



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 1/2/2005

GAIN Report Number: FR5010

France

Dried Fruit

Annual

2005

Approved by:

Kurt Seifarth
U.S. Embassy

Prepared by:

Marie-Cécile Hénard

Report Highlights:

France is the largest producer and exporter of prunes in Europe. As a result of two abnormally large crops in 2001 and 2003, beginning stocks in MY 2004/05 were as high as production: 44,000 MT each. France and the United States compete on European markets (mainly the UK, Germany, Greece, the Netherlands and Italy). However, the two leading export markets for French prunes in MY 2003/04 were Algeria (16 percent market share) and Russia (11 percent). Since 2002, prunes harvested under certain standards have benefited from a Protected Geographical Indication (PGI) with a European logo and "pruneaux d'Agen" brand name.

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

Table of Contents

Executive Summary 3
Section I: Situation and Outlook..... 3
Section II: Statistical Tables 4
Section III: Supply, Demand, Policy and Marketing 6
 Production..... 6
 Consumption 6
 Trade 6
 Marketing 7

EXECUTIVE SUMMARY

France is the largest producer and exporter of prunes in Europe. As a result of two abnormally large crops in 2001 and 2003, beginning stocks in MY 2004/05 were as high as production: 44,000 MT each. France and the United States compete on European markets (mainly the UK, Germany, Greece, the Netherlands and Italy). However, the two leading export markets for French prunes in MY 2003/04 were Algeria (16 percent market share) and Russia (11 percent). Since 2002, prunes harvested under certain standards have benefited from a Protected Geographical Indication (PGI) with a European logo and "pruneaux d'Agen" brand name.

SECTION I: SITUATION AND OUTLOOK

France is the largest producer and exporter of prunes in Europe. An average annual production for France is 50,000 MT. In 2001 and 2003, production reached 57,000 MT, resulting in large stocks, piling up year after year. This resulted in 44,000 MT of beginning stocks for MY 2004/05, equal to production. In order to prevent stocks from growing further, the French prune industry took measures to select large grades only to be commercialized.

As a net prune exporter, France competes with the United States on the EU markets, specifically in the UK, Germany, Greece, the Netherlands and Italy. Overall, France supplies more than half of the EU market, while the United States supplies a little more than a third. In 2003/04, Algeria remained France's largest export market (16 percent market share), while Russia became France's second largest export market (11 percent).

Since 2002, prunes harvested under certain standards have benefited from a Protected Geographical Indication (PGI), with a European logo "Pruneaux d'Agen" brand name. This brand name promotion is aimed at the domestic market; it is meant to differentiate high-quality domestic production from imported product. Please see Paris report FR0009 for more information on the "Pruneaux d'Agen" PGI logo standards, and Paris report FR1062 for general information on the EU PGI logo system. A description of the product is available on the EU Commission website dedicated to PGI products:

http://www.europa.eu.int/comm/agriculture/qual/en/1201_en.htm

SECTION II: STATISTICAL TABLES

PSD Table

| Country | France | | 2004 | Estimate | (HA)(1000 TREES)(MT) | Forecast |
|-----------------------|-----------------------------|---------------------------|---------------------------|---------------------------|-------------------------|------------------------|
| | Prunes (Plums, Dried) | | | | | |
| Commodity | 2003 | Revised | 2004 | Estimate | 2005 | Forecast |
| | USDA Official [Old] | Post Estimate [New] | USDA Official [Old] | Post Estimate [New] | USDA Official [Old] | Post Estimate [New] |
| Market Year Begin | 09/2003 | | 09/2004 | | 09/2005 | |
| Area Planted | 13450 | 13400 | 13400 | 13400 | 0 | 13400 |
| Area Harvested | 12385 | 12500 | 12300 | 12500 | 0 | 12500 |
| Bearing Trees | 2450 | 2450 | 2450 | 2450 | 0 | 2540 |
| Non-Bearing Trees | 100 | 100 | 120 | 100 | 0 | 100 |
| Total Trees | 2500 | 2500 | 2600 | 2500 | 0 | 2500 |
| Beginning Stocks | 32500 | 32500 | 45000 | 44000 | 39000 | 41300 |
| Production | 57777 | 57777 | 47000 | 44000 | 0 | 48000 |
| Imports | 3100 | 2900 | 2000 | 2800 | 0 | 2800 |
| TOTAL SUPPLY | 93377 | 93177 | 94000 | 90800 | 39000 | 92100 |
| Exports | 16700 | 19700 | 23000 | 20000 | 0 | 20000 |
| Domestic | | | | | | |
| Consumption | 31677 | 29477 | 32000 | 29500 | 0 | 29600 |
| Ending Stocks | 45000 | 44000 | 39000 | 41300 | 0 | 42500 |
| TOTAL DISTRIBUTION | 93377 | 93177 | 94000 | 90800 | 0 | 92100 |

Sources: French prune growers, French Customs

Export Trade Matrix

| | | | |
|-------------------|-----------------------|-------------|-------|
| Country | France | | |
| Commodity | Prunes (Plums, Dried) | | |
| Time Period | Oct-Sept | Units: | MT |
| Exports for: | 2002 | | 2003 |
| U.S. | 0 | U.S. | 0 |
| Others | | Others | |
| Algeria | 3988 | Algeria | 3171 |
| UK | 1627 | Russia | 2084 |
| Italy | 1265 | Belgium | 1698 |
| Germany | 1264 | Italy | 1628 |
| Greece | 1209 | Tunisia | 1527 |
| Netherlands | 1156 | Netherlands | 1430 |
| Belgium | 1097 | UK | 1384 |
| Tunisia | 822 | Greece | 1322 |
| Russia | 546 | Germany | 1297 |
| | | | |
| Total for Others | 12974 | | 15541 |
| Others not Listed | 2148 | | 4179 |
| Grand Total | 15122 | | 19720 |

Source: French Customs

Import Trade Matrix

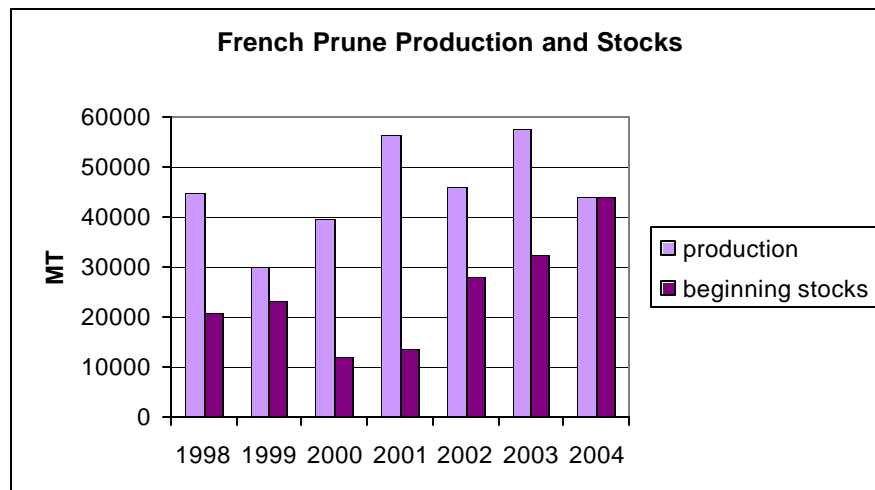
| | | | |
|-------------------|-----------------------|-----------|------|
| Country | France | | |
| Commodity | Prunes (Plums, Dried) | | |
| Time Period | Oct-Sept | Units: | MT |
| Imports for: | 2002 | | 2003 |
| U.S. | 2 | U.S. | 191 |
| Others | | Others | |
| Argentina | 869 | Tunisia | 1071 |
| Tunisia | 635 | UK | 616 |
| Chile | 355 | Argentina | 558 |
| | | | |
| | | | |
| | | | |
| Total for Others | 1859 | | 2245 |
| Others not Listed | 1202 | | 459 |
| Grand Total | 3063 | | 2895 |

Source: French Customs

SECTION III: SUPPLY, DEMAND, POLICY AND MARKETING

Production

In 2004, French prune production amounted to 44,000 MT, down from 57,700 MT in 2003. As a result, beginning stocks and production in MY 2004/2005, each equaled 44,000 MT. These heavy stocks resulted from the abnormally large crops of 2001 and 2003. Consequently, the French prune industry decided stricter grade standards for prunes harvested in 2004/05, so that the largest grades (of highest quality) only will be commercialized.



Consumption

Prunes are consumed fresh or as a processed-food product in juices or as ingredients for cookies, yogurts, etc. French domestic consumption remains high, due in part to the domestic marketing efforts of the French Prune Board (BIP). These include TV campaigns, distribution of samples to children in ski resorts, prune cuisine in hotel chains, and BIP's presence in major shows such as the International Agricultural Show (SIA) and the "Children and Taste" show ("Les Enfants du Goût") in Paris.

Processed prunes included the following in 2002/03 and 2003/04:

| | Raw Prunes Used for Processing (MT) | | Final Products Processed from Prunes (MT) | |
|-------------------------|-------------------------------------|--------------|---|--------------|
| | 2002/03 | 2003/04 | 2002/03 | 2003/04 |
| Prune Purée | 1,259 | 1,125 | 2,516 | 2,341 |
| Prunes in Syrup | 415 | 385 | 1,200 | 1,203 |
| Juices and Concentrates | 540 | 486 | 1,220 | 1,159 |
| Stuffed Prunes | 59 | 43 | 84 | 62 |
| Other | 53 | 107 | 77 | 125 |
| TOTAL | 2,134 | 2,147 | 4,906 | 4,891 |

Trade

France is a net exporter of prunes, and prune imports are insignificant compared to domestic production.

France competes with the United States on the EU market. France and the United States respectively supply about 53 and 35% to the EU. French and U.S. prunes compete in the UK, Germany, Greece, the Netherlands and Italy. Algeria is France's leading export market, with 16 percent market share in 2003, due to consumer preferences similar in France and in Algeria. In MY 2003/04, French exports boomed to Russia, which is a major market for cheap prunes and traditionally imports mainly from Chile and Argentina. French trade of prunes with Tunisia consists of prunes exported by France to be pitted in Tunisia and reimported into France as pitted prunes.

Marketing

The French strategy is to continue to produce large grade, high-value prunes, as there are no major competitors to France on this market: the Californian product on the market is principally pitted prunes, while Chilean prunes are low grade. Moreover, Argentine prunes are mainly produced for the processing industry.

French prunes produced under certain standards now benefit from the Protected Geographical Indication (PGI) European logo and French prune growers hope that this PGI will help differentiate their product. The prized name "Pruneaux d'Agen" can only be used for French prunes. Please see Paris report FR0009 for more information on the "Pruneaux d'Agen" PGI logo standards, and Paris report FR1062 for general information on the EU PGI logo system. A description of the product is available on the EU Commission website dedicated to PGI products:

http://www.europa.eu.int/comm/agriculture/qual/en/1201_en.htm

The French prune board (BIP) administers its own budget for overseas promotions. In calendar year 2001, BIP's total promotional budget (domestic and overseas) amounted to 2.9 million Euros (\$2.6 million), from this amount only 790,000 Euros (\$707,885) were used for overseas promotions. The BIP budget is funded by the industry from a two percent contribution levied on growers' sales and another two percent on processors' sales. BIP does not conduct activities in the United States. Information on characteristics of French prunes and the French prune industry is available on BIP's website (in French and English):

<http://www.pruneau.fr>