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France

Kiwifruit

Kiwifruit Annual

2000

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Report Highlights:

France is a major producer and importer of kiwifruit. In 1999, commercial production totalled 60,000 MT. France is a net importer of kiwifruit. The French Kiwi Board and SOPEXA conduct marketing activities promoting French kiwifruit. SIKIG, a leading French kiwi producer, recently opened a Web site. ZESPRI, the company importing kiwifruit from New Zealand, opened an office in France in 1999.

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

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Executive Summary	1
SECTION I: SITUATION AND OUTLOOK	2
SECTION II: STATISTICAL TABLES	2
1. PS&D Table:	2
2. Trade Matrices:	3
3. Price Tables:	4
4. Tariff Table:	4
SECTION III: NARRATIVE ON SUPPLY, DEMAND, POLICY AND MARKETING	5
Production	5
Consumption	5
Trade	5
Stocks	6
Marketing	6

Executive Summary

France is a major producer and importer of kiwifruit. In 1999, commercial production totalled 60,000 MT. France is a net importer of kiwifruit, and domestic products mainly compete with Italian and New Zealand products. In order to strengthen French kiwis' market share, the French Kiwi Board and SOPEXA conduct marketing activities promoting French kiwis, and SIKIG, a leading French kiwi producer, recently opened a Web site. ZESPRI, the company importing kiwifruit from New Zealand, opened an office in France in Spring 1999 to reinforce its market share relative to French and Italian products.

SECTION I: SITUATION AND OUTLOOK

France, with 60,000 MT of kiwifruit produced for commercial use in 1999, is the fifth leading producer of kiwifruit in the world, after Italy, New Zealand, China, and Chile. Although a major producer, France is a net importer of kiwifruit, because domestic demand is high.

Kiwifruit from Italy, New Zealand and France competes on the French market. Promotional efforts are made by the French Kiwi Board (BIK) and the French export promotion agency SOPEXA. One of the leading French kiwi producers, SIKIG, created a Web site in 1999. Kiwifruit from New Zealand is imported by the company ZESPRI which opened a division in France in Spring 1999 to strengthen their market share in France.

France is neither a market nor a competitor for U.S. kiwifruit. The United States is a marginal market for French kiwifruit, with 1 percent of total exports in 1998/99.

SECTION II: STATISTICAL TABLES

1. PS&D Table:

PSD Table						
Country:	France					
Commodity:	Kiwifruit					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		10/1997		10/1998		10/1999
Bearing Area	4250	4250	4250	3997	0	4000
Non-Bearing Area	0	0	0	198	0	0
TOTAL Area Planted	4250	4250	4250	4195	0	4000
TOTAL Area Harvested	4250	4250	4100	3997	0	4000
TOTAL Production	71100	71100	69000	74000	0	72000
Imports	28671	28671	29000	31678	0	32000
TOTAL SUPPLY	99771	99771	98000	105678	0	104000
Exports	23678	23678	22000	24123	0	24000
Domestic Consumption	76093	76093	76000	81555	0	80000
TOTAL DISTRIBUTION	99771	99771	98000	105678	0	104000

2. Trade Matrices:

Export Trade Matrix			
Country:	France	Units:	Metric Tons
Commodity:	Kiwifruit		
Time period:	MY Oct/Sept		
Exports for	1997		1998
U.S.	192	U.S.	283
Others		Others	
Spain	7094	Spain	7357
Germany	5035	Belgium/Lux.	4068
Netherlands	3460	Germany	3956
Belgium/Lux.	3376	Netherlands	2992
Hong Kong	690	Taiwan	1334
UK	657	Portugal	996
Canada	558	Canada	792
Ireland	519	Italy	453
Taiwan	593	UK	402
Italy	282	Hong Kong	284
Total for Others	22264		22634
Others not listed	1222		1206
Grand Total	23678		24123

Import Trade Matrix			
Country:	France	Units:	Metric Tons
Commodity:	Kiwifruit		
Time period:	MY Oct/Sept		
Imports for	1997		1998
U.S.	0	U.S.	0
Others		Others	
New Zealand	10990	Italy	12756
Italy	8587	New Zealand	10540
Chile	4369	Chile	4281
Germany	1327	Belg/Lux.	1585
Belgium/Lux.	1272	Greece	1242
Spain	917	Netherlands	676
Greece	690	Spain	299
Netherlands	312	Germany	175
Total for Others	28464		31554
Others not listed	207		124
Grand Total	28671		31678

3. Price Tables:

There are no data available for import/export prices by grade of kiwifruit. However, according to French Customs, import/export prices by country of origin/destination were the following in 1998 and 1999:

Export Prices (USD per MT)	Spain	Germany	Taiwan	U.S.	All Destinations
Jan-Dec 1998	1,315	1,552	1,720	1,615	1,397
Jan-Sept 1999	1,419	1,647	1,620	1,671	1,476

Import Prices (USD per MT)	Italy	New Zealand	Chile	All Origins
Jan-Dec 1998	1,213	1,768	1,259	1,476
Jan-Sept 1999	1,015	1,980	1,076	1,363

Note: exchange rates used in the above tables are: 1 USD = 5.90 FF in 1998 and 1 USD = 6.10 FF in 1999.

4. Tariff Table:

Customs duties on fresh kiwifruit in 1999 amounted to the following (in percent ad valorem):

Customs Codes for Kiwifruit	Jan 1 to June 30, 1999	July 1 to Dec 31, 1999
08 10 50 10	9.5	9.2
08 10 50 20	8.7	8.4
08 10 50 30	9.5	9.2

SECTION III: NARRATIVE ON SUPPLY, DEMAND, POLICY AND MARKETING

Production

Total production of kiwifruit indicated in the PS&D table includes commercial and non commercial production. According to the French Technical Center for Fruits and Vegetables (CTIFL), French kiwi production totalled 74,000 MT in 1998/99. The French Kiwi Organization (BIK) estimates French commercial production at 54,000 MT in 1998/99 and 60,000 MT in 1999/2000. Non commercial production includes losses and direct sales from the fields.

In France, kiwifruit is harvested in October-November. Domestically-grown kiwifruit is sold on the French market after November 15, so that fruits are mature enough to have a high sugar content, which is a characteristic of good quality and which consumers enjoy.

Consumption

The French market for kiwifruit is growing. It increased from FF 640 million (USD 108.5 million) in 1998 to FF 645 million (USD 105.7 million) in 1999. At the same time, average retail prices increased from 15.01 FF/kg (2.54 USD/kg) to 15.20 FF/kg (2.49 USD/kg). Consumers make two thirds of their kiwi purchases in supermarkets. 70 percent of purchases are made by piece (i.e., not by weight). Half of consumers consume a minimum of one kiwifruit per week.

Kiwifruit is consumed throughout the year in France, since the Northern and the Southern hemispheres produce kiwifruit and export to France during complementary periods. However, two thirds of consumption occurs from November to May, which corresponds to the period of commercialization of domestic production. Kiwifruit from New Zealand is present on the French market from July to November. Chilean kiwifruit is on the French market during the summer period.

Trade

Italy, New Zealand and Chile are France's leading suppliers of kiwifruit, with 87 percent of the French market in MY 1998/99. These countries are the world's top producers of kiwifruit.

France's main export markets for kiwifruit are EU Member States, with 89 percent of French exports in 1998/99. Taiwan, Canada and Hong Kong are significant niche markets, with 10 percent of French exports.

French exports of kiwifruit to the United States are marginal, and increased by 47 percent from 192 MT in 1997/98 to 283 MT in 1998/99.

Stocks

Kiwi stocks are held in cold storages in packing stations. Growers, packers and traders own the stocks.

Marketing

1. French Initiatives:

An efficient way of selling food products at high retail prices on the French market is to label products with official quality labels. A growing share of the French kiwi production is labeled as such. In 1997, the first "Label Rouge" kiwi, the Kiwi de l'Adour, was created (see FR9003). In 1999, 1,500 MT, about 2 percent of domestic production, of kiwifruit were sold under "Label Rouge." Growers of this products recently asked the European Commission to approve their product under the EU label "Protected Geographical Indication" (PGI).

Other kiwifruit are labelled with "Certification of Conformity," a quality label which certifies that a product meets certain standards. These are: (1) sustainable kiwi production in orchards (reduced use of chemicals), (2) harvest at optimal maturity of fruits, (3) minimum sugar content when kiwis are sold by growers to wholesalers/retailers, and (4) traceability of the fruits from the orchards to retail outlets.

The leading French companies producing and packing kiwifruit are the following:

Company	Quantity of Kiwifruit Produced in 1999/2000 (MT)	Share of Domestic Production (%)
Sikig	6,000	10
Fruitport	6,000	10
Kiwifruits de France	5,500	9.1
Blue Whale	5,000	8.3

The company SIKIG has a Web site: <http://www.kiwi-france.com>
and an E-mail address sikig@kiwi-france.com

The Web site is in French and includes information on the history of kiwifruit, the world market for kiwifruit, health benefits of kiwifruit for consumers, kiwi grade standards, and information on the SIKIG company. SIKIG produces, stores, and packs 6,000 MT of kiwifruit, of which 80 percent are sold under "Certification of Conformity" labels and 50 percent are exported to the EU, Taiwan and the United States.

General information on the French fruits and vegetables sector can be obtained from the Web site of INTERFEL (French Interprofessionnal Organization for Fruits and Vegetables): <http://www.interfel.com>

The organization promoting French food outside of France, SOPEXA, and the French Kiwi Organization (BIK), plan to organize a promotional campaign on kiwifruit from January to March 2000, as they do every year. These promotional campaigns include advertisements for kiwifruit in the press, on the radio, and in supermarkets.

2. Initiatives from New Zealand:

In April 1999, the company ZESPRI International, specializing in importation and sales of kiwifruit from New Zealand, established a division, ZESPRI International France, in the port city of Marseille, in order to strengthen its position on the French kiwi market. This company plans to increase its promotional activities with distributors through direct contacts with supermarket chains, other retailers, and wholesale markets.

Kiwifruit from New Zealand imported by ZESPRI are commercialized in France under the brand name Zespri™ and include four products: Zespri™ Green, Zespri™ Organic, Zespri™ Jumbo (large grades), and Zespri™ Gold, a new variety that is yellow and has a smoother, less fuzzy skin.

ZESPRI communicates on the nutritional values of kiwifruit and on their environmental friendly production practices, including sustainable and organic production. ZESPRI growers are under the environment standard ISO 14000.

Zespri's Web site is: <http://www.zespri.com>