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France

Exporter Guide

Annual

Approved By:
David G. Salmon
Prepared By:
Laurent J. Journo

Report Highlights:
Socio-economic and demographic changes continued to alter food trends in France. French consumers desire innovative and more convenient foods offering a quality image, better taste, and increased health benefits. France offers market opportunities for U.S. suppliers in a number of areas, such as seafood, processed fruits and vegetables (including fruit juices), beverages (including wine and spirits), dried fruits and nuts, but also confectionery products, organic products, kosher and halal foods.
This report, prepared by the USDA's Foreign Agricultural Service for U.S. exporters of food products, presents a comprehensive guide to France's economic situation, market structure, exporter tips and best prospects for high-value foods and agricultural products.

Post:
Paris

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Note : Average exchange rates used in this report are:

Calendar Year 2012: US Dollar 1 = 0.77 Euros
Calendar Year 2013: US Dollar 1 = 0.76 Euros
Calendar Year 2014: US Dollar 1 = 0.74 Euros
(Source: IRS)

SECTION I. MARKET OVERVIEW

1. Macroeconomic Situation

As a member of the G-20, the European Union (EU), the World Trade Organization (WTO), and the Organization for Economic Cooperation and Development (OECD), France is a leading economic player. With a $2.5 trillion gross domestic product (GDP) in 2014, France is the world's ninth largest industrialized economy. The French population of 66.5 million has a per capita income of $40,400 in 2014, according to the Central Intelligence Agency (CIA).

According to Department of Commerce Census data, France is the ninth largest trading partner of the United States. U.S. trade with France, including exports and imports of goods and services, was $78 billion in 2014. The United States is the first outlet for French foreign direct investment and is also the fourth largest foreign investor in France, reaching the amount of $255 billion and $84.6 billion, respectively.

France is transitioning from an economy that has featured extensive government ownership and intervention to one that relies more on market mechanisms, while in the midst of a euro-zone crisis. The government has partially or fully privatized many large companies, banks, and insurers, and has ceded stakes in such leading firms as Air France, France Telecom, Renault, and Thales. It maintains a strong presence in some sectors, particularly power, public transport, and defence industries. With at least 84 million foreign tourists in 2014, France ranks as the most visited country in the world and maintains the third largest income in the world from tourism. France's leaders remain committed to capitalism in which they maintain social equity by means of laws, tax policies, and social spending that reduce income disparity and the impact of free markets on public health and welfare.

Real GDP increased 0.4 percent in 2014, after remaining flat for the last two years, while the unemployment rate (Metropolitan France) remained unchanged, at 10.2 percent. France is struggling to revitalize its economy while at the same time reducing its national debt.

France is the second-largest trading nation in Western Europe (after Germany). In 2013, the country ran a $78 billion trade deficit of goods based on total trade of $1.2 trillion. The majority of this trade was with EU-28 countries. France is a member of the G-8 (and initiator of the G-20), the European Union (EU), the World Trade Organization (WTO), and the Organization for Economic Cooperation and Development (OECD), confirming its status as a leading economic player in the world.

2. French Agricultural Production and Consumption

In 2013, the value of the French agricultural production increased by seven percent to $88 billion. There was a slight increase for both animal production and crops during the year. Farmer costs of production continue to increase driven by soaring energy and fertilizer prices. On the other hand, the French external trade surplus for agricultural and food products in 2014 decreased to about 11 billion dollars, a decrease of 17 percent over 2013. This was mainly due to the Russian import embargo on EU products which lowered French exports to Russia and increased the EU internal competition to the detriment of French products.

The purchasing power of French households has decreased by five percent since 2008. Also, the increase of taxes and social security contributions in 2013 and 2014 reduced household gross disposable income by one percent. Consequently, price will remain the number one concern in French food purchases. The majority of French food consumers will continue to prefer hyper/supermarkets private label products, while others may continue to buy branded products but in smaller quantities to better balance their food budgets.

In 2014, despite of the financial slowdown, French consumers maintained their food purchases but were more price conscious, taking advantage of promotions and tending to diversify their shopping locations. Food expenses represented 12.7 percent of French household budget compared to 12.1 percent in 2008. This increase is surprising because food consumption expenses have been declining steadily since the 1960’s. French food expenses in hypermarkets, supermarkets, and hard discounters have decreased in volume about 1.4 percent per year since 2010, but increased 1.9 percent in value. The “drive-thru” concept is on the rise thanks to hyper/supermarkets efforts to expand their outlets. In 2012, new taxes on sugared beverages, such as sodas, resulted in an immediate sales decrease of about four percent for these products; in addition, new taxes on certain food products, such as beer and palm oil, were applied in 2013 and 2014. All these taxes are aimed at reducing the French social security deficit. Also, as of January 1, 2014, the standard value added tax (TVA) on alcoholic beverages, candies and some chocolates rose from 19.6 percent to 20 percent; the intermediary TVA tax on some prepared foods increased from 7 to 10 percent, while the reduced rate on current consumption food products remained unchanged at 5.5 percent. The most widely consumed ready-to-eat products are canned vegetables, including potatoes, as well as meat and fish-based products. Even though food consumption habits have changed over the past years and consumers shop more in discounters for the most essential food products, they also purchase a bottle of Champagne when receiving friends at home French analysts said.

3. Key Demographic Developments

On July 2015, the French population was estimated to 66.5 million people. Between January 2014 and January 2015, the French population increased approximately 0.43 percent. Every year, between 2004 and 2014, there is an average of 200,000 immigrants coming to France.

Estimate of Population and Statistics (In thousands)

Year	Population	Birth	Death	Natural Increase

2005	62,731	806.8	538.1	+268.7
2015	66,553	813	555	+258

(p) = Projections
Source: INSEE

4. Changing Food Trends

Socio-economic and demographic changes have significantly altered food trends. Trends show that French consumers increasingly desire food products that offer better taste, health benefits, and convenience.

• The “younger” generation, between the ages of 20 and 35 (26 percent), enjoys trying new and innovative products. This generation values products with an appealing image along with good taste.

• Past food safety scares 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 produce, fish and seafood products, and food supplements.

• There is strong demand for ethnic meals, halal manufactured products and, to a lesser extent, kosher certified products

• Working consumers and those living alone (about 30 percent of the French population) are spurring demand for easy-to-prepare foods, single and double portion packs, and frozen or microwavable meals.

Advantages and Challenges for U.S. Exporters in France

Advantages	Challenges
• The rapid population shift from rural to urban regions is boosting demand for international foods. • French per capita income is near that of the United States. • The tourism industry increases demand for hotel, restaurant, and institutional products. • U.S. fast food chains, theme restaurants, and the food processing industry occasionally demand American food ingredients. • Efficient domestic distribution systems. • American food and food products remain quite popular. • US-EU organics equivalency agreement in place in 2012 will help increase the organic trade.	• Food scares and other food safety issues cause concern among French consumers. • French consumers are exacting when it comes to quality and innovation. • Price competition is fierce. • Certain food ingredients are banned or restricted in the French market. • Marketing costs to increase consumer awareness are high. • Appreciation of the U.S. dollar vis-a-vis the Euro. • Mandatory customs duties, sanitary inspections and labelling requirements can be onerous. • The EU biotech labelling requirement of

	0.9 percent excludes many U.S. processed products.

SECTION II. EXPORTER BUSINESS TIPS

1. Trade Barriers and Restrictions

- Most processed products are subject to additional import charges based on sugar, milk fat, milk protein, and starch content.

- Efforts to harmonize EU import regulations and to implement commitments under the WTO may reduce inconsistent and conflicting French and EU regulations, quota conversions, variable levies, and restrictive licensing requirements.

- French regulations can limit market access for certain U.S. agricultural products including, but not limited to, the following:

  - Enriched flour
  - Bovine genetics
  - Exotic meat (alligator)
  - Flightless bird meat (ratite)
  - Live crayfish
  - Beef and bison meat
  - Certain fruits and vegetables
  - Pet foods
  - Co-products derived from genetic modification

For more information on product trade restrictions, food standards, and regulations, please refer to the EU and FAS/Paris Food and Agricultural Import Regulations and Standards Report (FAIRS) report:

http://www.usda-france.fr/media/Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Narrative_Paris_France_4-19-2013.pdf

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Narrative_Brussels%20USEU_EU-28_12-30-2014.pdf

France, as an EU member state, benefits from EU customs union agreements with Turkey and Andorra and free trade agreements under either GATT Article XXIV or GATS Article V. The European Union has preferential trade agreements with Norway, Iceland, Switzerland, Liechtenstein, Israel, the Palestinian Authority, Tunisia, Morocco, Jordan, Egypt, Lebanon, Syria, Algeria, Mexico and South Africa. The trade agreement with Canada has been negotiated but has not yet been ratified by the European Parliament. The European Union provides African, Caribbean and Pacific developing countries (ACP) with non-reciprocal preferential access to its markets under the Cotonou Agreement, and gives other developing countries preferential access under the Generalized System of Preferences (GSP).

2. Consumer Tastes, Preferences and Food Safety

Like U.S. consumers, French consumers desire innovative foods. Consumers like ethnic and exotic foods with distinctive themes and flavours. The number of theme restaurants has increased dramatically. In Paris, one of every two new restaurants is based on a "world food" concept, and all major supermarket chains offer ethnic foods under their private labels. In the ethnic segment, consumers seek new products and look for quality and innovation. The trends favour Thai, Japanese, Northern and Southern African, Indian cuisine, but also Middle Eastern fast food specialties (kebabs). Tex-Mex, Cajun, or California-style cuisine, sports drinks, and vitamin enriched snacks have potential, as do ready-to-eat products, such as frozen foods, seafood, wild rice, innovative dietetic/health products, organic products, and frozen desserts. Kosher and halal foods are also increasing in popularity. There is a strong and unmet demand for these products. With some seven million potential consumers of halal food products, France ranks as the leading market in Europe for halal foods with a market estimated at 8 billion dollars**.** However, in the absence of official figures for ethnic foods, it is difficult to estimate this market precisely, but it is clear that it increases at a rate of around ten percent yearly. More recently, finger foods are becoming popular, especially in large cities, representing opportunities for ethnic foods.

While many consumers and distributors are receptive to new developments in food products, they request information on product contents and manufacturing processes. France has labelling requirements for both domestically-produced and imported food products containing genetically-modified products or biotech-derived ingredients or additives harmonized at the EU level.

The French Government encouraged the development of quality marks such as "Label Rouge" (Red Label) for meats, poultry, and fruits and vegetables, which guarantees production under established conditions. Product origin labels were also established, which guarantee that certain wines, milk, butter, or cheeses were sourced from a certain region. The government also oversees a certification program which guarantees that product preparation, manufacturing, and packaging processes follow certain specifications. These quality and origin marks have been well received by French consumers. The organic food program certifies that agricultural and food products were manufactured without prohibited fertilizers and according to special criteria. The organic market in France, which increased at a yearly rate of ten percent during past years, reached sales of $6.7 billion in 2014. Roughly eighty percent of sales were made via retail organic and specialty stores, 10 percent directly from producers to consumers and five percent by artisanal traders. Total imports from third countries (non EU members) were valued at $262,500 were mainly include sugar, oil seeds, cereals, olive oil, animal feed, fruits, and vegetables. The main imported products from the United States are cereals, tree nuts, dried fruits, fruit and vegetable juices, fruits, and rice.
Since 2012, a mutual recognition agreement between the United States and the European Union has been implemented and organic products certified in Europe or in the United States may be sold as organic in either region. This partnership between the two largest organic producers in the world will establish a strong foundation from which to promote organic agriculture, benefiting the growing organic industry and supporting jobs and businesses on a global scale.

3. Marketing Strategies for the French Market

(a) U.S. food product exporters should consider:

Market access restrictions and food laws

- Check EU and French regulations to ensure products are allowed to enter the French market and carefully verify the list of ingredients and additives.
- Verify customs clearance requirements and any additional import charges based on percentage of sugar, milk, fat, milk protein and starch in the product.

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 specialities (i.e., Florida grapefruit, California wine, Tex-Mex or Cajun style, New England seafood, etc.)

Image appeal

- Packaging could 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

- In-store product demonstrations can help familiarize French consumers with U.S. food products.
- Trade shows are an excellent way to introduce new products to the market.

(b) Successful Export Planning for Your Products:

- 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, distribution channels, and market size.

- Conduct basic market research and review export statistics for the past five years.

- Adapt products to local regulations, by giving the customer what they require. Check ingredients and package size requirements, research consumer preferences, and ensure that the product is price competitive.

- Identify the best distribution channel for the product, i.e., supermarkets, importer, distributor, or a foreign agent. Be prepared to send samples.

- Work an agent, distributor, or importer to determine the best promotional strategy. Be prepared to invest in the market promotion (through trade shows, in-store promotions or advertising campaigns, to gain maximum exposure and make valuable market contacts).

Note: 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-Northeast, Southern U.S. Trade Association (SUSTA), Western U.S. Trade Association (WUSATA) and Food Export Association of the Midwest USA. (Addresses, telephone, fax and contact information for these groups are listed in Section V, Appendix B, of this report).

4. **General Import and Inspection Procedures**

Import and export transactions exceeding 12,500 Euros (approximately $14,000 at the current exchange rate) in value must be handled through an approved banking intermediary. Goods must be imported or 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 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 (for specific products)
- 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.

For additional information, you may also consult the Country Commercial Guide

http://export.gov/france/doingbusinessinfrance/index.asp

Basic Labelling/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

Mandatory Labeling of Genetically Engineered (GE) Products and Exemptions

European regulations (EC) No 1829/2003 and (EC) No 1830/2003 require food and feed produced from or containing GMOs to be labeled as such. These regulations apply to products originating in the EU and imported from third countries. Bulk shipments and raw materials must be labeled, as well as packaged food and feed. Some products exempt from labeling obligations are:

- Animal products originating from animals fed with GE feed (meat, dairy products, eggs);
- Products that contain traces of authorized GE ingredients in a proportion no higher than 0.9 percent, provided that this presence is adventitious or technically unavoidable;
- Products that are not legally defined as ingredients according to Article 6.4 of Directive 2000/13/EC, such as processing aids (like food enzymes produced from GE microorganisms).

Voluntary "GMO-free" Labeling Systems

In France, the government has implemented a national voluntary "GMO-free" labeling system. It only applies to food produced in France. Imported products are not included. It states that:

- Plant products can be labelled as "GE free" if they contain less than 0.1 percent GE plants.
- For animal products, two thresholds are set and must be indicated on the label: 1) under 0.1 percent is labeled as "fed without GE plants (0.1 percent)," and 2) under 0.9 percent as "fed without GE plants (0.9 percent)."
- Processed animal products, milk and eggs can be labelled as "sourced from animals fed without GE plants (0.1 or 0.9 percent)."
- For apiculture products, biotech plants should be no closer than three kilometers to an apiary.

Besides, some food manufacturers and retailers voluntarily label their products as "GMO-free." Such labels are mainly found on animal products (meat, dairy products, and eggs), canned sweet corn and soybean products.

National Ban on the only GE Corn Trait Commercially Grown in the EU

The only GE plant approved for cultivation in the EU is MON810 Bt corn, an insect-resistant corn. In France, the cultivation of this corn is banned under Directive (EU) 2015/412.

Customs Process:

- A person or company can facilitate customs clearance for imports, so long as they are present at the French Customs Authorities at the port of entry with the imported goods and the necessary accompanying documents. To ease the clearance process, the U.S. exporter should 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 the 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 quality 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 20 percent applies to alcoholic beverages, some chocolates and candies
    - Reduced rate of 5.5 percent applies mostly to agricultural and food products.

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

1. The French Food Industry

In France the food industry is the leading industrial sector both for sales and employment. In 2014, the 71,900 companies of the sector generated total sales of $211 billion and employed 598,300 people throughout France. The food industry has a key role in France in regional dynamism and development as it processes 70 percent of the French agricultural production. The total value of food industries in the French economy represents 11 percent. The food industry sector also contributes to the commercial balance of the country and generated an $8.6 billion surplus in 2014 thanks to wine, spirits, and fresh products.

Up until now the French food industry has weathered the economic slowdown, but, since the beginning of 2013, employment in the sector has declined, as a result of new taxes, price increases in raw materials, and socio-structural difficulties. During the first half of 2014, total French agricultural and food products exports decreased by 5.5 percent, compared to the same period in 2013, while total imports increased slightly. During that period exports to third countries of wines and spirits decreased (mainly to Asia), while exports of grains to Algeria increased slightly. Imports of agricultural and food products continued to increase during the first half of 2014, mainly for fruits, vegetables, and beverages from Spain. Globally, the trade surplus for agricultural and food products during the period Jan-June 2014, reached $5.8 billion, a significant decrease compared to the same period in 2013.

Food industry report highlights the weakness of the French food industry compared to its European partners. Even though France remains the fourth largest exporter of food products in the world, French food product exports increased an average of five percent yearly during the period 2006-2012, while The Netherlands (thanks to its commercial buying/selling platform), increased exports by seven percent, and Germany by eight percent (mostly due to the boom in their meat and dairy sectors) during the same period of time. The report also pointed out the threat posed by emerging agricultural countries like Brazil, China, Argentina and India. The loss of French food industry competitiveness is mainly due to higher labor costs, more restrictive sanitary regulations, and the small scale of French agricultural companies, which represent 85 percent of the total French food industries.

Exports in billion dollars		Imports in billion dollars	
2011	53.1	2011	44.9
2012	55.2	2012	45.2
2013	58.1	2013	48.6
2014	59.8	2014	51.0

Source: Insee

Production of Major French Food Processing Sectors
Calendar Year 2013 and 2014

	Production in Billion dollars		**Percentage Growth 2014/2013 in %**		
Food Processing Sectors	**2013 (value)**	**2014 (volume)**	**Value**	**Volume**	**Price Growth**
Meat Industry	44.0	43.9	-2.2	-0.2	-2.0
Seafood Industry	3.8	3.7	-4.9	-6.0	1.1
Fruits & Vegetable Industry (incl. Fruit juices)	8.7	8.9	1.6	0.2	1.4
Fats and Oils Industry	6.9	7.6	-2.7	7.9	-9.8
Milk Industry	35.9	37.0	4.2	0.4	3.8
Grain Industry	8.2	8.4	-7.7	0.2	-7.9
Bakery/Pastry industry	30.0	31.0	1.1	0.8	0.3
Animal Feed Industry	15.2	15.5	-6.4	-0.9	-5.6
Beverage Industry	24.5	24.8	1.0	-1.4	2.5
Tobacco Industry	1.3	0.8	-43.8	-43.8	-0.1
Other food industries	29.0	29.2	-2.0	-2.9	0.9
Total Food Industries	**206.1**	**210.7**	**-1.0**	**-0.5**	**-0.5**

Source: INSEE National Account

2. Infrastructure Situation

France's transportation infrastructure is among the most sophisticated in the world, benefiting from advanced technology and a high level of investment by the government. The three main entry points for air-freight are Orly and Charles de Gaulle airports and Saint-Exupery airport in Lyon. France has twelve major seaports, many of which are equipped for container ships. There is an extensive highway and river-transport system, and a state-owned rail network that is among the most comprehensive and technologically advanced in the world.
Communications infrastructure is similarly advanced. High-speed Internet access is expanding rapidly. The government promotes better use of information technologies.

3. Market Trends

The French market for food products is mature, sophisticated, and well served by suppliers from around the world. Additionally, an increasing interest in American culture, younger consumers, and changing lifestyles contribute to France's import demand for American food products. Generally, high quality food products with a regional American image may find a niche in the French market, particularly if they gain distribution through 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, organic and health food products, as well as kosher and halal foods. Over the past few years there has been a renewal of interest for American food products. Many restaurants offering a U.S. theme have opened in recent years. This trend is also confirmed by the French importers of American food products where import sales have increased. Also, the French food service industry is moving towards fresh consumer-ready products at the expense of frozen foods.

4. Marketing U.S. Products & Distribution Systems

The United States and France produce many of the same goods and services and export them to each other. Therefore, marketing products and services in France can bear some resemblance to marketing in the United States. French business representatives are sophisticated and knowledgeable about their respective markets. At the same time, American firms must consider certain business practices, cultural factors, and legal requirements in order to do business effectively in France. 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:

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Paris_France_9-13-2012.pdf

The Hotel/Restaurant/Institutional (HRI) sector in France uses the services of wholesalers or processed food buyers. The well-developed 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 can be found at:

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20Service%20-%20Hotel%20Restaurant%20Institutional_Paris_France_1-6-2012.pdf

SECTION IV. BEST HIGH-VALUE PRODUCTS PROSPECTS

There are significant market opportunities for consumer food/edible fishery products in a number of areas, i.e., 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 and surimi), innovative dietetic and health products, organic products, soups, breakfast cereals, and pet foods. In addition, niche markets exist for candies, chocolate bars, wild rice, kosher and halal foods. 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 considered by the Office of Agricultural Affairs as representing the "best prospects" for U.S. business.

Top 5 Market Opportunities for Consumer-Oriented Food Products
(USD Million)

1. Name of Best Prospects: **FISH AND CRUSTACEANS**
   HS Code: 03

   (USD Million)
   (January-December)

	2012	2013	2014
A. Total Market Size	N/A	7,459	7,369
B. Local Production	N/A	3,896	3,660
C. Total Exports	1,416	1,497	1,385
D. Total Imports	4,721	5,060	5,094
E. Total Imports from U.S.	257	241	214

N/A = Not Available
Source: GTI – French Customs

Comments: France is the fourth largest seafood producer in the European Union, after Spain, the United Kingdom and Denmark. However, France is a net importer of seafood products as its domestic seafood production represents only twenty percent of total French consumers demand. During past years, the seafood per capita consumption increased, currently representing about 36 kilograms per year, including 68 percent fin fish and 32 percent shellfish and crustaceans. In 2014, the United States was France's fifth largest supplier of seafood products in volume, after Norway, United Kingdom, Spain, and China. Although direct shipping to France seems to decrease in volume and value, U.S. seafood products exported to France are often processed in third countries; therefore, a considerable amount of seafood products with an origin from the United States is not accounted in customs data. U.S. seafood products mainly consisted of frozen Alaska Pollock fillets, fresh and frozen scallops, frozen surimi base, live lobster, and frozen salmon.

2. Name of Best Prospects: **BEVERAGES, INCLUDING MINERAL WATER, BEER, WINE AND SPIRITS**
HS Code: 22

(USD Million)
(January-December)

	2012	2013	2014
A. Total Market Size	11,494	10,256	10,903
B. Local Production	25,501	24,466	24,774
C. Total Exports	17,968	18,405	18,040
D. Total Imports	3,961	4,195	4,169
E. Total Imports from the U.S.	178	212	207

N/A = Not Available
Source: GTI - French Customs

Comments: In 2014, imports of U.S. wine by value represented approximately five percent of total French imports. U.S. wine imports in France by value rank fifth after EU countries including Spain, Portugal, Italy, ahead of Chile, and South Africa for a total value of $48.5 million and enjoy a 6 percent increase in comparison with the previous year. In France, California wines face strong competition from new world producers, such as Australia, South Africa and Chile. However, market opportunities do exist for U.S. wines thanks in part to the "exoticism" and quality of the products and the promotional efforts made by American themed restaurants in France.

France is a world leader in whiskey consumption. Per French Customs, French imports of U.S. whiskey amounted to $127 million in 2014, a 10 percent decrease over 2013, nevertheless the penetration of bourbon brands like Jim Beam, Maker's Mark, Stepson, in addition to Jack Daniel's, and Wild Turkey is stronger year after year. The United States is France's second supplier after the United Kingdom.

In 2014, U.S. beer exports to France were valued at $1.3 million. While U.S. craft-beer sales in France are still modest, they show a 46 percent increase in value compared to 2013, sales are in constant growth since 2010 when they were valued at $44,000 only. France's leading beer suppliers are Belgium, Germany, and the Netherlands.

Opportunities exist for not sweetened waters, ethnic, new, and innovative U.S. beverages, particularly those linked with Tex-Mex foods. Sales of innovative beverage are on the rise.

3. Name of Best Prospect: **FRESH AND DRIED FRUITS, INCLUDING NUTS**
HS Code: 08

(USD Million)
(January-December)

	2012	2013	2014
A. Total Market Size	11,382	11,999	12,001
B. Local Production	8,647	8,681	8,930
C. Total Exports	2,042	2,075	2,173
D. Total Imports	4,777	5,393	5,244
E. Total Imports from the U.S.	213	229	261

N/A = Not Available
Source: GTI – French Customs

Comments: Under this category, dried nuts are the majority of U.S. exports, and the United States accounted for 32 percent of total French imports. The value was $227 million in 2014 and has been increasing at an annual rate of 17 percent over the past three years. Other major U.S. competitors in the French market are Turkey, Spain, and Italy. In the dried fruits and nuts category, almonds are the leading U.S. product exported to France, valued at $139 million in 2014 and accounting for 50 percent of total French imports. Shelled and in shell pistachios are the second-ranked product exported to France valued at $70 million. France also imports significant quantities of U.S. Macadamia nuts and walnuts.
France produces walnuts and import demand is primarily determined by the size of the domestic crop from year to year. U.S. exports of walnuts to France were $6 million in 2014 with an increase of 70 percent over the previous year.

The snack and nut product niche market is important for U.S. exporters, who profit by promoting their products as healthy and high-quality choices. Dried fruits and nuts, generally salted, are mainly consumed as snacks with aperitifs. Among the most popular snacks are almonds, cashews, pecans, hazelnuts, and pistachios, all of which sell best when merchandised in bulk packages. Consumption of these products has doubled over the past ten years.

Prime opportunities for U.S. fresh fruit and vegetable suppliers are in off-season and extended-season sales, as well as during years of short French fruit crops. France is the leading European market for U.S. grapefruit and number three in the world after Japan and Canada with 17.5 tons imported in calendar year 2013, valued at $20 million. The U.S. market share for citrus fruits represents 21 percent of total French imports in volume and 25 percent in value. The United States was France's first supplier in volume and value for grapefruit for the first time in 2014, followed by South Africa, Israel and Spain.

In 2014, there was a jump in demand for dried raisin in the French food processing industry which resulted in an increase in imports from the United States of just over 400 percent to a value of $4 million.

During short-crop years, France imports apples and pears from the United States. There is also a niche market for berries, medjool dates, dried prunes, frozen fruits and nuts, fresh cherries, cashew nuts, apples, and other fresh citrus. Imports of fresh and dried cranberries from the United States have been very successful during the last fifteen years and were valued at more than $1 million in 2014. Transhipments from other EU member states (who do not produce cranberries) were valued at more than $2.2 million the same year.

4. Name of Best Prospect: **FRESH AND DRIED VEGETABLES**
HS Code: 07

(USD Million)
(January-December)

	2012	2013	2014
A. Total Market Size	N/A	N/A	N/A
B. Local Production	N/A	N/A	N/A
C. Total Exports	2,398	2,772	2,359
D. Total Imports	3,155	3,481	3,396
E. Total Imports from the U.S.	29	40	48

N/A = Not Available
Source: GTI – French Customs

Comments: France is one of the top markets for U.S. Great Northern beans. Significant opportunities exist for U.S. suppliers of dried beans, peas and lentils.
In 2014, dry legumes reached a value of $27.4 million up from $12.3 million five years ago. The United States is the primary source for the French market, followed by Canada and China.

Import statistics show a growth of U.S. exports for fresh and chilled edible roots since 2011. These exports were valued at $2.4 million versus $626,000 in 2010. FAS Paris initiated contact with French buyers and the American Sweet Potatoes Commission actively promotes this product among the food service industry.
Very few opportunities exist for U.S. fresh vegetables. Trends and increased consumption indicate a growing demand for dried and prepared vegetables (washed and cut) and many supermarkets have a special section for these types of products. There may also be demand for organic vegetables, as the new US/EU organic agreement should open doors for U.S. suppliers.

5. Name of Best Prospect: **MEAT AND OFFALS**
HS Code: 02

(USD Million)
(January-December)

	2012	2013	2014
A. Total Market Size	41,502	44,288	45,771
B. Local Production	40,245	42,772	43,845
C. Total Exports	4,496	4,555	4,247
D. Total Imports	5,753	6,071	6,173

E. Total Imports from the U.S.	.1	.2	.6

N/A = Not Available
Source: GTI – French Customs

Comments: Opportunities in this market are limited given the import quota on hormone- free meat and stringent EU veterinary regulations. However, as a result of the enlargement compensation agreement between the United States and the European Union a new quota of 48.200 tons hormone-free high quality beef was voted by the European Parliament in 2012 for import from the US to the EU with zero import duties. Additionally, bison meat is growing in popularity.

SECTION V. KEY CONTACTS, AND OTHER RELEVANT REPORTS

For further information contact:
Office of Agricultural Affairs
American Embassy
2, avenue Gabriel – 75382 Paris Cedex 08
Tel: (33-1) 43 12 2245
Fax: (33-1) 43 12 2662
Email: JournoLJ@usda.gov
Homepage: http://www.usda-france.fr

For more information on exporting U.S. food products to France, visit our homepage.

Reports identified below are relevant and complementary information to this report and can be found at the following hot link: http://www.usda-france.fr/market-information-and-opportunities-en.htm

APPENDIX A : FOOD AND AGRICULTURAL TRADE SHOWS IN FRANCE
In Calendar Year 2016

MAISON & OBJET
January 22-26, 2016
Paris Nord Villepinte
Organizer: M. Philippe Bazin
pbazin@promosalonsusa.com
Internet: http://www.maison-objet.com/

International Home Fashion Manufacturers

(Bi-annual Show)

EUROPAIN/ INTERSUC
Expositions - Paris-Nord Villepinte
February 5-9, 2016

International Chocolate, Parc des
Sugar, Confectionery & Bakery Trade Show

Organizer: Europain Developpement/Comexposium
Philippe BAZIN
Tel: + 1 (212) 564-0404
Email: pbazin@promosalonsusa.com
Internet: http://www.europain.com

(biennal Show)

TEXWORLD | International Textile Manufacturers
February 15-18, 2016
Paris - Le Bourget
Organizer: Messe Frankfurt France SAS
Tel: (33 1) 55 26 89 89
Fax: (33 1) 40 35 09 00
Email: texworld@france.messefrankfurt.com
Internet: http://www.texworld.messefrankfurt.com/

(Bi-annual Show)

PREMIERE VISION | International Textile and Clothing Show
February 16-18, 2016
Parc des Expositions Paris-Nord Villepinte
Organizer: Premiere Vision Salon
Tel: (33 4) 72 60 65 00
Fax: (33 4) 72 60 65 49
Email: info@premierevision.fr
Internet: http://www.premierevision.fr/

(Bi-annual Show)

LE CUIR A PARIS | International Leather Products February February
16-18, 2015 Show
Parc des Expositions - Paris Nord Villepinte
Organizer: SIC SA
Tel: (33 1) 43 59 05 69
Fax: (33 1) 43 59 30 02
Email: lpasquier@sicgroup.com
Internet: http://www.cuiraparis.com

(Bi-annual Show)

SALON DU VEGETAL | Horticultural Trade Show
February 16-18, 2016

Angers
Organizer: BHR - Bureau Horticole
Regional des Pays de Loire
Tel: (33 2) 41 79 14 17
Fax: (33 2) 41 45 29 05
Email: salon@bhr-vegetal.com
Internet: http://www.salonduvegetal.com/

(Annual Show)

SALON INTERNATIONAL DE l'AGRICULTURE
Paris - Porte de Versailles
February 27- March 6, 2015
Organizer: Comexposium
Tel: (33-1) 76 77 11 11
Email: contact.exposantsSIA@comexposium.com
Internet: http://www.salon-agriculture.com/

International Agricultural Show

(Annual Show)

CFIA
Carrefour des Fournisseurs de l'Industrie agroalimentaire
Parc des Expositions - Rennes Aeroport
March 08-10, 2016
Organizer: Agor/GL Events
Tel: (33 5) 53 36 78 78
Fax: (33 5) 53 36 78 79
Contact: Sebastien Gillet
Email: sebastien.gillet@gl-events.com
Internet: http://www.cfiaexpo.com/

Retail Food Trade Show

(Annual Show)

EUROPEAN SANDWICH & SNACK SHOW
Paris – Palais des Congres
March 14-15, 2016
Porte de versailles – Paris
Organizer: Reed Exposition
Contact: Sandrine Barat
Email: sandrine.barat@reedexpo.fr
Internet: http://www.sandwichshows.com

(Annual Show)

SALON DES MARQUES DE DISTRIBUTEURS ALIMENTAIRES - MDD RENCONTRES
March 30-31, 2016
Paris - Parc des Expositions/ Porte de Versailles
Organizer: Agor – GL-Events
Tel: (33-5) 53 36 78 78
Fax: (33-5) 53 36 78 79
Contact: Veronique Fantin
Email: veronique.fantin@gl-events.com
Internet: http://www.mdd-expo.com/

International Private Label Show for Foods

(Annual Fair)

CARREFOUR INTERNATIONAL DU BOIS
Parc de la Beaujoire - Nantes
June 1-6, 2016
Organizer: Carrefour International du Bois
Tel: (33 2) 40 73 60 64
Email: sam@timbershow.com
Internet: http//www.timbershow.com

International Timber Show

(Bi-annual Show)

MAISON & OBJET
September 2-6, 2016
Paris Nord Villepinte
Organizer: M. Philippe Bazin
pbazin@promosalonsusa.com
Internet: http://www.maison-objet.com/

International Home Fashion Manufacturers

(Bi-annual Show)

TEXWORLD
September, 2016
Paris - Le Bourget
Organizer: Messe Frankfrut France S.A.S.
Tel: (33-1) 55 26 89 89

International Textile Manufacturers

Fax: (33-1) 40 35 09 00
Email: texworld@france.messefrankfurt.com
Internet: http://www.texworld.messefrankfurt.com/

(Bi-Annual)

SALON INTERNATIONAL DE L'ELEVAGE (SPACE 2016)
Rennes - Carrefour Europeen
September 13-16, 2016
Organizer: SPACE
Tel: (33-2) 23 48 28 80
Fax: (33-2) 23 48 28 81
Contact: Valerie Lancelot
Email: v.lancelot@space.fr
Internet: http://www.space.fr/

International Trade Fair for Livestock

(Annual Show)

PREMIERE VISION
September, 2016
Parc des Expositions Paris-Nord Villepinte
Organizer: Premiere Vision le Salon
Tel: (33-4) 72 60 65 00
Fax: (33-4) 72 60 65 49
Email: info@premierevision.fr
Internet: http://www.premierevision.fr/

International Textile & Clothing Show

(Bi-annual Show)

LE CUIR A PARIS
Paris - Porte de Versailles
September, 2016
Organizer: Sic SA
Tel: (33-1) 43 59 05 69
Fax: (33-1) 43 59 30 02
Email: contactsic@sicgroup.com
Internet: http://www.lecuiraparis.com/

International Leather Products

(Bi-annual Show)

SALON INTERNATIONAL DE L'ALIMENTATION (SIAL 2016) - USDA Endorsed

International Food and Beverage Trade Show - including In-Food and

Parc des Expositions - Paris-Nord, Villepinte

Organic Sections

October 16-20, 2016

Organizer: IMEX Management, Inc.
Tel: (704) 365 0041
Fax: (704) 365 8426
Email: kellyw@imexmgt.com
Internet: http://www.imexmgt.com

(Biennal Show)

APPENDIX B: U.S.-BASED STATE REGIONAL TRADE GROUPS

FOOD EXPORT USA - NORTHEAST
One Penn Center
1617 JFK Boulevard, Suite 420
Philadelphia, PA 19103
Tel: (215) 829 9111/Fax: (215) 829 9777
E-Mail: info@foodexportusa.org
Web: http://www.foodexportusa.org
Contacts: Tim Hamilton, Executive Director
Laurent Swartz, Deputy Director
Suzanne Milshaw, International Marketing Program Manager

FOOD EXPORT ASSOCIATION OF THE MIDWEST USA
309 W Washington Street, Suite 600
Chicago, Illinois 60606-3217
Tel: (312) 334 9200/Fax: (312) 334 9230
E-Mail: info@foodexport.org
Web: http://www.foodexport.org
Contacts: Tim Hamilton, Executive Director
Michelle Rogowski, Deputy Director
Teresa Miller, International Marketing Program Manager

SOUTHERN U.S. TRADE ASSOCIATION (SUSTA)
World Trade Center
2 Canal Street, Suite 2515
New Orleans, LA 70130
Tel: (504) 568-5986/Fax: (504) 568-6010
E-Mail: Susta@Susta.Org
Web: http://www.susta.org
Contacts: Bernadette Wiltz, Executive Director
Kristin Core, Marketing Coordinator

WESTERN U.S. AGRICULTURAL TRADE ASSOCIATION (WUSATA)
4601 NE 77th Avenue, Suite 200
Vancouver, WA 98662
Tel: (360) 693 3373/Fax: (360) 693 3464
E-Mail: export@wusata.org
Web: http:/www.wusata.org
Contacts: Andy Anderson, Executive Director
Janet Kenefsky, Deputy Director & International Marketing Director

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: http://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: http://www.agriculture.gouv.fr

For information on duties, taxes, and documentation:

Centre de Renseignements Douaniers
84, rue d'Hauteville
75010 Paris
Tel: (33-1) 825 30 82 63/Fax: (33-1) 53 24 6830
Email: crd-ile-de-france@douane.finances.gouv.fr
Internet: http://www.douane-minefi.gouv.fr

STATISTICS

TABLE A. KEY TRADE AND DEMOGRAPHIC INFORMATION FOR 2014

Ag. Imports from All Countries (1)	$68 billion
U.S. Market Share (1)	1.9 percent with $1.3 billion
Consumer Food Imports from All Countries (1)	$40 billion
U.S. Market Share (1)	1.2 percent with $470 million
Edible Fishery Imports from All Countries (1)	$5 billion
U.S. Market Share (1)	4.2 percent
Total Population/Annual Growth Rate (2)	65.8 million - Growth rate annual: 0.42%
Urban Population/Annual Growth Rate	57.3 million – Annual Growth Rate: N/A
Number of Metropolitan Areas (3)	4
Size of the Middle Class (4)	50 percent of total population
Per Capita Gross Domestic Product	$40,400
Unemployment Rate, incl. Overseas territories	10.1 percent
Percent of Female Population Employed (5)	48.7 percent
Exchange Rate: US$1 = EURO 0.74	

Footnotes:

(1) Statistics from the Global Trade Atlas from the Global Trade Information Services
(2) Preliminary figures as of January 1, 2014, including overseas and department territories, 63.9 million for metropolitan France only
(3) Population in excess of 1,000,000
(4) Defining the middle class by excluding the poorest and the wealthiest, the middle class represents about 50 percent of the population
(5) Percent against total number of women (15 years old or above)

TABLE B. CONSUMER FOOD & SEAFOOD PRODUCTS IMPORTS
(In millions of United States Dollars, rounded to the nearest million)

	France Import Statistics from the World			France Import Statistics from the U.S.			U.S. Market Share		
Commodity	**2012**	**2013**	**2014**	**2012**	**2013**	**2014**	**2012**	**2013**	**2014**
Consumer Oriented Agric. Total	**36,968**	**40,181**	**40,567**	**428**	**482**	**531**	**1.1**	**1.2**	**1.3**
Fish & Seafood Products	**4,721**	**5,060**	**5,093**	**257**	**241**	**214**	**5.4**	**4.8**	**4.2**
Agricultural Total	**52,138**	**56,277**	**56,277**	**724**	**910**	**910**	**1.4**	**1.6**	**1.6**
Agricultural, Fish & Forestry	**62,837**	**67,454**	**67,454**	**1,032**	**1,197**	**1,197**	**1.6**	**1.8**	**1.8**

Source: Bico Report / Global Trade Atlas

TABLE C. TOP 15 SUPPLIERS OF CONSUMER FOODS & SEAFOOD PRODUCTS
FRANCE IMPORT STATISTICS (USD)

France (Customs) Import Statistics
Commodity: Consumer Oriented Agric. Total, Group 32 (2012)
Year To Date: January - December

Partner Country	United States Dollars			% Share			% Change
	2012	2013	2014	2012	2013	2014	2014/2013
World	36,967,933,644	40,181,256,407	40,567,440,975	100.00	100.00	100.00	0.96
Spain	6,071,666,651	6,612,226,594	6,513,453,183	16.42	16.46	16.06	- 1.49
Belgium	5,160,158,561	5,721,260,832	5,802,426,337	13.96	14.24	14.30	1.42
Germany	5,194,227,390	5,461,787,142	5,454,231,034	14.05	13.59	13.44	- 0.14
Netherlands	4,716,817,046	4,989,675,903	4,973,892,776	12.76	12.42	12.26	- 0.32
Italy	3,752,733,425	3,931,505,971	4,009,386,303	10.15	9.78	9.88	1.98
Switzerland	1,346,603,727	1,820,863,961	1,858,249,728	3.64	4.53	4.58	2.05
United Kingdom	1,296,703,964	1,422,505,289	1,453,223,333	3.51	3.54	3.58	2.16
Morocco	745,054,551	804,504,854	927,854,247	2.02	2.00	2.29	15.33
Poland	697,067,278	783,674,326	827,768,720	1.89	1.95	2.04	5.63
Ireland	717,953,460	796,847,941	778,381,344	1.94	1.98	1.92	- 2.32
France	638,471,169	674,732,515	698,440,893	1.73	1.68	1.72	3.51
United States	427,698,322	482,285,974	531,497,643	1.16	1.20	1.31	10.20
Portugal	434,535,782	457,571,107	448,913,061	1.18	1.14	1.11	- 1.89
Turkey	399,123,815	396,823,914	441,866,588	1.08	0.99	1.09	11.35
Denmark	394,815,528	410,770,201	410,746,875	1.07	1.02	1.01	- 0.01

France (Customs) Import Statistics
Commodity: 03, Fish And Crustaceans, Molluscs And Other Aquatic Invertebrates
Year To Date: January - December

Partner Country	United States Dollars			% Share			% Change
	2012	2013	2014	2012	2013	2014	2014/2013
World	4,721,534,715	5,060,007,889	5,093,798,308	100.00	100.00	100.00	0.67
Norway	734,663,269	861,600,219	794,130,071	15.56	17.03	15.59	- 7.83
United Kingdom	500,846,873	593,917,660	602,771,421	10.61	11.74	11.83	1.49
Spain	276,798,300	266,032,122	262,678,515	5.86	5.26	5.16	- 1.26
Ecuador	178,473,251	233,984,713	260,161,458	3.78	4.62	5.11	11.19
Netherlands	227,690,051	228,981,224	233,121,470	4.82	4.53	4.58	1.81
United States	257,069,971	240,921,337	214,409,572	5.44	4.76	4.21	- 11.00
China	219,425,431	186,775,423	185,094,702	4.65	3.69	3.63	- 0.90
India	128,291,145	137,517,750	175,911,523	2.72	2.72	3.45	27.92
Denmark	160,027,933	170,551,889	169,068,580	3.39	3.37	3.32	- 0.87
Iceland	115,280,419	136,441,323	168,224,255	2.44	2.70	3.30	23.29
Ireland	165,138,627	151,304,856	160,463,489	3.50	2.99	3.15	6.05
Poland	149,485,953	180,103,446	154,862,544	3.17	3.56	3.04	- 14.01
Vietnam	112,084,227	102,319,180	131,703,307	2.37	2.02	2.59	28.72
Peru	76,640,530	83,769,941	102,184,339	1.62	1.66	2.01	21.98
Madagascar	111,278,694	103,264,743	93,498,058	2.36	2.04	1.84	- 9.46
Belgium	73,584,162	77,122,286	85,818,097	1.56	1.52	1.68	11.28
Chile	71,790,813	86,509,443	83,747,128	1.52	1.71	1.64	- 3.19