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France

Kiwifruit

Annual

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Report Highlights:

There is almost no kiwi trade between the United States and France. Traditionally a net importer of kiwifruit, France became a net exporter in MY 99/00. French kiwifruit production accounted for 17 percent of EU production and 6 percent of world production, with 72,900 MT produced in MY 1999/2000.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Executive Summary	1
Section I: Situation and Outlook	1
Section II: Statistical Tables	2
PS&D Table	2
Trade Matrices	3
Price Tables	4
Producer, Wholesale and Retail Prices	4
Import and Export Prices	5
Tariff Tables	6
Section III: Narrative on Production, Supply, Demand and Marketing	7
Production	7
Consumption	8
Trade	8

Executive Summary

There is almost no kiwi trade between the United States and France. Traditionally a net importer of kiwifruit, the French have gradually increased exports and reduced imports in the past years. Consequently, France became a net exporter of kiwifruit in MY 1999/2000, with a trade surplus of 4,126 MT. French kiwifruit production accounts for 17 percent of the EU production and 6 percent of the world production, with 72,900 MT produced in MY 1999/2000.

Section I: Situation and Outlook

French kiwifruit production amounted to 72,900 MT in 1999, down by one percent from 74,000 MT in 1998. This decline in total production included an increase in commercial production to 60,000 MT in 1999 from 54,000 MT in 1998, and a reduction in non-commercial production (losses and direct sales from fields) to 12,900 MT from 20,000 MT.

Mainly due to declining non-commercial production, consumption declined to 68,774 MT in 1999/2000 from 81,555 MT in 1998/1999. At the same time, household purchases in retail outlets remained stable at 41,300 MT.

France was traditionally a net importer of kiwifruit, and had a trade deficit of 7,555 MT in MY 1998/999. However, France became a net exporter of kiwifruit in MY 1999/2000, with a trade surplus of 4,126 MT. This was due to both increased exports and decreased imports to and from France's leading trade partners. French exports to Spain, Germany, the Netherlands and Taiwan rose, while imports from Italy, New Zealand and Chile declined.

France is neither a market nor a competitor for U.S. kiwifruit. The United States is a marginal market for French kiwifruit, with one percent of total French exports in MY 1999/2000

Section II: Statistical Tables

PS&D Table

PSD Table						
Country	France					
Commodity	Kiwifruit				(HA)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		10/1998		10/1999		10/2000
Bearing Area	3997	3997	4000	3848	0	3800
Non-Bearing Area	198	198	0	172	0	160
TOTAL Area Planted	4195	4195	4000	4020	0	3960
TOTAL Area Harvested	3997	3997	4000	4020	0	3960
TOTAL Production	74000	74000	72000	72900	0	73000
Imports	31678	31678	32000	24811	0	26000
TOTAL SUPPLY	105678	105678	104000	97711	0	99000
Exports	24123	24123	24000	28937	0	28000
Domestic Consumption	81555	81555	80000	68774	0	71000
TOTAL DISTRIBUTION	105678	105678	104000	97711	0	99000

Sources: SCEES, CTIFL, French Customs

Trade Matrices

Export Trade Matrix			
Country	France		
Commodity	Kiwifruit		
Time period	MY Oct/Sept	Units:	MT
Exports for:	1998		1999
U.S.	283	U.S.	282
Others		Others	
Spain	7357	Spain	10358
Belgium	4068	Germany	5168
Germany	3956	Belgium	3990
Netherlands	2992	Netherlands	3190
Taiwan	1334	Taiwan	1938
Portugal	996	Canada	543
Canada	792	Hong Kong	532
Italy	453	UK	468
UK	402	Portugal	319
Hong Kong	284	Italy	251
Total for Others	22634		26757
Others not Listed	1206		1898
Grand Total	24123		28937

Import Trade Matrix			
Country	France		
Commodity	Kiwifruit		
Time period	MY Oct/Sept	Units:	MT
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Italy	12756	Italy	10955
New Zealand	10540	New Zealand	7355
Chile	4281	Chile	2347
Belgium	1585	Greece	1110
Greece	1242	Netherlands	557
Netherlands	676	Belgium	549
Spain	299	Spain	329
Germany	175		
Total for Others	31554		23202
Others not Listed	124		1609
Grand Total	31678		24811

Source: French Customs

Price Tables

Producer, Wholesale and Retail Prices

Producer Prices:

According to the French Ministry of Agriculture and Fisheries, producer prices for kiwis grown in southwestern France were the following, in FF per pack of 3 kilograms of fruit of Category I:

	MY 1997/1998	MY 1998/1999	MY 1999/2000
November	26	29	25
December	29	27	23
January	25	27	23
February	27	26	23
March	27	28	21
April	29	30	22
May	32	30	24

Note: prices were let in FF so that they can be compared from one MY to another.

Wholesale Prices:

Wholesale prices for kiwifruit on the Rungis wholesale market, which is the largest in France and supplies the Paris area were the following in FF for packs of 3 kilograms of fruit of Category I:

	MY 1997/1998	MY 1998/1999	MY 1999/2000
November	33		31
December	30	32	26
January	29	30	23
February	34	31	25
March	34	32	25
April	34	35	26
May	37	36	28

Note: prices were let in FF so that they can be compared from one MY to another.

Retail Prices:

Retail prices for kiwifruit recorded by the MinAg and the SOFRES poll institute were the following in MY 1999/2000, based on 150 hypermarkets and supermarkets across France:

	MY 1999/2000	
	FF/kg	USD/kg
November	20	3
December	20	3
January	17	2
February	17	2
March	17	2
April	17	2
May	17	2

Import and Export Prices

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-Dec 1999	1,301	1,434	1,985	1,803	1,481
Jan-Sept 1999	1,419	1,647	1,620	1,671	1,476
Jan-Sept 2000	964	1,254	1,239	1,687	1,069

Import Prices (USD per MT)	Italy	New Zealand	Chile	All Origins
Jan-Dec 1998	1,213	1,768	1,259	1,476
Jan-Dec 1999	1,022	2,075	1,113	1,407
Jan-Sept 1999	1,015	1,980	1,076	1,363
Jan-Sept 2000	654	1,554	858	1,002

Note: exchange rates used in the above tables are: 1 USD = 5.90 FF in 1998
1 USD = 6.10 FF in 1999
1 USD = 7.13 FF in 2000

Tariff Tables

In 2000, the three Customs codes for kiwifruit (08 10 50 10, 08 10 50 20 and 08 10 50 30) were aggregated into one code: 08 10 50 00. Custom duties on fresh kiwifruit in 2000 amounted to the following (in percent ad valorem):

Import Period	Note	Custom Duties
January 1-May 14	corresponds to former code 08 10 50 10	9.2
May 15-June 30	correspond to former code 08 10 50 20	8.4
July 1-Nov 15		8
Nov 16-Dec 31	corresponds to former code 08 10 50 30	8.8

Section III: Narrative on Production, Supply, Demand and Marketing

Production

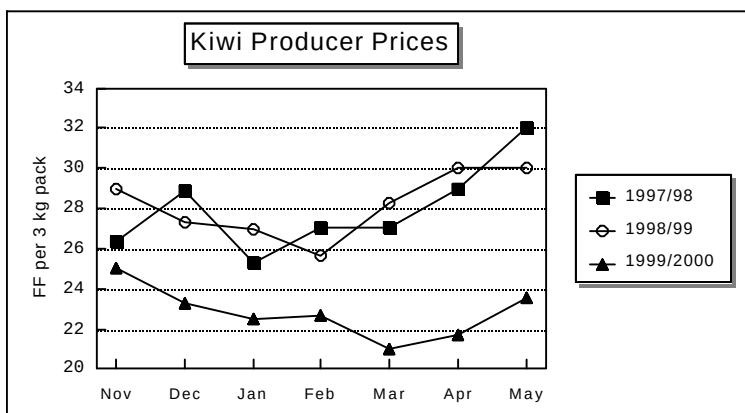
French kiwifruit production accounts for 17 percent of EU production and 6 percent of world production. In 1999, French kiwifruit production declined by one percent to 72,900 MT from 74,000 MT in 1998, mainly due to reduced orchards. No major change is expected for 2000.

French kiwifruit production includes commercial and non-commercial production. Commercial production amounted to 54,000 MT in 1998/99, 60,000 MT in 1999/2000, and is forecast at 62,000 MT in 2000/2001. Non commercial production, consisting of losses and direct sales from the fields, significantly declined to 12,900 MT in 1999/2000 from 20,000 MT in 1998/99.

Kiwifruit production is located mainly in three regions (Départements) of France: Haute Corse (North Corsica), Landes (Southwestern France, on the Atlantic Coast), and Lot et Garonne (Southwestern France). In 1999, these regions totaled 53 percent of the national kiwifruit production.

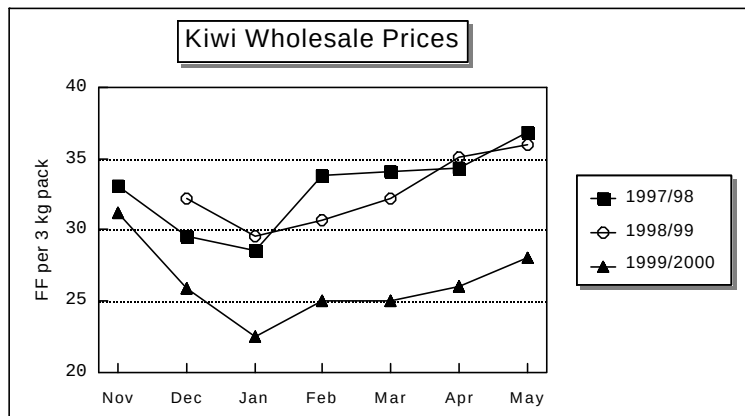
Prices:

The following graphs are based on the price tables in the Section II of the report:



Prices were lower in 1999/2000 than in the previous years, mainly due to increased European kiwifruit production in 99/00 over 98/99 (30 percent increase). In addition, prices were abnormally high in MY 97/98 and 98/99, after years of low prices since 1994.

From November to January, domestically-grown kiwifruit was sold on the French market and exported without major problem. In February and March, French kiwifruits suffered from the stiff price competition of Italian products both on the French market and on the Spanish and Portuguese export markets.



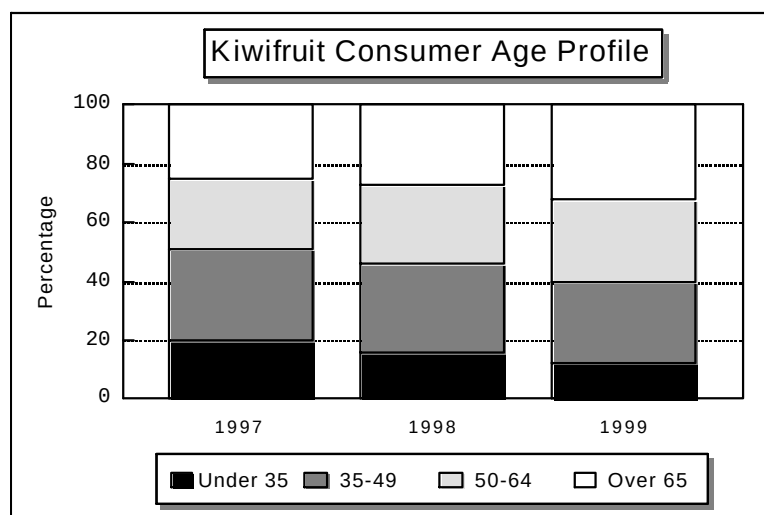
In April, the quantities of French and Italian kiwifruit on the French market declined, and prices therefore increased. In May, prices continued to rise and were not affected by imports of Chilean products.

Consumption

Consumption includes household purchases as well as hotel, restaurant and institutional (HRI) consumption. According to SECODIP, French household purchases in retail outlets remained stable at 41,300 MT kiwifruit in CY 1998 and CY 1999. There is no estimate available for HRI consumption. Consequently, the significant decline (16 percent, or 12,781 MT) in total consumption from 81,555 MT in 1998/99 to 68,774 MT in 1999/2000 is likely to result mainly from reduced direct sales from the fields (7,100 MT) and reduced HRI consumption.

SOPEXA and BIK conducted a survey on French consumers perception of kiwifruit in April 2000. This survey revealed that kiwifruit is the tenth most preferred fruit among French consumers, following peach, tangerine, grapes, apricot, orange, banana, pear, and pineapple. Most French people (83 percent) consider kiwifruit as an exotic fruit, because only 45 percent are aware that it is domestically-grown. There are 48 percent of French consumers consuming kiwifruit at least once a week. Most French consumers purchase kiwifruit throughout the year (47 percent), or preferably in winter (34 percent). Kiwifruit has a positive image among French consumers, who believe that this fruits has a high vitamin and energy content.

According to a survey made by SECODIP and ONIFLHOR, French kiwifruit consumers are aging, as shown in the graph below:



Trade

France became a net exporter of kiwifruit in MY 1999/2000, after many years of being a net importer. This was mainly due to reduced imports from France's leading suppliers (Italy, New Zealand and Chile) and growing shipments to France's leading exports markets (Spain, Germany, the Netherlands, Taiwan).

There is almost no trade in kiwifruit between the United States and France. French Customs indicate that France exported 282 MT to the U.S. in MY 1999/2000, i.e., one percent of total French kiwifruit exports. There are no imports of kiwifruit from the United States into France.