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France

Exporter Guide

Annual

2002

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Report Highlights:
With a real growth domestic product (GDP) increase of 1.8 percent in 2001 and estimated at 1.2 percent for calendar year 2002. France offers niche market opportunities for U.S. exporters in a wide range of products. Significant market opportunities exist in a number of areas such as fish and seafood, processed fruits and vegetables, including fruit juices, beverages including wine and spirits, fresh and dried fruits including nuts and meat and offals.
This report prepared by the USDA's Foreign Agricultural Service for U.S. exporters of food and agricultural products presents a comprehensive guide on France's economic situation, market structure, exporter tips and best prospects for high-value food and agricultural products.

Includes PSD changes: No
Includes Trade Matrix: No
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Paris [FR1], FR

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Note: Average exchange rates used in this report are:
Calendar Year 2000: US Dollar 1 = FF 7.11 = 1.084 Euros
Calendar Year 2001: US Dollar 1 = FF 7.32 = 1.116 Euros
(Source: IFM), unless otherwsie specified.

SECTION I. MARKET OVERVIEW

1. Macroeconomic Situation

According to the French Institute for Statistics (INSEE), in 2001, the French real gross domestic product (GDP) grew by 1.8 percent in real terms, compared to 4.2 percent in 2000 and 3.2 in 1999. Current estimates put France's GDP at 1.2 percent for calendar year 2002. The French economy was marked by the global economic slowdown and the effects of the September 11th event. Household consumption remained solid, while investment growth was disappointing. Inflation remained relatively low and under control. The unemployment rate remained essentially unchanged, compared to 2000, at 8.8 percent at the end of 2001.

The outlook for 2003 is for continued growth, albeit at a reduced rate. This takes into account uncertainnities about global economic recovery. Returning 3 percent growth in the next few years would require a return to robust corporate turn around and continued European structural reforms.

Despite good short-term prospects, most observers believe that the French economy continues to perform below its long-term potential, which is currently estimated at about 2.5 percent. Many observers believe that, in order to reach this level of performance, French economy will require continued government efforts to deregulate and to reduce its role in the economy. Progress was made during the 1990s, notably in privatization and reduction of budget deficits, but taxes remain the highest in the G-7 industrial countries, and the regulation of goods and labor markets is pervasive. Structural rigidities still affect the labor market, and experts question whether unemployment will drop below the presumed structural rate of about 8.5 percent, absent further significant liberalization. Moreover, the full economic impact of the implementation of the 35-hour workweek is unclear as not all companies have switched to the shorter workweek. Many large companies have said that the cost of the 35-hour workweek has been partially offset by increased labor flexibility. France's adoption, along with 11 other EU countries, of the Euro as their single currency has increased competitive pressures on French companies and the French economy.

2. Size and Growth Rate for Consumer-Ready Food Products

Overall household consumption of food and beverages increased slightly by 0.6 percent in volume during calendar year 2001, while prices increased 5.5 percent, compared to a 2.3 percent increase in 2000. Meat, fresh fruits and vegetables lead the way increasing by an average 8.2 percent, followed by dairy product (+5.1 percent), while prices for alcoholic and non-alcoholic beverages slightly increased (+1.2 and +1.7 percent, respectively). Consumption in France in calendar year 2001 increased for fresh vegetables, alcoholic and non-alocoholic beverages, mostly for champagne and appellation wines, while consumption decreased for meat (beef, mutton and veal), poultry and fresh fruits.

3. Key Demographic Developments

Government programs to raise the country's birth rate have led to a dramatic population increase in the last 50 years. While this growth will slow down in the next few years, France will be one of the few EU member states to experience population growth by 2050. As of January 1, 2002, France had a total of 61.1 million habitants, including 1.7 million for overseas departments. (During 2001, births remain stagnant and weddings are above 300,000 per year. Deaths decline again in 2001 and French women always detain the record of life length in Europe). Immigration in France continues to rise, but compared to the total population remain the lowest in the European Union.

France metropole: Population by Age Group (in millions)
(As of January 1)

Year	Total	Less than 20 years	20 to 64 years	65 years or more
1985	55.2	16.1	32.0	7.1
1990	56.6	15.7	33.0	7.9
1995	57.8	15.1	34.0	8.7
1998	58.3	15.0	34.1	9.2
1999	58.5	15.1	34.2	9.3
2000	58.8	15.0	34.3	9.4
2001 (P)	59.0	15.0	34.5	9.5
2002 (P)	59.3	15.0	34.7	9.6

P = Preliminary
Source: INSEE PREMIERE -

France: Demographic Evolution of Households (in millions)

Year	Number of Households
1982	19.6
1990	21.5
1998	23.7
1999	23.9
2000 (P)	24.2
2001 (P)	24.9

(P) = Preliminary

Source: INSEE - Enquête Budget Famille
Socio-economic and demographic changes have significantly altered food trends in France. Trends show that French consumers want food products that offer better taste, higher quality, convenience, and more health benefits:

— Working consumers or those living alone (30 percent) have no time to prepare meals. These market segments are moving toward easy-to-prepare foods, single and double portion packs, and frozen or microwavable meals.

— The "young" generation (26 percent) tends to be curious and enjoy trying new products. This generation values product with an image along with "good" taste.

— The BSE as well as other food crisis have raised consumer concerns about sanitation and safety issues. In turn, these concerns have led to greater demand for "natural" and "organic" food products--fruit juices, fresh and processed dietetic foods, organic food produce, fish and seafood products, ethnic foods and food supplements.

Advantages and Challenges for U.S. Exporters in France

Advantages	Challenges
— The population's continuing rapid shift from rural to urban regions is boosting demand for international food in the latter. — French per capita income is near that of the United States. — The burgeoning tourist industry is raising demand for Hotel/Restaurants/Institutions products. — U.S. fast food chains, theme restaurants, and the food processing industry are pushing up demand for American food ingredients. — Domestic distribution systems are efficient. — The euro will ease entry into and dealings with EU member states. — American food and food products remain quite popular in spite of recent US-France trade differences.	— Recent food scares and other food safety issues are making French consumers more cautious. — French consumers make exacting demands when it comes to quality and innovation. — Price competition is fierce and U.S. exporters have to conform to French/European standards and regulations. — Certain food ingredients are banned or restricted from the French market. — Marketing costs to increase consumer awareness are high. — U.S. exporters should be able to evaluate their export sales price based on fundamentals such as local demand and transportation costs. — Mandatory customs duties, sanitary inspections and labeling requirements are onerous measures for U.S. exporters.

SECTION II. EXPORTER BUSINESS TIPS

1. Trade Barriers and Restrictions

Like other members of the European Union, France imposes tariff and non-tariff barriers. Product safety and sanitary standards affecting imports into France are increasingly established at the EU level, and sometimes there are French regulations that impede trade. Food products entering the EU and France are subject to customs duties which vary depending on type of products. Most processed products are subject to additional import charges based on the product contents of sugar, milk fat, milk protein and starch.

Although France is not a closed market, its regulations limit market access for certain U.S. agricultural products. Efforts to harmonize EU import regulations and to implement commitments under the World Trade Organization (WTO) may abolish inconsistent and conflicting French and EU regulations, quota conversions, variable levies, and restrictive licensing requirements which, overtime, will be reduced or abolished. Agricultural products subject to French trade restrictions and barriers include, but, not limited to the following:

- Poultry, meat and eggs
- Enriched flour
- Bovine genetics
- Exotic meat (alligator)
- Flightless bird meat (ratite)
- Live crayfish
- Beef and bison meat
- Fruits and vegetables
- Pet foods

For more information on above product trade restrictions, food standards and regulations, please refer to Post Food and Agricultural Import Regulations and Standards Report (FAIRS) available on Internet website : http://www.fas.usda.gov

2. Consumer Tastes, Preferences and Food Safety

- Like U.S. consumers, French consumers want innovative, international foods. Young consumers like ethnic products with distinctive themes and flavors--Tex-Mex, Cajun or California-style cuisine, sports drinks and vitamin enriched snacks. Ready-to-eat products such as frozen food products, seafood (particularly salmon), wild rice, innovative dietetic/health products, organic products, frozen desserts and kosher foods are gaining popularity.

- While many consumers and distributors are receptive to new developments in food products, they want more information on product contents and manufacturing processes. Labeling requirements for both domestically-produced and imported food products containing biotech or biotech derived ingredients or additives need to be labeled.

The French government has taken steps to improve food quality and to explore product innovation through research and marketing programs; quality marks such as the "Label Rouge" (Red Label) for meats, poultry and fruits and vegetables; and product origin labels which guarantee that, for instance, certain wines, milk, butter, or cheeses are sourced from a certain region. The government has also endorsed a certification program which guarantees that product preparation, manufacturing, packaging processes follow certain specifications. The organic food program certifies that agricultural and food products were manufactured without fertilizers and according to special criteria.

Polls are conducted by polling companies on the impact of food sanitation and safety issues on French consumers. Twenty-nine percent of those polled indicated that French consumers are worried about the quality of their food, particularly beef. Seventy-five percent indicated that there should be stricter labeling requirements that will guarantee product traceability.

3. Marketing Strategies for the French Market

U.S. food product exporters should consider:

Consumer characteristics
- Target dual income families, singles, senior citizens and health and environmentally-conscious consumers.
- Influence consumer choices mostly through advertising campaigns

Seasonal characteristics
- Holiday promotions
- In-store supermarket promotions

Unique U.S. products characteristics
- High quality
- Regional specialties (i.e., Florida grapefruit, California wine, Tex-Mex or Cajun style, New England seafood, etc.)

Image appeal
- Packaging can help a product find a niche in this market, particularly if the U.S. firm has access to stores and supermarkets that specialize in U.S. or foreign foods.

Trade Shows and In-Store Promotions:
- Trade shows, in-store product demonstrations and tastings can help familiarize French consumers' with U.S. food products
- Trade shows are an excellent way to introduce new products to the market.

Successful Export Planning for Your Products:

1. Conduct basic market research and review export statistics of the last five years

2. Contact the Office of Agricultural affairs at the American Embassy in Paris to obtain up-to-date information on local government regulations, customs duties, politics, demographics, infrastructure, distributions channels and market size.

3. Adapt your product to local regulations: give the customer what he wants, not what you think he needs, check your ingredients and package size requirements, verify consumers' preferences and make sure your product is price competitive

4. Identify the best distribution channel for the product, i.e., supermarkets, an importer/distributor, or a Foreign Agent. Be prepared to send samples.

5. Work with your agent, distributor/importer to determine the best promotional strategy. Be prepared to invest in the market promotion of your products (through trade shows, in-store promotions or advertising campaigns, to gain maximum exposure and make valuable market contacts). Also, be aware that promotional assistance is available for U.S. products through a variety of branded and generic promotion programs through the four State regional trade groups: FOOD EXPORT USA, SUSTA, WUSATA and MIATCO. (Addresses, telephone, fax and contact information for these four groups is listed in Section V, Appendix B, of this report).

4. General Import and Inspection Procedures

General Import Requirements

Import and export transactions exceeding 12,500 Euros ($11,201)) in value must be conducted through an approved banking intermediary. Goods must be imported/exported no later than six months after all financial and customs arrangements have been completed.

For products originating in countries other than EU member states or participants in the World Trade Organization (WTO), and for a limited number of products considered to be sensitive, a specific import/export license may be required by product or by category of products. Otherwise, the following shipping documents in French are required:

Commercial invoice;
Bill of landing or air waybill;
Certificate of origin
Sanitary/health certificate if need be (depending on the products)

Note: U.S. exporters must make sure their products comply with French regulations and must verify customs clearance requirements with local authorities through their contacts before shipping the products to France. The Office of Agricultural Affairs of the American Embassy in Paris can provide assistance and information on these matters.

Basic Labeling/Packaging Requirements:

Labels should be written in French and include the following information:

Product definition
Shelf life: Indicate "used by," and "best before" dates and other storage requirements
Precautionary information or usage instructions, if applicable
Statement of contents: ingredients, weights, volumes, etc., in metric units. All additives, preservatives and color agents must be noted on the label with their specific group name or their "E" number
Product's country of origin and name of importer or vendor within the EU
Manufacturer's lot or batch number

In July 2001, the European Commission issued two proposals regarding agricultural biotechnology. The first proposal addressed the regulation of biotech food and animal feed, and the second one proposed labeling and traceability schemes. These proposals create new procedures for the regulation of biotechnology foods and, for the first time, propose to regulate animal feed made from agricultural biotech products.
(Http://www.useu.be/Categories/Trade/Apr0202USTRReportForeignTradeBarriers.html)

Inspection Process

Customs clearance can be done by a person or a company able to present Customs Authorities at the port of entry or at the airport in France the imported goods as well as the necessary accompanying documents for these products. To facilitate the clearance process, it is recommended that the U.S. exporter have the customs clearance done by either a forwarding agent or his importer/distributor or agent in the country of destination. More information may be obtained from the General French Customs Authorities listed in Section V, Appendix C, of this report.

(Generally, a visual inspection consists of verifying that products are accompanied by the correct shipping documents.

(A detailed inspection may include sampling or a chemical analysis test.

(The speed of the customs clearance procedure can depend on the thoroughness of U.S. exporters' documentation.

(When released, the foodstuffs are subject to ad valorem customs duties levied under the Common External Tariff. Duties differ according to product. Also, in addition to customs duties, foodstuffs imported into France are subject to a Value-Added Tax (VAT). Currently the VAT is generally charged at one of the two following rates:

- Standard rate of 19.6 percent applies to alcoholic beverages, chocolate and candies
- Reduced rate of 5.5 percent applies mostly to agricultural and food products.

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

Key Figures for the French Food Industry and Growth Rates

' The food industry is the largest French industrial sector, accounting for 19 percent of the GDP economy's added value. It is also the world's largest player accounting for 10 percent of the world's value-added food trade.

' France has currently 23 major food processors, and over 4,150 food industry companies.

' According to the French Food Industry Association (ANIA), in 2001 the food processing sector's turnover was 131. 2 billion Euros ($ 117.6 billion), an increase of 4.4 percent from the 2000 level. The French food processing industry is number one in Europe before Germany and world number two after the United Stqtes (total sales of 510 billion euros - $457 billion).

' In 2001, the French food industry continued to restructure in the face of greater competition from large multinational groups and of the globalizing effects of the Euro.

' Total Exports in 2001: 28.5 billion Euros ($25.5 billion), 2.1 percent increase in value over 2000. The French food industry is the world's largest exporter of processed products with about 10 percent of the global market.

' Total Imports in 2001: 22.2 billion Euros ($19.9 billion), 3.9 percent increase in value over 2000.

Production of Major French Food Processing Sectors (1) and Growth Rates

	Volume % Growth 2001/2000	Price % Growth 2001/2000	2001 Value (In billion $)
Grains and animal feed	+1.0	+4.5	11.7
Bread & Pastry	+0.4	+2.9	12.2
Canned foods, prepared fruit juices and vegetables	+3.6	+2.5	7.7
Meat Industry	+2.2	+7.7	29.7
Milk Industry	+1.7	+3.3	15.8
Beverages Industry	+0.7	+1.5	13.8
Fats and Oils	-1.8	+4.0	1.7
Sugar	-9.1	+1.4	2.8
Miscellaneous (2)	+2.3	+0.9	11.6
Total of Food Processing Sectors	***+1.3***	***+4.0***	***108.0***

(1) Wine production is not a food industry but agricultural activity.
(2) Chocolate, preparations for beverages, baby foods, canned desserts.
Source: INSEE - National Account

Infrastructure Situation

France's transportation infrastructure is among the most sophisticated in the world, benefitting from advanced technology and extraordinary investment by the Government. The three main entry points for air-freight are the Orly and Charles de Gaulle airports in Paris and Saint-Exupéry airport in Lyon. France has twelve major seaports, many of which are equipped for container ships. There is also an extensive highway and river-transport systems, and a state-owned rail network that is among the most comprehensive and technologically advanced in the world.

Communications infrastructure is similarly advanced. Telephone lines blanket the country and there is easy access to the Internet via French and foreign service providers. The French "Minitel" telephone-based computer network is also widespread and provides many consumer services. France is behind the U.S. and some other countries in the use of personal computer and the Internet, but is catching up rapidly. High-speed Internet access is still limited, but should expand rapidly in 2002. The government is trying to promote better use of information technologies.

Market Trends

The French market for food products is mature, sophisticated and well-served by suppliers from around the world. Generally, high quality food products with an American image can find a niche in the French market, particularly if they have access to stores and supermarkets that specialize in U.S. or foreign foods. Niche market opportunities also exist for regional American foodstuffs (Tex-Mex, Cajun and California cuisine), candies and chocolates, wild rice, and organic and health food products, as well as kosher foods.

The French food industry will move towards fresh consumer-ready products at the expense of frozen foods.

Marketing U.S. Products & Distribution Systems

For detailed information on the distribution systems and the best market entry approach for new-to-market exporters for the retail food sector, see Post Retail Food Sector Report.

The Hotel/Restaurant Institutions (HRI) sector in France usually uses the services of wholesalers or processed food buyers, and the well developped distribution channels of the wholesalers/importers are often the key to getting a new food product into that sector. A report on the HRI sector in France is available on the FAS web site.

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

Significant market opportunities for consumer food/edible fishery products exist in a number of areas: fruit juices and soft drinks (including flavored spring waters), dried fruits and nuts, fresh fruits and vegetables (particularly tropical and exotic), frozen foods (both ready-to-eat meals and specialty products), snack foods, tree nuts, "ethnic" products, seafood (particularly salmon & surimi), innovative dietetic and health products, organic products, soups, breakfast cereals and pet foods. In addition, niche markets exist in France for candies, chocolate bars, wild rice and kosher foods which have seen growing demand. Market opportunities for U.S. exporters also exist for oilseeds, protein meals and other feeds, as well as for wood products and grains.

Listed below are six consumer-oriented food products which the Office of Agricultural Affairs considers "best prospects" for U.S. business.

Top 6 Market Opportunities for Consumer-Oriented Food Products
(USD million)

1. Name of Best Prospect: **FISH AND SEAFOOD, FRESH AND FROZEN**
   Commodity Code Number: HS Code: 03 (in million dollars)

	1999	2000 (Jan-Dec)	2001
A. Total Market Size	3,760	3,209	3,207 (est)
B. Local Production	1,592	1,332	1,300 (est)
C. Total Exports	1,058	1,078	1,092
D. Total Imports	3,226	2,955	2,992
E. Total Imports from U.S	113	105	113

F. Exchange Rate: USD 1.00 = FF6.15 Euros 1.084 Euros 1.116
Source: French Customs/SCEES - French Ministry of Agriculture
N/A: Not available.

Comments: France is a net importer and growing market for seafood and the United States is one of the top ten leading suppliers to France. U.S. seafood shipped to France consists mainly of dogfish, monkfish, lobster, salmon, and surimi base. Fish and seafood products selling the best in France are fish fillets and ready-to-eat seafood products. French demand for surimi lobster, scallops and fresh packed fish is increasing and offers potential niche market opportunities.

In 2000, France produces 867,000 MT of seafood (latest data available) (wild catch plus aquaculture), the domestic supply cannot keep up with the growing demand. Despite tough competition from EU countries, China and Chile, the U.S. seafood sector is in an excellent position to export to the French market; however, only seafood processed in an EU-certified establishment is allowed to enter the EU market and France. Fish exports to France must be free of a prohibited additive called sodium tri-phosphate.

2. Name of Best Prospect: **PROCESSED FRUITS AND VEGETABLES, INCLUDING FRUIT JUICES**
   Commodity Code Number: HS Code: 20 (in million dollars)

	1999	2000 (Jan-Dec)	2001
A. Total Market Size	7,146	6,146	8,397
B. Local Production	6,293	5,262	7,706
C. Total Exports	958	790	904
D. Total Imports	1,811	1,674	1,595
E. Total Imports from U.S.	113	102	71

F. Exchange Rate: USD 1.00 =	FF5.75	Euros 1.084	Euros: 1.116

Source: French Customs/SCEES - French Ministry of Agriculture

Comments: Fruit juices and soft drinks in France are currently the most dynamic growth sectors among non-alcoholic beverages, with a per capita consumption for fruit juices estimated to 20 liters a year. The French fruit juice market is very sophisticated due to the experience of distributors, variety of packaging, diversity of flavors and quality types, product innovation, advertising investment and promotions, as well as price ranges. As per French Customs statistics, in 2001, French imports of fruit juices totaled about 527 million Euros ($472 million). Imports from the United States mostly consist of fresh and frozen orange and grapefruit juices and amounted to 36 million Euros ($32 million) in 2001. Competition is very strong principally from Brazil, Israel and Spain, which benefit from preferential tariffs.

3. Name of Best Prospect: **BEVERAGES, INCLUDING MINERAL WATER, BEER, WINE AND SPIRITS**

Commodity Code Number: HS Codes: 22.01 to 22.06 and 22.07+22.08 (in million dollars)

	1999	2000 (Jan-Dec)	2001
A. Total Market Size	9,114	8,326	7,726
B. Local Production	16,553	14,897	13,799
C. Total Exports	9,198	8,090	7,623
D. Total Imports	1,759	1,519	1,550
E. Total Imports from U.S.	71	41	43
F. Exchange Rate: USD 1.00 =	FF 5.75	Euros 1.084	Euros: 1.116

Source: French Customs/SCEES - French Ministry of Agriculture

Comments: In 2001. French imports of U.S. wine totaled 14 million Euros ($12.5 million) in 2001, representing 3 percent of total French wine imports in value. Most American wines sold in France are bulk wines. U.S. wines in France face strong competition from France’s leading suppliers (Italy, Spain, Greece), as well as from new world countries such as Australia, South Africa and Chile. However, market opportunities exist for U.S. wines in France thanks in part to the "exoticism" and quality of the products and the promotional efforts made by American restaurants in France.

The French are also significant consumers of spirits. In 2001, U.S. spirits imports in France were valued at 32.9 million Euros ($29.5 million) representing six percent of total French spirits imports estimated at 544 million Euros ($487.4 million).

Opportunities exist for ethnic, new and innovative U.S. products, particularly those that can be linked with Tex-Mex foods. Also, sales of innovative products such as beer with whiskey malt are on the rise, as are sales of non-alcoholic beers and "panaches" (mixture of beer and lemonade).

Currently, the French beer industry consists of 24 breweries with two American brewers present in the French market: Anheuser-Bush and Miller. The French beer market represents about 16 percent of total alcoholic and non-alcoholic beverage sales and two percent of total food and beverage sales in France. Annual per capita consumption of beer in France is estimated at 39 liters.

4. Name of Best Prospect: **FRESH AND DRIED FRUITS, INCLUDING NUTS**
Commodity Code Number: HS 08 (in million dollars)

	1999	2000 (Jan-Dec)	2001
A. Total Market Size	3,474	3,262	3,307
B. Local Production	2,439	2,430	2,380
C. Total Exports	1,308	1,141	1,307
D. Total Imports	2,343	1,973	2,234
E. Total Imports from U.S.	92	88	87
F. Exchange Rate: USD 1.00 =	FF5.75	Euros 1.084	Euros: 1.116

Source: French Customs/SCEES - French Ministry of Agriculture

Comments: Off-season and extended-season sales, as well as years of short French fruit crops, represent the best opportunities for U.S. suppliers. France is one of the most important markets for U.S. grapefruit (mostly from Florida), valued at 30 million Euros ($26.9 million) in 2001, representing 42 percent of total French imports. France also imports apples and pears (in short crops). There is also a niche market for berries, cherries and tangerines. In 2001, U.S. fresh fruit exports to France were valued at 38 million Euros ($34 million).

The snack and nut product niche market is important for U.S. exporters, who can profit from promoting their products as healthy and high-quality. Dried fruits and nuts, generally salted, are mainly consumed as snacks with aperitifs. Among the most popular snacks are cashews, almonds, pecans, hazelnuts and pistachios, all of which sell best when merchandised in bulk packages. French consumption of these products has doubled over the past seven years as the French have begun to snack between meals. Although France is a significant grower of walnuts, French import demand is primarily determined by the size of the domestic production. The United States remains France's leading supplier of in-shell walnuts whereas Moldova and China provided the bulk of shelled imports.

5. Name of Best Prospect: **FRESH AND DRIED VEGETABLES**
Commodity Code Number: Hs Code: 07 (in million dollars)

	1999	2000 (Jan-Dec)	2001
A. Total Market Size	5,542	5,845	5,880
B. Local Production	5,415	5,570	5,590
C. Total Exports	1,353	749	1,174
D. Total Imports	1,480	1,024	1,464
E. Total Imports from U.S.	26	23	20

F. Exchange Rate: USD 1.00 =	FF 5.75	Euros: 1.084	Euros: 1.116

N/A: Not Applicable
Source: French Customs/SCEES - French Ministry of Agriculture

Comments: Opportunities in this market are for U.S. fresh vegetables of superior quality and produced off-season (i.e., from November through February, depending on the Spanish crops and U.S. prices). There are niche market opportunities for asparagus, eggplant, zucchini, sweet peppers and iceberg lettuce. Opportunities for U.S. exports of carrots (March/April), cucumbers (November/December), and celery in various months are dependent on the availability of EU supplies.

Opportunities for U.S. tomatoes and cauliflowers are very limited due to strong competition from Morocco and EU countries, mostly Belgium and Spain. Also, recent trends and increased consumption indicate growing demand for fresh prepared vegetables (washed and cut) and many supermarkets have a special section for these types of products. There is also a growing demand for organic vegetables.

6. Name of Best Prospect: **MEAT AND OFFALS**
Commodity Code Number: HS Code: 02 (in million dollars)

	1999	2000 (Jan-Dec)	2001
A. Total Market Size	6,699	6,266	6,478
B. Local Production	7,070	6,550	6,590
C. Total Exports	3,144	2,876	2,537
D. Total Imports	2,773	2,592	2,425
E. Total Imports from U.S.	22	19	23
F. Exchange Rate: USD 1.00 =	FF 5.75	Euros: 1.084	Euros: 1.116

Source: French Customs/SCEES - French Ministry of Agriculture

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

For further information contact:
Office of Agricultural Affairs
American Embassy
2, avenue Gabriel - 75382 Paris Cedex 08
Tel: (33-1) 43 12 2264
Fax: (33-1) 43 12 2662
Email: agparis@fas.usda.gov
homepage: http://www.amb-usa.fr/fas/fas.htm

For more information on exporting U.S. food products to France, visit our homepage. The OAA homepage includes information on the HRI and Retail food sector, Food and Agricultural Import Regulations and Standards, product briefs on the market potential for U.S. products, upcoming promotional trade shows and fairs in France. Importer lists are available from our office to exporters of U.S. food products.

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service home page: http://www.fas.usda.gov

APPENDIX A
FOOD AND AGRICULTURAL TRADE SHOWS IN FRANCE 2002/2003

SIAL 2002 — International Food Products Show
Paris-Nord Villepinte
October 20-24, 2002
(FAS/Washington sponsorizes an American Food Pavilion)
Organizer: IMEX Management Inc.
Tel: (704) 365 0041
Fax: (704) 365 8426
Internet: http://www.sial.fr - Biennial Show
Email: **exposium@imexmg.com**

SIRHA INTERNATIONAL FOOD TRADE EXHIBITION — International Food & Gastronomy Trade Show
Lyon - Eurexpo
January 25-29, 2003
Organizer: SEPELCOM
Tel: (33-4) 72 22 3255
Fax: (33-4) 72 22 3218
Internet: www.sirha.com
Contact: Marie-Odile Fondeur
Email: mofondeu@sepelcom.com

TEXWORLD — International Textile Manufacturers
February 11-14, 2003
CNIT - Paris La Défense
Organizer: Messe Frankfrut France S.A.S.
Tel: (33-1) 55 26 8989
Fax: (33-1) 40 35 0900
Email: texworld@france.messefrankfurt.com
Internet: www.texworld.messefrankfurt.com

PREMIERE VISION — International Textile & Clothing Show
February 12-15, 2003
Parc des Expositions Paris-Nord Villepinte
Organizer: Premiere Vision le Salon
Tel: (33-4) 72 60 6500

Fax: (33-4) 72 60 6500
Email: info@premierevision.fr
Internet: www.premierevision.fr

SALON INTERNATIONAL DE L'AGRICULTURE — International Agricultural Show
Paris Porte de Versailles
February 22-March 2, 2003
Organizer: Comite des Expositions de Paris
Tel: (33-1) 49 09 6000
Fax: (33-1) 49 09 6158
E-mail: agriculture@comite-expo-paris.asso.fr
Internet: http://www.comite-expo-paris-asso.fr
Annual Show

INTERSUC & SALON DE LA BOULANGERIE — International Chocolate, Sugar & Bakery Trade Show
March 9-12, 2003
Paris- Porte de Versailles
Organizer: Lafayette Developpement - Alain Urbain
Tel: (33-1) 42 85 1820
Fax: (33-1) 40 16 0145
Email: intersuc@aol.com

EXPOZOO — International Pet Food and Pet Products
March 23-25, 2003
Parc des Expositions - Paris-Nord Villepinte
Organizer: BEPP
Tel: (33-1) 53 57 6200
Fax: (33-1) 53 57 6201
Email: veronique.oury@europ-expo.com
Internet: www.expozoo.com

FOIRE INTERNATIONALE DE PARIS — International Food, Beverages & Tourism Fair
Paris Porte de Versailles
April 30-May 11, 2003
Organizer: Comite des Expositions de Paris
Tel: (33-1) 49 09 6000
Fax: (33-1) 49 09 6003
E-Mail: info@comite.expo.paris.asso.fr
Internet: www.foiredeparis.fr
Annual Fair

WORLD ETHNIC FOOD & SPECIALTY SHOW — International Ethnic & Specialty Foods
Porte de Versailles, Paris
June 3-4, 2003
Organizer: Algodoal
Tel: (33-1) 44 74 5010
Fax: (33-1) 44 74 5067
E-mail:ABonnel@aol.com

Internet: www.ethnicfoodshow.com
Annual Show

VINEXP0
Bordeaux-Lac
June 22-26, 2003
Organizer: Vinexpo
Contact: Philippe Dufan
Tel: (33-5) 56 56 0022
Fax: (33-5) 56 56 0000
E-mail: info@vinexpo.fr
Internet: http://www.vinexpo.fr

International Wine & Spirits Exhibition

SALON DE LA PRODUCTION ANIMALE
Carrefour Europeen - Rennes
September 10-13, 2003
Organizer: SPACE
Tel: (33-2) 99 67 1020
Fax: (33-2) 99 67 7845
Internet: www.space.fr
Annual Show

International Livestock Production Show

TEXWORLD
September 16-19, 2003
CNIT - Paris La Défense
Organizer: Messe Frankfrut France S.A.S.
Tel: (33-1) 55 26 8989
Fax: (33-1) 40 35 0900
Email: texworld@france.messefrankfurt.com
Internet: www.texworld.messefrankfurt.com

International Textile Manufacturers

PREMIERE VISION
September 17-20, 2003
Paris-Nord Villepinte
Organizer: Premiere Vision Le Salon
Tel: (33-4) 72 60 6500
Fax: (33-4) 72 60 6509
Email: info@premierevision.fr
Internet: www.premierevision.fr

International Cotton & Textile Show

NATEXPO
Paris, Porte de Versailles
October 18-20, 2003
Organizer: COMEXPO PARIS
Tel: (33-1) 49 09 6153
Fax: (33-1) 49 09 6003
Internet:http://comexpo-paris.com
E-mail: info@comexpo-paris.com
Contact: Sylvie DaloucheInternet: www.comexpo-paris.com
Biennial Exhibition

International Health/Dietetic & Organic Show

BATIMAT
Paris, Porte de Versailles
November 3-8, 2003
Organizer: REED EXPOSITIONS FRANCE
Tel: (33-1) 47 56 5102
Fax: (33-1) 47 56 0818
E-mail: info@reedexpo.fr
Internet: www.batimat.com
Biennial Exhibition

Building & Construction Show

APPENDIX B

U.S. BASED STATE REGIONAL TRADE GROUPS

FOOD EXPORT USA - NORTHEAST
Public Ledger Building, Suite 1036
150 South Independence Mall West
Philadelphia, PA 19106-3410
Tel: (215) 829 9111/Fax: (215) 829 9777
E-Mail: Eusafec@foodexportusa.org
Contact: Tim Hamilton, Executive Director

MID-AMERICA INTERNATIONAL AGRI-TRADE COUNCIL (MIATCO)
400 West Erie Street, Suite 100
Chicago, Illinois 60610
Tel: (312) 944-3030/Fax: (312) 944-1144
E-Mail: thamilton@miatco.org
Contact: Tim Hamilton, Executive Director

SOUTHERN U.S. TRADE ASSOCIATION (SUSTA)
World Trade Center
2 Canal Street, Suite 2515
New Orleans, LA 70130-1408
Tel: (504) 568-5986/Fax: (504) 568-6010
E-Mail: Susta@Susta.Org
Contact: James Ake, Executive Director

WESTERN U.S. AGRICULTURAL TRADE ASSOCIATION (WUSATA)
2500 Main Street, Suite 110
Vancouver, WA 98660-2967
Tel: (360) 693 3373/Fax: (360) 693 3464
E-Mail: export@wusata.org
Contact: Tiffany Landry, International Project Manager

APPENDIX C

FRENCH GOVERNMENT AGENCIES

Agency responsible for French label/product ingredient regulations:

Direction Générale de la Concurrence, de la Consommation
et de la Répression des Fraudes (DGCCRF)
Ministère de l'Economie, des Finances et de l'Industrie
59, boulevard Vincent Auriol
75703 Paris Cedex 13
Tel: (33-1) 44 87 1717/Fax: (33-1) 44 97 3031
Internet: www.finance.gouv.fr

Agency responsible for promotion and control of food quality:

Direction Générale de l'Alimentation (DGAL)
Ministére de l'Agriculture et de la Pêche
251, rue de Vaugirard - 75015 Paris
Tel: (33-1) 49 55 4955
Fax: (33-1) 49 55 4850
Internet: www.agriculture.gouv.fr

For information on duties, taxes, and documentation:

Centre de Renseignements Douaniers
84, rue d'Hauteville
75010 Paris
Tel: (33-1) 53 24 6818/Fax: (33-1) 53 24 6830
Email: dgdddicrt01@calva.net

STATISTICS

A. KEY TRADE AND DEMOGRAPHIC INFORMATION FOR 2001

AgImports from All Countries (1)	$32,827 million
U.S. Market Share (1)	2.7 percent
Consumer Food Imports from All Countries (1)	$18,611 million
U.S. Market Share (1)	1.8 percent
Edible Fishery Imports from All Countries (1)	$3,618 million
U.S. Market Share (1)	3.8 percent
Total Population/Annual Growth Rate (5)	60.9 million - Growth rate annual: 0.5%
Urban Population /Annual Growth Rate	48 million - Annual Growth rate: N/A
Number of Metropolitan Areas (2)	4
Size of the Middle Class (3)	85 percent of total population
Per Capita Gross Domestic Product	$21,532
Unemployment Rate	8.8 percent
Percent of Female Population Employed (4)	48.3 percent
Exchange Rate: US$1 = EURO 1.116 = FF 7.32	

Footnotes

(1) United Nations Statistical Data
(2) Population in excess of 1,000,000
(3) This notion doesn't exist as such in France. However, if you define the middle class by excluding the poorest and the wealthiest, the middle class represent 85% of the population
(4) Percent against total number of women (15 years old or above)
(5) Preliminary figures
N/A: Not available.

B. CONSUMER FOOD AND EDIBLE FISHERY PRODUCTS IMPORTS

France Imports (In Millions of Dollars)	Imports from the World			Imports from the U.S.			U.S Market Share		
	1999	2000	2001	1999	2000	2001	1999	2000	2001
CONSUMER-ORIENTED AGRICULTURAL TOTAL	16,957	15,978	18,611	349	329	336	2	2	2
Snack Foods (Excl. Nuts)	1,457	1,372	1,576	3	3	3	0	0	0
Breakfast Cereals & Pancake Mix	198	173	212	1	1	1	0	0	0
Red Meats, Fresh/Chilled/Frozen	2,264	2,168	2,229	22	19	28	1	1	1
Red Meats, Prepared/Preserved	414	421	551	1	1	1	0	0	0
Poultry Meat	262	253	351	1	1	1	0	0	0
Dairy Products (Excl. Cheese)	1,448	1,428	1,676	1	1	2	0	0	0
Cheese	681	654	787	1	1	1	0	0	0
Eggs & Products	79	90	111	4	4	9	5	5	8
Fresh Fruit	1,924	1,755	2,188	32	28	34	2	2	2
Fresh Vegetables	1,102	1,047	1,303	2	2	2	0	0	0
Processed Fruit & Vegetables	1,757	1,611	1,883	31	28	33	2	2	2
Fruit & Vegetable Juices	603	602	560	93	85	38	15	14	7
Tree Nuts	243	233	280	56	60		23	26	24
Wine & Beer	862	709	844	11	12	15	1	2	2
Nursery Products & Cut Flowers	891	853	952	2	2	2	0	0	0
Pet Foods (Dog & Cat Food)	146	154	160	11	8	5	7	5	3
Other Consumer-Oriented Products	2,624	2,454	2,947	80	76	96	3	3	3
FISH & SEAFOOD PRODUCTS	3,218	2,994	3,618	123	107	136	4	4	4
Salmon	422	380	378	19	16	19	4	4	5
Surimi	51	48	58	18	15	18	36	30	31
Crustaceans	896	848	998	31	33	32	3	4	3
Groundfish & Flatfish	781	716	899	29	25	42	4	3	5
Molluscs	279	250	339	7	7	14	3	3	4
Other Fishery Products	789	752	946	18	13	11	2	2	1
AGRICULTURAL PRODUCTS TOTAL	23,694	22,614	26,372	684	645	683	3	3	3
AGRICULTURAL, FISH & FORESTRY TOTAL	29,292	28,096	32,827	897	837	904	3	3	3

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

C. TOP FRENCH 15 SUPPLIERS OF CONSUMER FOODS & EDIBLE FISHERY

CONSUMER-ORIENTED AGRICULTURAL IMPORTS

($1,000)	1999	2000	2001
United States	348,613	329,079	336,116
Spain	2,310,323	2,368,809	2,943,851
Belgium	2,445,634	2,276,732	2,714,099
Netherlands	2,562,251	2,367,729	2,576,193
Germany	2,132,416	2,077,368	2,540,969
Italy	1,632,910	1,501,367	1,749,866
Ireland	524,365	464,469	475,389
Morocco	401,177	349,577	413,133
Denmark	343,785	325,526	402,468
Switzerland	250,174	224,891	262,861
Cote d'Ivoire	182,406	180,686	251,187
Portugal	205,197	177,749	217,417
New Zealand	164,538	161,427	214,294
Israel	198,203	178,677	209,789
Other	2,250,996	2,122,244	2,541,407
World	**16,956,543**	**15,978,107**	**18,611,155**

FISH & SEAFOOD PRODUCT IMPORTS

($1,000)	1999	2000	2001
United States	123,387	107,443	135,753
United Kingdon	422,057	360,628	420,666
Norway	354,882	298,493	278,388
Spain	198,138	208,412	237,425
Netherlands	164,744	161,513	204,865
Denmark	166,250	154,990	190,924
Madagascar	76,998	84,798	127,149
Ireland	93,191	79,525	124,513
Belgium	108,976	86,826	108,525
Germany	98,414	84,401	102,476
Cote d'Ivoire	108,220	95,350	97,109
Iceland	98,768	87,294	96,327
Senegal	68,809	62,831	75,769
China (Peoples	48,594	51,616	75,676
Chile	46,239	56,537	71,771
Other	1,040,122	1,013,662	1,270,218
World	3,217,816	2,994,331	3,617,623

Source: United Nations Statistics Division