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France

Processed Sweet Corn

French Sweet Corn Exports Down in 2002 2003

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Report Highlights:

In 2002, French canned vegetable sales amounted to USD 728.5 million, while frozen vegetable sales amounted to USD 409 million. Although France remained a net exporter of canned vegetables in 2002, the French trade surplus declined. This mainly resulted from reduced exports of canned sweet corn to France's leading export markets: Germany, the United Kingdom, and Spain, as a result of increased shipments of U.S. sweet corn to these countries, due to the increasingly favorable exchange rate of the U.S. dollar.

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

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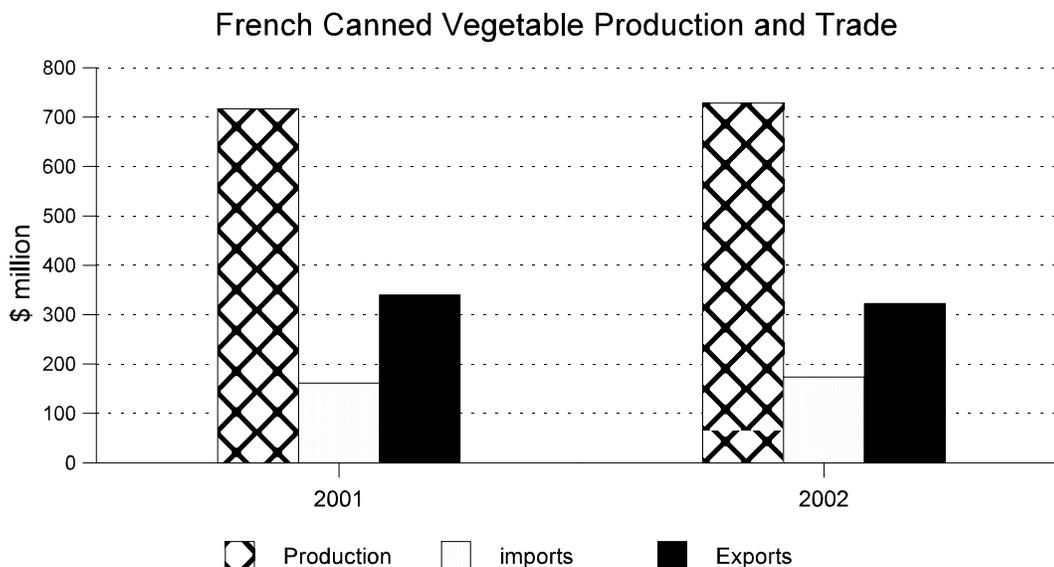
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Summary

In 2002, French canned vegetable sales amounted to USD 728.5 million, while frozen vegetable sales amounted to USD 409 million. Although France remained a net exporter of canned vegetables in 2002, the French trade surplus declined. This mainly resulted from reduced exports of canned sweet corn to France’s leading export markets: Germany, the United Kingdom, and Spain, as a result of increased shipments of U.S. sweet corn to these countries, due to the increasingly favorable exchange rate of the U.S. dollar.

1. Canned Vegetables



Production

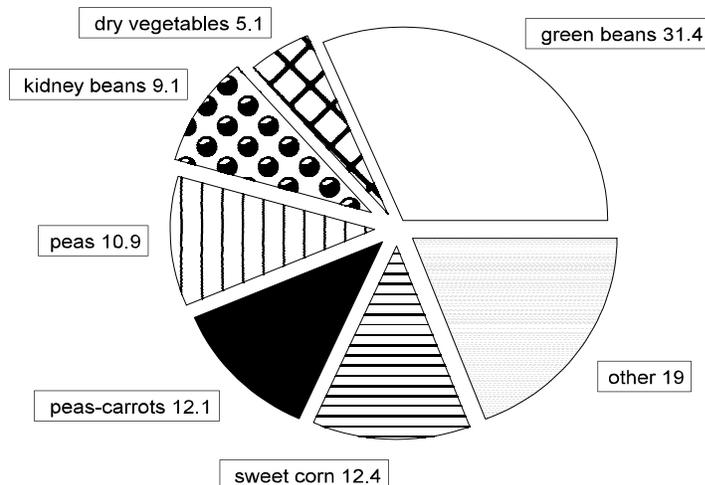
According to the French Federation for Preserved Food Industries (FIAC), sales of the French canned vegetable industry amounted to USD 728.5 million in 2002, up from USD 716.8 million in 2001. This increase was due to the stronger Euro versus the U.S. dollar in 2002 compared to 2001: in 2001, the average exchange rate was 1 USD = 1.116 Euros, while in 2002, the average exchange rate was 1 USD = 1.057 Euros.

Sales of canned vegetables by the French industry actually declined by 4% in Euros from 2001 to 2002, mainly due to reduced exports, while the reduction of volumes sold on the French market was offset by higher prices.

Consumption

According to a consumer survey conducted by the consumer survey agency SECODIP and the French National Board for Fruits and Vegetables (ONIFLHOR), French household purchases of canned vegetables increased in 2002 by 2% in quantity and 6.5% in value. This resulted from both the increased number of purchasing households and the larger volumes purchased. The highest increases were recorded for canned green beans and artichokes. In 2002, the market share of supermarket branded products continued to increase to 54% of the volumes purchased and 51% of the sales value.

French Household Consumption of Canned Vegetables 2002



Full year data for sales of canned vegetables at Hotels, Restaurants and Institutions (HRI) are not yet available for 2002. However, during the first 8 months of 2002, sales declined by approximately 3% from the same period of 2001.

Trade

French Exports

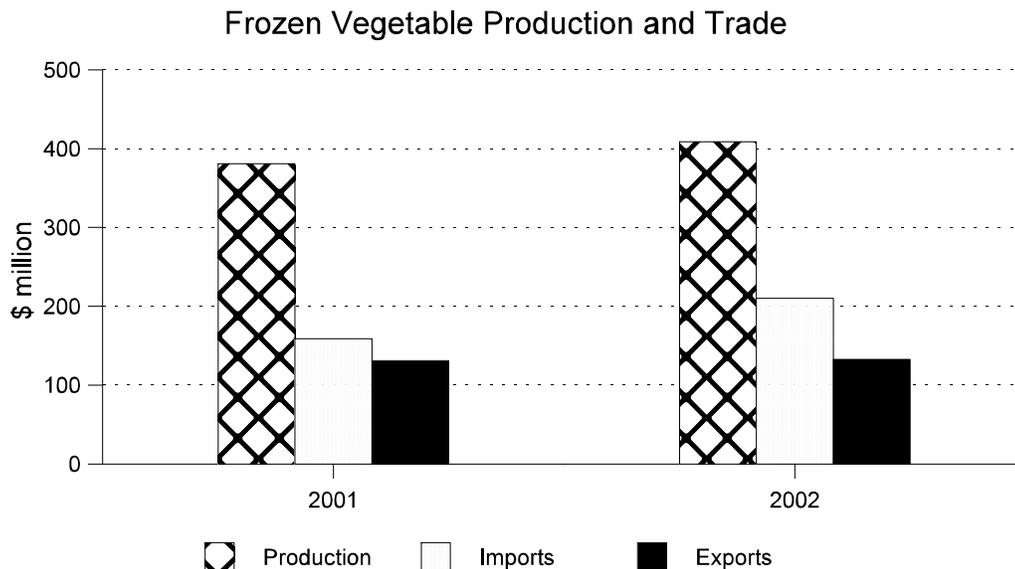
In 2002, French exports of canned vegetables declined by 6% in quantity to 339,000 MT, and by 10% in value to USD 322.6 million. This was mainly due to reduced shipments of sweet corn (-15% in quantity) and peas (-8%). Canned sweet corn exports had been abnormally high in 2001 and faced stiffer competition in 2002 from Hungarian, Thai and U.S. sweet corn on European markets they compete for. In 2002, the weaker U.S. dollar favored U.S. exports of canned sweet corn to Germany, the United Kingdom and Spain, which are France's leading export markets for canned sweet corn, at the expense of French products.

In 2002, France's leading export market for canned vegetables remained Germany, with 33% of total sales (down from 36% in 2001).

French Imports

In 2002, French imports of canned vegetables increased by 6% in volume to 146,130 MT and by 14% in value to USD 173.8 million. The leading canned vegetable categories imported by France are asparagus and green beans. In 2002, France's leading suppliers of canned vegetables were Spain, with 23% of the market value, and China (16%).

2. Frozen Vegetables



Production

In 2002, sales of the French frozen vegetable industry increased by 7 % to USD 409 million from USD 381 million in 2001. The stronger Euro versus the USD made the increase stronger, as in Euros, the increase in sales was 2 %. It resulted mainly from larger sales on the domestic market, while exports declined.

Consumption

In 2002, French household purchases of frozen vegetables increased by 2% in volume and 6% in value from 2001.

Trade

In 2002, French exports of frozen vegetables declined by 5% in quantity and in value to 162,300 MT and USD 132.5 million, respectively. Reduced exports were mainly for frozen peas and sweet corn, for the same reasons as for reduced exports of canned peas and sweet corn.

According to French Customs, Belgium is France's leading export market for frozen vegetables. However, declared shipments traded between France and Belgium are often transfers among companies of the same group.

In 2002, the jump in French imports (+30 %) was accentuated by the stronger Euro. Most of the increase resulted from higher shipments from Belgium, and consisted of shipments inside companies located both in France and Belgium.