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France

Dried Fruit

Dried Prune Annual Report

2004

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Report Highlights:

For 2004, French prune production is estimated at 47,000 MT, 10 percent below the large crop of 2003. France is a net prune exporter, and competes with the United States on EU markets. During MY 2003/04, French exports are expected to increase slightly to 16,000 MT, mainly due to a sharp increase in shipments to Russia, a new market for French prunes. French prune exporters hope to benefit in MY 2004/2005 from the smaller U.S. prune crop.

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Includes Trade Matrix: Yes
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Executive Summary

For MY 2003/2004, French prune production was estimated at 57,777 MT, or 25 percent higher than in MY 2002/2003. For MY 2004/2005, French production is estimated at 47,000 MT, closer to average. This decrease is expected due to less favorable weather conditions than the previous year where the heat wave boosted the prune crop. France is a net prune exporter, and competes with the United States on EU markets. During MY 2003/04, French exports are expected to increase slightly, mainly due to a sharp increase in shipments to Russia, a new market for French prunes. French prune exporters hope to benefit in MY 2004/2005 from the smaller U.S. prune crop.

Section I: Situation and Outlook

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. Algeria is now France's leading export market. Algeria is a traditional market for French prunes, and trade relations are now recovering, due to the greatly improved Franco-Algerian political relations. Russia is becoming the second export market for French prune for MY 2003/2004.

Over the past few years, imports from South America to the EU and France have been rising, due to the price-competitiveness of South-American prunes compared to French and U.S. products. During MY 2003/04, product from Argentina and Chile represented 30% of French imports. French prune growers expect that the zero-duty agreement between EU and Chile on fruits and vegetables, and implemented 1 February 2003, will increase EU imports thus reducing French EU export opportunities in the future.

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 of 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 Prunes (Plums, Commodity Dried)	(HA)(1000 TREES)(MT)						UOM
		2002	Revised Post Estimate	2003 USDA Official	Estimate Post Estimate	2004	Forecast Post Estimate	
		USDA Official [Old]	[New]	[Old]	[New]	USDA Official [Old]	[New]	
Market Year Begin			09/2002		09/2003		09/2004	MM/YYYY

Area Planted	13430	13430	13400	13450	0	13400 (HA)
Area Harvested	12780	12780	12500	12385	0	12300 (HA) (1000
Bearing Trees	2550	2550	2500	2450	0	2450 TREES)
Non-Bearing Trees	130	130	100	100	0	(1000 120 TREES)
Total Trees	2680	2680	2600	2500	0	(1000 2600 TREES)
Beginning Stocks	28000	28000	27700	32500	28000	45000 (MT)
Production	45979	45979	50000	57777	0	47000 (MT)
Imports	2000	3000	1500	3100	0	2000 (MT)
TOTAL SUPPLY	75979	76979	79200	93377	28000	94000 (MT)
Exports	18000	15100	20000	16700	0	23000 (MT)
Domestic Consumption	30279	29379	31200	31677	0	32000 (MT)
Ending Stocks TOTAL	27700	32500	28000	45000	0	39000 (MT)
DISTRIBUTION	75979	76979	79200	93377	0	94000 (MT)

Sources: French prune growers, Office of Statistics of the French Ministry of Agriculture (Agreste), French Customs

Export Trade Matrix

Country France

Commodity Prunes (Plums, Dried)

Time Period	Sept-Aug	Units:	MT
Exports for:	2001		2002
U.S.		U.S.	1
Others		Others	
Algeria	3269	Algeria	3988
United Kingdom	1733	United Kingdom	1627
Germany	1462	Italy	1265
Greece	1435	Germany	1264
Netherlands	1369	Greece	1209
Italy	1279	Netherlands	1156
Tunisia	1252	Belgium	1097
Belgium	1174	Tunisia	822
Russia	768	Russia	546
Spain	601	Morocco	317
Total for Others	14342		13291
Others not Listed	1713		1830
Grand Total	16055		15122

Import Trade Matrix

Country France

Commodity Prunes (Plums, Dried)

Time Period	Sept-Aug	Units:	MT
Imports for:	2001		2002
U.S.	119	U.S.	2
Others		Others	
Tunisia	928	Argentina	869
Argentina	597	United Kingdom	792
United Kingdom	532	Tunisia	635
Yugoslavia	335	Chile	355
Chile	200	Yugoslavia	201
Spain	89	Spain	70
Italy	47	Netherlands	52
		Turkey	40
Total for Others	2728		3014
Others not Listed	211		49
Grand Total	2939		3063

Source: French Customs

Section III: Supply, Demand, Policy and Marketing

Production

For MY 2003/2004, French prune production is estimated to be 57,700 MT, 25% lower than in MY 2002/2003. The 2003 increase was unexpected and benefited from the heat wave throughout the summer of 2003, since producers had previously anticipated a decrease following the 4 June 2003 hurricane which hit the producing region. This hurricane destroyed about 360 hectares of orchards, uprooting about 86,000 trees. In 2004, a more "average" crop is expected, approximately 47,000 MT. Losses due to hail storms appeared to have been minimal.

Consumption

Prunes are consumed fresh or as a processed-food product in juices or as ingredients for cookies, yogurts, etc. In MY 2003/2004, French consumption of fresh prunes increased by approximately 7% over MY 2002/2003, 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.

During the 2002/03 marketing year, 2,315 MT of prunes were processed into 5,068 MT of processed products, including the following:

	Raw Prunes Used for Processing (MT)		Final Products Processed from Prunes (MT)	
	2001/02	2002/2003	2001/02	2002/2003
Prune Purée	1,157	1,259	2,426	2,516
Prunes in Syrup	421	415	1,289	1,200
Juices and Concentrates	444	540	1,030	1,220
Stuffed Prunes	59	49	84	67
Other	53	52	77	65
TOTAL	2,134	2,315	4,906	5,068

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. As indicated in the export trade matrix, French and U.S. prunes compete in the UK, Germany, Greece, the Netherlands and Italy. In MY 2002/03, French exports targeted additional markets in North Africa and Russia. French exporters are hopeful that the lower U.S. prune crop in MY 2004/2005 will create increased export opportunities for French prunes in European U.S. exports markets.

French prune growers are worried that Chilean imports to the EU will increase significantly in the coming years. Chile, a major supplier of low-priced prunes, has signed a zero-duty agreement with the EU on fruits and vegetables, including prunes, which was implemented 1 february 2003. In MY 2003/04, France's imports from South American countries (Chile and Argentina) are expected to represent about 30 percent of overall French prune imports. Shipments from these countries have increased over the past years, replacing low-priced, low-quality prunes traditionally imported from Yugoslavia

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, Argentinian 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:

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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>