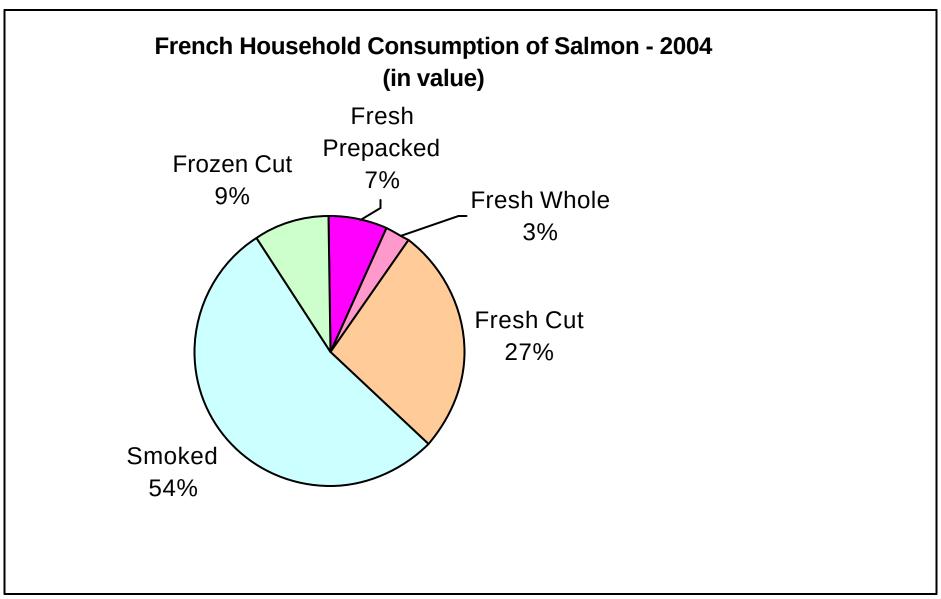
Consumption

France is the largest European market for salmon, and it is a mature market for salmon. Salmon is French consumers' preferred specie comprising 13 percent of finfish consumption in value in 2004.

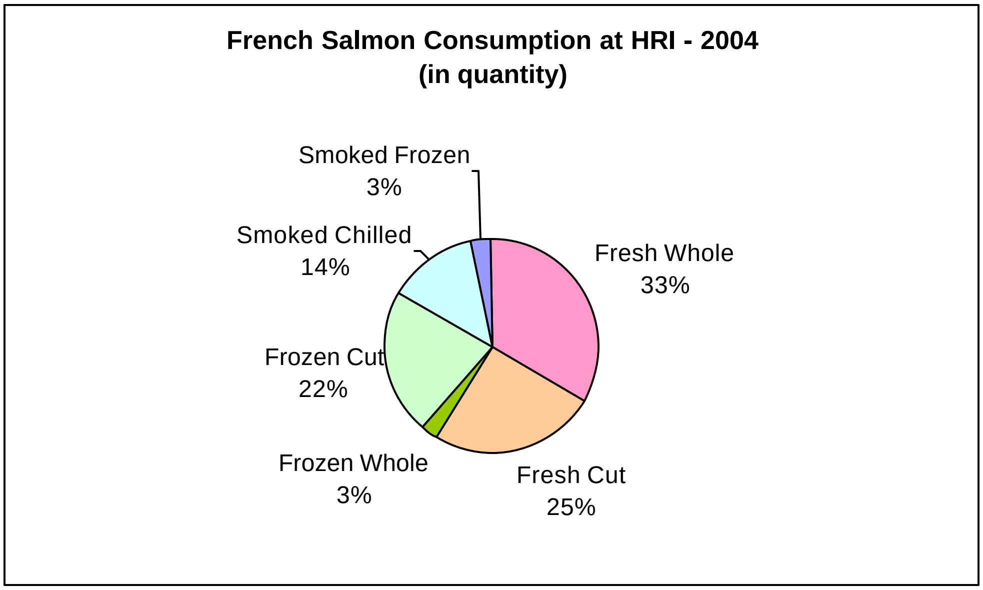
In 2004, French household consumption of salmon products declined by 20 percent from 2003. This was the result of French consumers reaction to wide reporting from the French media in early 2004 on farm-raised salmon presenting a risk of cancer to consumers (see FR4061 for further information). Interestingly, whole salmon sales declined more (30 percent) than cuts (15 percent). In fact, sales of smoked salmon increased (6 percent). In French consumers' minds, the image of the whole fish was hurt, but not that of the food product, especially as a processed product.

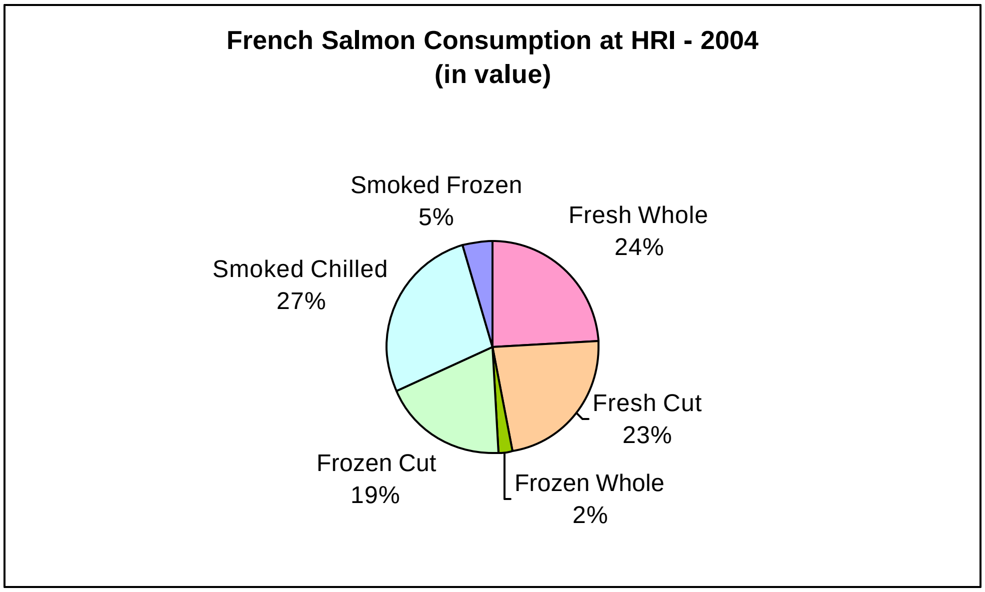
In 2004, OFIMER and SECODIP estimated that French household consumption of salmon was 41,000 MT, for a value of 565.8 million euros. As indicated in the graphs below, more half (54 percent), by value, of the salmon consumed by French households was in the form of smoked salmon.





In the HRI sector, French consumption of salmon was 27,150 MT in 2004, valued at 207.4 million euros.





Trade

Import Trade Matrix			
Country	France		
Commodity	Salmon, Whole/Eviscerated		
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		**2004**
U.S.	8016	U.S.	8877
Others		Others	

Norway	50404	Norway	47982
UK	29530	UK	26450
Ireland	6318	Ireland	8978
Denmark	5833	Denmark	6213
Chile	4373	Chile	5435
Faroe	3895	Faroe	3318
China	1691	China	2258
		Sweden	1186
Total for Others	102044		101820
Others not Listed	4793		4574
Grand Total	114853		115271

Source: French Customs

The above trade matrix reflects that the decline in consumption resulted in reduced imports of salmon products in 2004. More specifically, shipments from Norway and the United Kingdom (mainly Scotland) were negatively affected by the French media campaign against farm-raised salmon in early 2004.

French consumers seemed to have been reassured by the guarantees of quality offered by producer groups in countries where salmon is not farm-raised, including the United States. U.S. exports of salmon to France consisted of whole pacific salmon (75 percent in 2004), fillets (22 percent) and Sokeye (3 percent). French imports from the United States increased in 2004 as a result of the weak dollar relative to the euro. In the first half of 2005, however, U.S. exports to France lost market shares to Chilean products. The market share for U.S. salmon in the French market decreased from 5.3 percent in January-June 2004 to 3.3 percent in January-June 2005.

French imports of salmon from Ireland also increased, as a significant share of Irish salmon is sold under the French organic (AB) and high quality (Label Rouge) logos. Finally, shipments of Scottish salmon to France under the “Label Rouge” quality logo increased from 5,600 MT in 2003 to 6,800 MT in 2004.

Policy

Due to pressure from the Scottish salmon industry, the European Commission in 2005 adopted several anti-dumping measures to protect the EU market against low priced farm-raised Norwegian salmon products. First, in February, the EU Commission fixed minimum import prices and tariff quotas. French importers and processors of salmon negatively reacted to these measures, which would have significantly reduced their margins. Second, in April, the EU Council of Ministers replaced the February decision with a 16 percent tariff on Norwegian farm-raised salmon. Finally, in June 2005, the European Union and Norway reached a compromise replacing the 16 percent tariff with a minimum import price reflecting Norwegian production costs.

Section III: Groundfish Fillets

PSD Table						
Country	France					
Commodity	Groundfish, Fillets				(MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2003		01/2004		01/2005
Beginning Stocks	1000	1000	1000	1000	1000	1000
Total Production	33000	35800	0	31100	0	32000
Intra-EC Imports	85000	51229	0	50950	0	0
Other Imports	82000	118832	0	136082	0	0
TOTAL Imports	167000	170061	0	187032	0	0
TOTAL SUPPLY	201000	206861	1000	219132	1000	33000
Intra-EC Exports	12000	12933	0	17389	0	0
Other Exports	1000	959	0	1182	0	0
TOTAL Exports	13000	13892	0	18571	0	0
Domestic Consumption	186000	190969	0	198561	0	0
Other Use/Loss	1000	1000	0	1000	0	0
TOTAL Utilization	187000	191969	0	199561	0	0
Ending Stocks	1000	1000	1000	1000	0	0
TOTAL DISTRIBUTION	201000	206861	1000	219132	0	0

Sources: French MinAg, French Customs

Production

According to the French Ministry of Agriculture, Food, Fisheries and Rural Affairs, French boats caught the following quantities of groundfish in 2003 and 2004:

	2003 (revised)		2004 (preliminary)	
	Quantities Produced (MT)	Sales Value (1,000 Euros)	Quantities Produced (MT)	Sales Value (1,000 Euros)
Cod	11,049	28,421	7,395	18,231

Haddock	7,879	8,629	7,450	9,377
Pollack	23,536	19,110	17,855	15,039
Whiting	33,795	29,995	33,135	27,960
Hake	13,299	48,763	12,025	47,415
TOTAL	89,558	134,918	77,860	118,022

Consumption

French Household Consumption:

Fresh Finfish:

According to SECODIP and OFIMER, French household consumption of fresh finfish declined by 2 percent in quantity to 127,300 MT in 2004 (a 3 percent decline in value to 1.3 billion euros). In 2004, cod, pollack, whiting and hake accounted for 12, 6, 6 and 3 percent of French household consumption of finfish, in value. Cuts and fillets represented 65 percent of the market in volume and 71 percent in value, ahead of whole finfish. In 2004, supermarket sales accounted for 74 percent of total sales in quantity (up from 72 percent in 2003) and 70 percent in value (up from 68 percent).

Frozen Finfish:

In 2004, French household consumption of frozen finfish included 40,873 MT (up 5 percent) of finfish cuts, 22,754 MT (up 2 percent) of breaded finfish, and 2,383 MT of whole finfish (down 14 percent). Purchases of Alaska Pollack increased significantly (13 percent), and purchases of hake increased to a lower extent (2 percent), while sales of cod declined by 6 percent.

HRI Consumption

According to GIRA Foodservice and SECODIP, French groundfish consumption in the HRI sector in 2004 included the following:

- 38,047 MT (192.8 million euros) of frozen white fish,
- 14,145 MT (52.9 million euros) of frozen breaded fish,
- 7,131 MT (49.4 million euros) of frozen groundfish cuts,
- 6,223 MT (57.2 million euros) of whole fresh groundfish,
- 2,946 MT (20.8 million euros) of whole frozen groundfish,
- 560 MT (3 million euros) of fresh breaded groundfish,

Trade

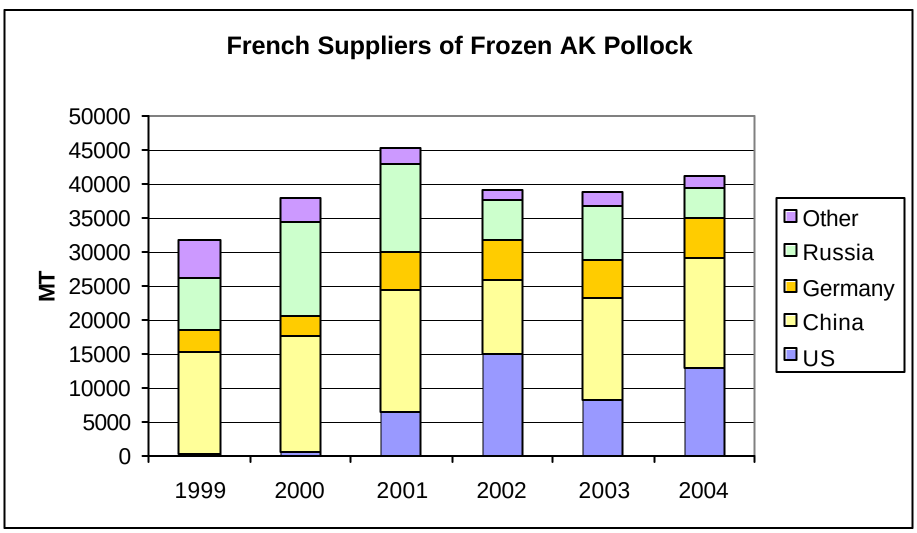
In 2004, the decline in domestic production of groundfish fillets resulted in higher imports (10 percent increase). The market share of U.S. products increased from 7 percent in 2003 to 9 percent in 2004 on the French market for groundfish fillets.

Import Trade Matrix			

Country	France		
Commodity	Groundfish, Fillets		
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		**2004**
U.S.	12018	U.S.	16745
Others		Others	
China	19956	China	21859
Iceland	13137	Norway	16940
Germany	11584	Iceland	13391
Norway	11467	Germany	11437
Russia	9975	Chile	9766
Chile	9417	Faroe Islands	9244
UK	8806	Netherlands	8783
Denmark	8100	UK	8100
New Zealand	6686	Denmark	7706
Spain	6275	Argentina	7433
Total for Others	105403		114659
Others not Listed	52640		55628
Grand Total	170061		187032

Source: French Customs

The bulk (98 percent in 2004) of groundfish fillets exported by the United States to France consist of frozen Alaska pollack. As illustrated in the graph below, the United States has been a major supplier of frozen fillets of Alaska pollack to France in 2001 and has improved its market share to 31 percent in 2004 despite competition from China and Russia. A significant part of Chinese pollack exports to France consists of Alaskan origin products exported to China for processing then and re-exported to France.



In 2005, with the recent reduction of Total Authorized Catch (TAC) set by the EU authorities in 2005 for pollack (22 percent decline from 2004), the potential for increased market share for U.S. pollack is very positive.

During the first half of 2005, U.S. exports of Alaska Pollack to France increased by 6 percent to 6,630 MT and Chinese imports fell by 16 percent to 6,890 MT. With total French imports of Alaska pollack fillets declining to 18,311 MT, U.S. market share is at 36 percent in the first half of 2005.

Section IV: Lobster

PSD Table						
Country	France					
Commodity	Lobster				(MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2003		01/2004		01/2005
Beginning Stocks	100	100	100	100	0	100
Total Production	405	391	0	327	0	350
Intra-EC Imports	2900	1785	0	1966	0	1900
Other Imports	5900	6620	0	6386	0	6500
TOTAL Imports	8800	8405	0	8352	0	8400
TOTAL SUPPLY	9305	8896	100	8779	0	8850
Intra-EC Exports	1100	531	0	612	0	600
Other Exports	330	338	0	320	0	330
TOTAL Exports	1430	869	0	932	0	930
Domestic Consumption	7775	7927	0	7747	0	7820
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	7775	7927	0	7747	0	7820
Ending Stocks	100	100	0	100	0	100
TOTAL DISTRIBUTION	9305	8896	0	8779	0	8850

Sources: French MinAg, French Customs

Production

According to the French MinAg, French production of lobster was the following in 2003 and 2004:

	2003 (revised)		2004 (preliminary)	
	Quantities Produced (MT)	Sales Value (1,000 Euros)	Quantities Produced (MT)	Sales Value (1,000 Euros)
Lobster	319	6481	290	5670
Rock	72	2656	37	1439

Lobster				
TOTAL	391	9137	327	7106

Consumption

Lobster is mainly consumed in the food service sector in France, as it is a luxury product not often prepared at home. It is principally consumed in December during the holiday season. Canadian lobster and American lobster compete on the French market. U.S. lobster is mainly imported fresh, while Canadian lobster is principally imported frozen. In 2004, French household consumption of fresh lobster and rock lobster declined by 9 percent to 1,218 MT, for a value of 30 million euros. This principally resulted from the significant increase (18 percent) in shrimp consumption: although less festive, shrimps are significantly less costly to French households.

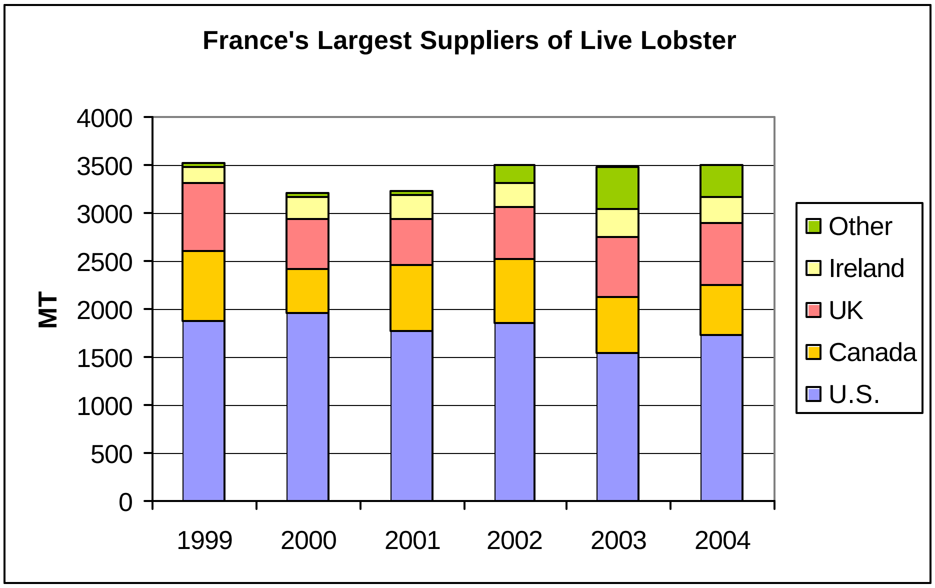
Trade

The United States is France's largest supplier of lobster.

Import Trade Matrix			
Country	France		
Commodity	Lobster		
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		**2004**
U.S.	1779	U.S.	2029
Others		Others	
Canada	1841	Canada	1549
Bahamas	1031	Bahamas	1023
UK	720	UK	814
Cuba	695	Cuba	582
Spain	506	Spain	575
Ireland	361	Ireland	323
Total for Others	5154		4866
Others not Listed	1472		1457
Grand Total	8405		8352

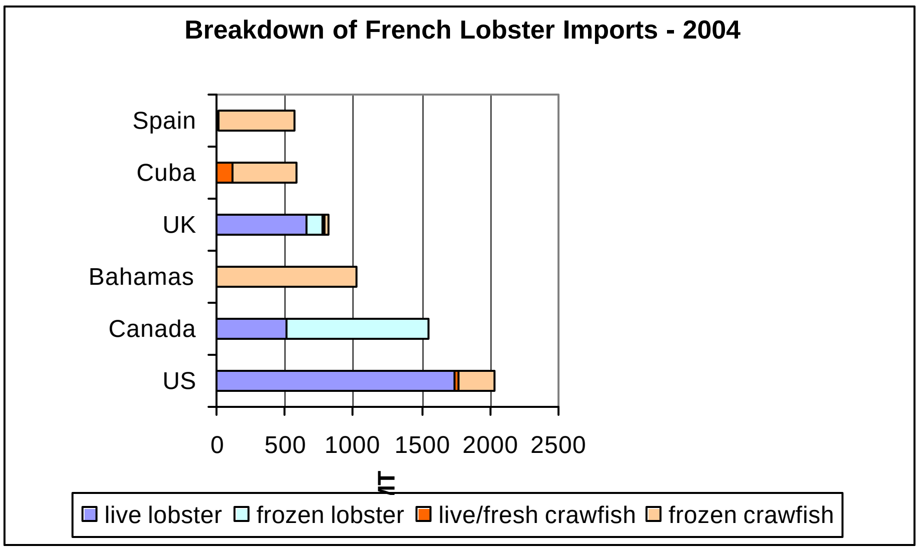
Source: French Customs

Most of U.S. shipments consist of live lobster (86 percent in 2004). The remainder is frozen rock lobster (crawfish). The graph below indicates that French imports of live lobster have been very stable since 1999, with the United States as the number one supplier, competing mainly with products from the UK, Canada and Ireland.



Source: French Customs

The graph below indicates that crawfish represents a large segment of French lobster imports, with the Bahamas, Cuba and Spain as the largest suppliers to France.



Less that 30 percent of annual imports of lobster and crawfish are undertaken during the first half of the year, due to the seasonality of consumption of these products in France. During the first half of 2005, total French imports of lobster and crawfish increased by almost 9 percent to 2,620 MT and imports from the United States increased by 6 percent to 648 MT. Most of this increase resulted from higher shipments of crawfish.

Section V: Scallops

PSD Table						
Country	France					
Commodity	Scallops				(MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2003		01/2004		01/2005
Beginning Stocks	1500	1500	1500	1500	0	1500
Total Production	2300	2790	0	3430	0	3000
Intra-EC Imports	9200	5662	0	5514	0	5500
Other Imports	8200	13695	0	16460	0	17000
TOTAL Imports	17400	19357	0	21974	0	22500
TOTAL SUPPLY	21200	23647	1500	26904	0	27000
Intra-EC Exports	4500	5404	0	4518	0	4500
Other Exports	150	49	0	55	0	50
TOTAL Exports	4650	5453	0	4573	0	4550
Domestic Consumption	15040	16694	0	20831	0	20950
Other Use/Loss	10	0	0	0	0	0
TOTAL Utilization	15050	16694	0	20831	0	20950
Ending Stocks	1500	1500	0	1500	0	1500
TOTAL DISTRIBUTION	21200	23647	0	26904	0	27000

Sources: French Customs, French MinAg

Production

According to the MinAg, French production of scallops increased by 23 percent to 23,337 MT in 2004, in-shell. This resulted from the higher availability of scallops in the zones of catch, i.e., Normandy and Brittany waters. French scallop production was the following in 2003 and 2004:

Scallops	2003		2004	
	Quantities Produced (MT)	Sales Value (1,000 Euros)	Quantities Produced (MT)	Sales Value (1,000 Euros)
in-shell	18,992	52,154	23,337	54,832

scallops				
shelled equivalent	2,793		3,432	

Note: the conversion factor used to convert in-shell scallop production into shelled scallop production is 6.8. The shelled-equivalent production data was used in the PS&D table, so that all data in the PS&D table are on shelled basis.

French scallop prices were negatively affected by the discovery of Amnesic Shellfish Poison (ASP) in the waters of Normandy during the fishing season (winter 2004/05). Consequently, scallop catch was forbidden by French authorities in the infected areas.

Consumption

France is the largest market for scallops in Europe. Although scallops are traditionally a festive product principally consumed in December, the increasing availability of frozen products on the French market makes scallop consumption more regular throughout the year. The market is segmented into small grade outlets, grade products for processing, frozen products with or without roe for food service, the retail sector (mainly supermarkets and freezer centers), and fresh products for restaurants and vendors at open street markets or specialized seafood shops.

In 2004, French consumption of scallops included the following:

- Household consumption: 5,693 MT of in-shell products (2 percent more than in 2003) for a value of 41 million euros, and 1,762 MT shelled scallops products (22 percent increase) for a value of 34 million euros;
- HRI consumption: 1,443 MT of fresh products, for a value of 21.6 million euros, and 1,338 MT of frozen products, for a value of 19.3 million euros.

Trade

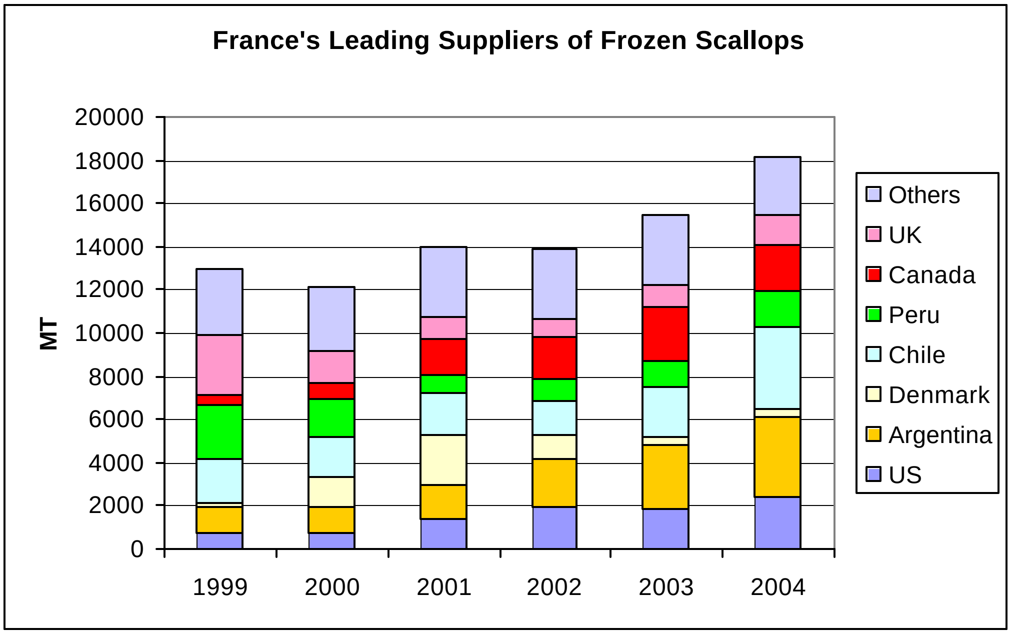
France is a net importer of scallops, as domestic production is significantly lower than consumption. Most U.S. scallops shipped to France consist of frozen products (86 percent in 2004), but the share of fresh/chilled scallops has been growing in the past few years.

Import Trade Matrix			
Country	France		
Commodity	Scallops		
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		**2004**
U.S.	1956	U.S.	2774
Others		Others	
UK	4308	UK	4378
Argentina	3008	Chile	3987
Canada	2512	Argentina	3683
Chile	2412	Canada	2163
Peru	1141	Peru	1596
Total for Others	13381		15807

Others not Listed	4070		3393
Grand Total	19407		21974

Source: French Customs

As indicated in the graph below, French imports of frozen scallops have gradually increased in the past few years, as has the market share for U.S. products (from 6 percent in 1999 to 13 percent in 2004).



U.S. scallops compete with Peruvian, Chilean, Argentine and Canadian products on the French market.

During the first half of 2005, U.S. exports of scallops to France jumped to 1,740 MT from 730 MT during the same period in 2004. At the same time, shipments from Peru also jumped to similar levels. Increased imports from the United States and Peru offset the decline in shipments from Chile and Argentina. Also, total French imports of scallops increased by 11 percent to 11,800 MT. This increase is due to reduced domestic production and increased consumption.

Section VI: Surimi

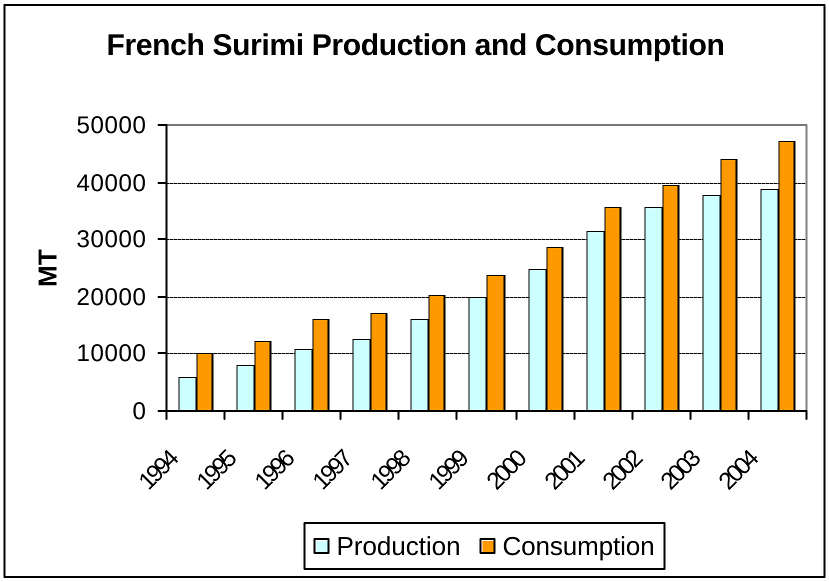
PSD Table						
Country	France					
Commodity	Surimi				(MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year Begin		01/2003		01/2004		01/2005
Beginning Stocks	0	0	0	0	0	0
Total Production	0	2500	0	2500	0	2500
Intra-EC Imports	0	141	0	175	0	180
Other Imports	0	14889	0	18030	0	20000
TOTAL Imports	0	15030	0	18205	0	20180
TOTAL SUPPLY	0	17530	0	20705	0	22680
Intra-EC Exports	0	236	0	537	0	550
Other Exports	0	4	0	48	0	50
TOTAL Exports	0	240	0	585	0	600
Domestic Consumption	0	0	0	0	0	0
Other Use/Loss	0	17290	0	20120	0	22080
TOTAL Utilization	0	17290	0	20120	0	22080
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	17530	0	20705	0	22680

Source: French Customs

Production

French surimi base production is limited to one company, Comapeche, based in Brittany. The annual production capacity is 2,500 to 3,000 MT of surimi base, processed from blue whiting. The processing subsidiary of Comapeche, Comaboko, has an annual processing capacity of 10,000 MT of processed surimi products, prepared with domestically-produced surimi base and imported Alaska pollack. A large share of Comaboko products is sold fresh under supermarket brands and a minor share is sold frozen to freezer centers.

In 2004, French production of processed surimi products continued to increase to 38,900 MT (a 3 percent increase from 2003), triggered by rising consumption, which reached 47,100 MT (7 percent increase).

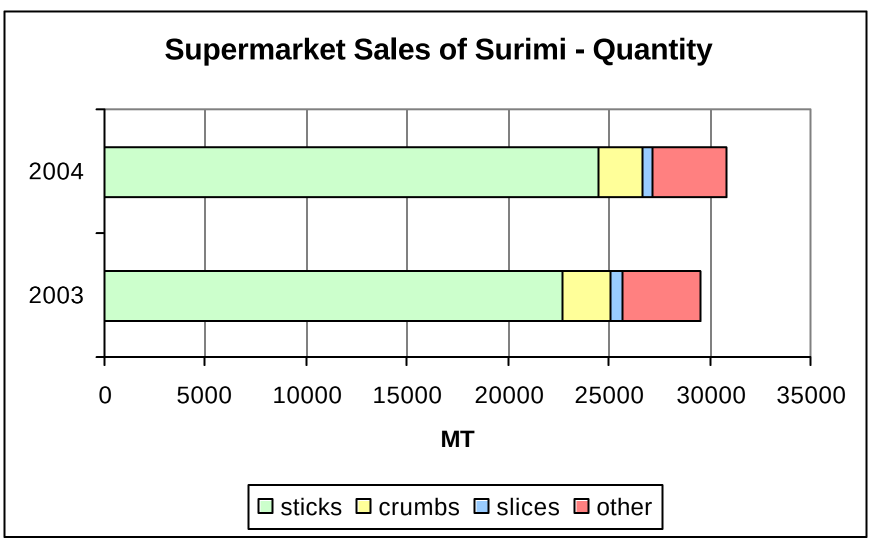


Source: Association for the Development of the Surimi Industry (ADISUR)

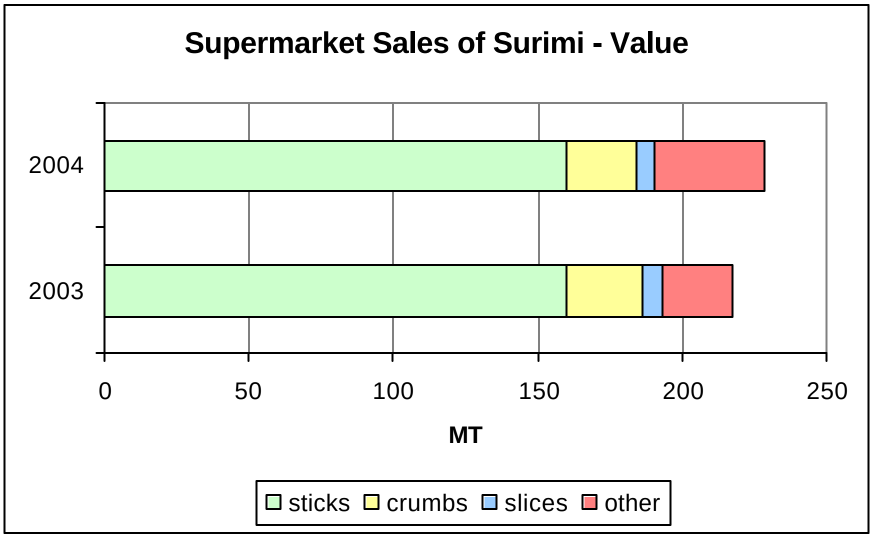
Consumption

In 2004, French surimi consumption included 30,747 MT for French households (valued at 215 million euros), and 2,186 MT for HRI consumption. According to GIRA Foodservice and OFIMER, HRI consumption of surimi included 1,280 MT chilled surimi (9.9 million euros) and 906 MT frozen surimi (5 million euros).

French surimi consumption, by volume, continued to grow in 2004 but at a slower pace than in previous years. The value of surimi sales declined in 2004. In 2004, supermarket sales of surimi increased by 4 percent in volume but declined by 3 percent in value in 2004 (see graphs below).



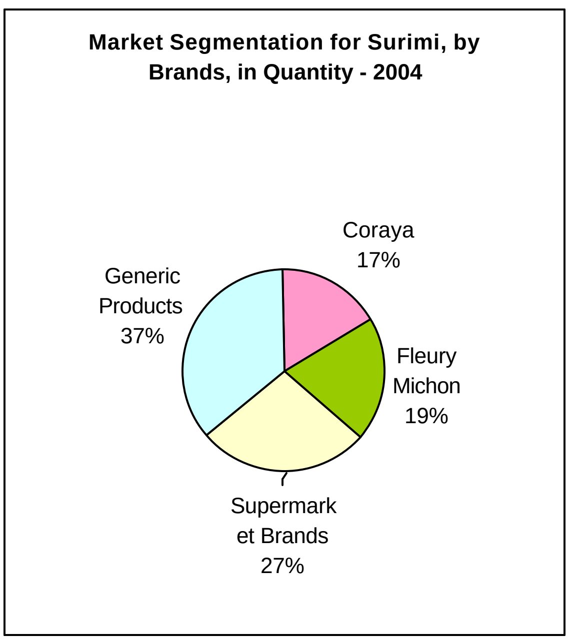
Sources: OFIMER/Nielsen

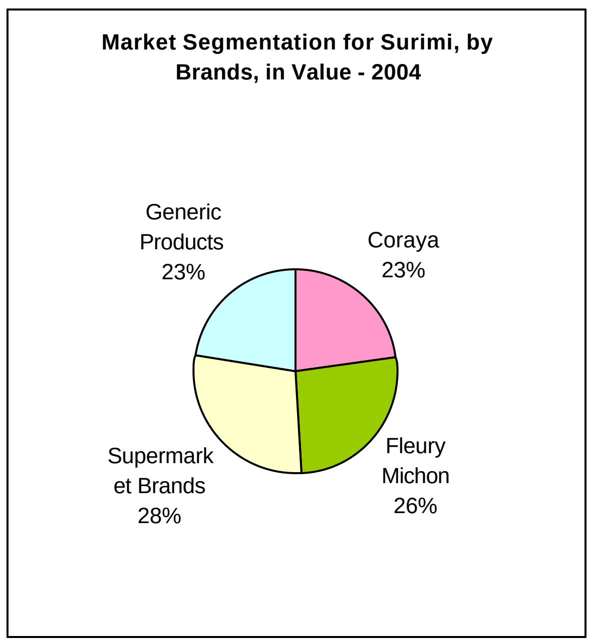


Sources: OFIMER/Nielsen

This resulted from the increased market share of hard discounters and supermarket brands at the expense of branded products. In 2004, supermarket brands increased their market share to 59 percent (8 percent higher than in 2003).

The graphs below illustrate the large market share of low priced surimi products on the French market. This market share for generic products is stronger in quantity than in volume. A significant part of generic products is sold at hard discounters.





In 2004, surimi processors continued to create in new packaging and seasonings for surimi products.

Trade

France is a net importer of surimi products, including mainly surimi base (66 percent in 2004) to be processed in France and processed surimi products (33 percent) for direct consumption.

Import Trade Matrix			
Country	France		
Commodity	Surimi		
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		**2004**
U.S.	9237	U.S.	11914
Others		Others	
Lithuania	5001	Lithuania	6153
Chile	4505	Chile	4508
Thailand	1498	Thailand	2068
Total for Others	11004		12729
Others not Listed	2552		2939
Grand Total	22793		27582

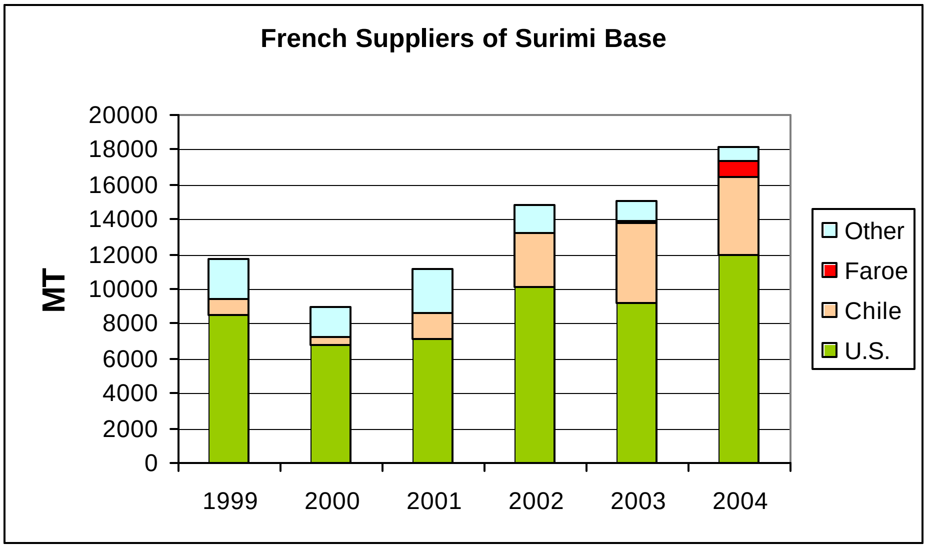
Source: French Customs

French imports of surimi were broken down as follows in CY 2003 and CY 2004:

French Imports of Surimi	Surimi Base 03049005		Prepared Surimi 16042005		Total	
	CY 2003	CY 2004	CY 2003	CY 2004	CY 2003	CY 2004
United States	9,237	11914	0	0	9,237	11,914
Lithuania	0	0	5,001	6,153	5,001	6,153
Chile	4,505	4,508	0	0	4,505	4,508
Thailand	398	495	1,100	1,573	1,498	2,068
Faroe Islands	173	882	0	0	173	882
China	46	1	224	678	270	679
Belgium	12	22	214	376	227	398
Argentina	434	227	0	0	434	227
South Korea	6		948	217	954	220
Others	219	156	276	380	494	533
Total	15,030	18,205	7,763	9,377	22,793	27,582

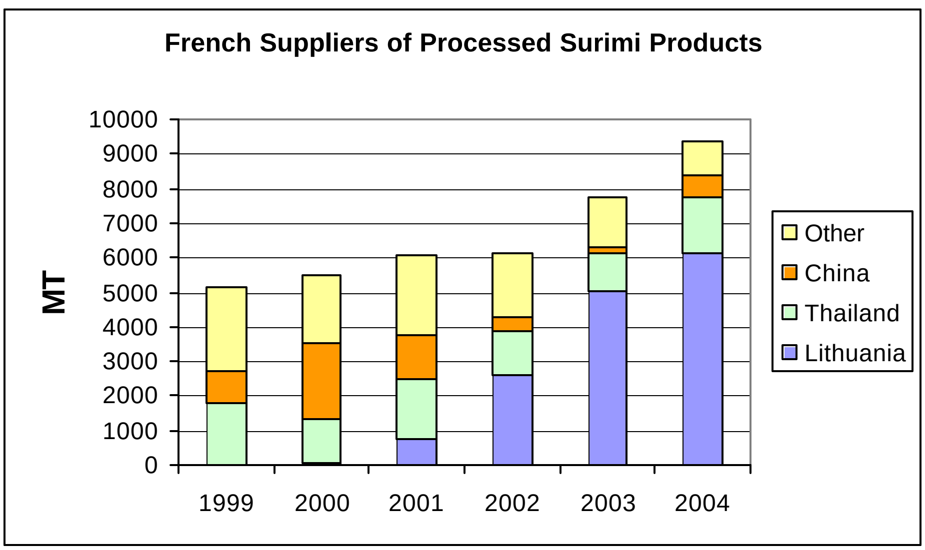
Source: French Customs

The United States, with 65 percent of the market in 2004, is France's leading supplier of surimi base. Over the past few years, the United States has strengthened its leading position in the French market despite the growing competition from Chilean products.



In 2004, Lithuania was France's largest supplier of processed surimi products. As indicated in the graph below, Lithuania's market share has increased sharply from zero in 2000 to 66 percent in 2004. This tremendous development resulted from the rapidly growing imports from the Lithuanian company Viciunai, which exports most of its production to European countries. France is the leading export market for Viciunai surimi products.

In 2004, Viciunai's market share was 15 percent in France. These products are sold principally under supermarket brands and generic products. However, a minor but growing part is sold under the brand name Vici at major French supermarkets including Auchan, Leclerc and Carrefour.



During the first half of 2005, French imports of surimi base increased by 15 percent to 10,360 MT. This increase benefited mainly Chilean products while shipments from the United States stagnated at 5,700 MT. During the same period, French imports of prepared surimi products increased by 14 percent to 8,080 MT as a resultof increased shipments from Lithuania and China.