The French Seafood Sector

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FOREWORD BY THE DEPUTY TRADE DIRECTOR

France is the world's fifth largest economy. It has the second largest consumer market in Europe with 65 million inhabitants and a dynamic demography. It is a geographical hub for business with the European Union (the world's largest consumer market), but also with Africa and the Middle East.

France is an open economy, being the second European destination for foreign direct investment. It has maintained a strong economic relationship with the UK. It is currently the UK's fourth export market and fifth supplier for goods. Annual bilateral trade in goods and services amounts to £60 billion.

It is a diversified economy, where services (notably retail, transport, catering, finance and property) generate 80% of GDP. The economy also builds on world-class industrial sectors – including Europe's largest aerospace and nuclear industries, second largest agri-food and chemical industries, as well as third largest ICT and pharmaceutical sectors – and a large number of competitive multinational firms. Paris is the Eurozone's leading financial centre and the second most popular location in Europe for foreign financial firms with a total of 500 banks and financial institutions. The French banking sector is robust and offers a full range of retail and investment services to business.

The French government plays an active role in economic policy. It has been developing an ambitious industrial strategy around key sectors (among which digital, food, automotive, luxury, health, shipbuilding, chemicals and nuclear) and 34 innovative industrial projects likely to generate high growth and in which France could potentially become a world-leader. It is also implementing public investment plans worth £40 billion overall focusing on research and universities, sustainable development, as well as innovation and the digital economy. The French authorities are also encouraging businesses, universities and researchers to cooperate and develop joint innovative projects in thematic clusters across the country.

In addition to their insight, knowledge and understanding of this market, our specialist team here also offers access to an influential network of experts across many sectors, and so we look forward to being of assistance to you should you choose to do business in France.

Pamela Mitchison

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EXECUTIVE SUMMARY

1.1 SUMMARY OF ENQUIRY

Seafish has requested UK Trade & Investment (UKTI) to update a number of market reports on various countries, including France. UKTI France has agreed to update the existing data on the French seafood market in the France Country Profile on the Seafish website, adding any new information that appears relevant. The data is to be presented in the same order as at present.

It was proposed that the report would be delivered on 25 September.

1.2 KEY FINDINGS

UKTI France has researched the latest information available for this report and most data relates to 2014. In a few cases older data has had to be included.

France remains, and will continue to remain, a key market for the UK seafood industry. French consumption per head of seafood is the 4th highest in the EU and most supply to the market is imported. With exports worth around £450 million, Britain is the second largest source of seafood imports into France.

Suppliers of primary-processed product have well-established relationships with buyers in the wholesale sector and at grocery superstores. With its expertise and experience of supplying grocery superstores, the UK value-added sector is well positioned to exploit opportunities arising from product innovation or new technologies in packaging.

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2.1 FRANCE – ECONOMIC ENVIRONMENT

Fast Facts	
Population	66.3 million (*01/01/2015*)* (1)
Land Area	549,190 km^2 (*2014*) (1)
Inhabitants per sq km	104 (*01/01/14*) * (1)
No. of Households	28.8 million (*2014*) (1)
Religion	Catholic ** (2)
Exchange Rate	1.28 € to £ (*2014 average*) (3)
Total GDP	€2,134.4 billion (*2014*) (1)
Total GDP PPP (Purchasing Power Parity)	€2,580.750 billion (*2014*) (4)
Real GDP Growth Rate	+0.2% change between 2013 and 2014*** (5)
GDP per Capita (PPP)	€32,227 (*2014*) (1)
Inflation Rate	0.5% *(2014)* (6)
Unemployment	10.3% *(2014)* (1)
Total Food and Drink Imports****	€37.7 billion *(2014)* (1) – 7.88% of total imports(1)
Total Food and Drink Exports****	€44.2 billion *(2014)* (1) – 9.9% of total exports (1)
Top Import Countries (for Food and Drink)	Spain, Netherlands, Belgium, Germany, Italy, UK (*2013*) (7)

Sources:

(1) INSEE – France in Figures 2015
(2) INSEE/INED – Enquête "trajectoire et origine", October 2010
(3) OANDA.com
(4) IMF – World Economic Outlook Database April 2015
(5) Eurostat – Real GDP Growth Rate
(6) INSEE – Indices des prix à la consommation
(7) French Ministry of Agriculture

** Metropolitan France & overseas regions/departments*
*** In 2011 some 10% of the French population was estimated to be Muslim*
**** France saw a 0.7% change in the first quarter of 2015 with the OECD projecting a gain in momentum in 2015 and 2016*
***** Includes tobacco products*

The French economy is diversified across all sectors. The government has partially or fully privatized many large companies, including Air France, France Telecom, Renault, and Thales. However, the government maintains a strong presence in some sectors, particularly power, public transport, and defence industries. With more than 84 million foreign tourists per year, France is the most visited country in the world and maintains the third largest income in the world from tourism. (1)

France's leaders remain committed to a capitalism in which they maintain social equity by means of laws, tax policies, and social spending that mitigate economic inequality. (1)

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France continues to contend with relatively low growth and high unemployment. GDP growth averaged 0.4% over 2012-2014. Prospects for 2015-2016 are looking better, with the government and most international organisations forecasting growth of 1% or above. (2)

However, economic activity is not dynamic enough to prompt a decrease in unemployment which has been rising steadily over the past years and is currently above 10%. The gradual recovery remains fragile, being driven by external factors such as the fall in oil prices, which has been boosting household consumption, and the depreciation of the euro. In particular, the fall in oil prices and, to a lesser extent, cuts in labour costs implemented by the government through a business tax credit are beginning to impact positively on business margins, which remain low by EU standards. (2)

The trade deficit remains high at € 54 billion (2.6% of GDP), though down from an all time high in 2011, and continues to reflect low competitiveness in the economy. (2)

The public finances remain a big challenge with a debt ratio above 90% of GDP (1) and may hit 100% by 2016. (2) The European Commission awarded the government a further twoyear delay (by 2017) to bring the deficit within the 3% Maastricht limit against a renewed commitment to structural reform. The tax burden is at record high levels (46% of GDP), following low growth and tax increases in the first years of President Hollande's mandate. (2) It remains well above the EU average and income tax cuts over the past decade are being partly reversed, particularly for higher earners. The top rate of income tax is 41%. The government is allowing a 75% payroll tax on salaries over $1.24 million to lapse. (1)

Elected on a conventionally leftist platform, President François Hollande surprised many supporters with a January 2014 speech announcing a sharp change in his economic policy, recasting himself as a liberalising reformer. The government's budget for 2014 shifted the balance of fiscal consolidation from taxes to spending cuts. In December 2014, Hollande announced additional reforms, including a plan to extend commercial business hours, liberalise professional services, and sell off state owned assets. (1) The government is planning to save up to €50 billion across the different tiers of government (central state, local government and Social Security) over 2015-2017. (2)

In early 2014, President Hollande shifted his economic policy towards a supply-side agenda, announcing a new Responsibility Pact which offers cuts in labour costs, reduction in red tape and increased visibility on tax policy to firms in return for a commitment from businesses to create jobs. The objective of the Responsibility Pact is to boost growth through addressing France's loss of competitiveness to EU partners, particularly Germany (France's main trading partner), over the past fifteen years. (2)

While seeking to improve the business environment, the government also plays an active role in the economy. It is delivering a €35 billion 'investment for the future' programme which was introduced in 2010; has created a public sector investment bank to promote lending to SMEs; and set out an industrial strategy relying on the digitalisation of industry. The government still controls a large number of companies and also takes a close interest in foreign ownership in strategic sectors. It recently extended the scope of the decree (known as 'the Alstom decree') which provides for government authorisation for investment in specific sectors. (2)

Sources:

(1) CIA World Factbook, World Factbook France Overview, 1 September 2015

(2) UKTI, UKTI Overseas Business Risk Report France, 14 July 2015

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2.2 FRANCE – SEAFOOD SECTOR

The total quantity of seafood landed or farmed in France in 2012 was 673 000 tonnes (live weight equivalent).[1]

The quantity of landed or farmed seafood sold in France in 2012-13 was 665 000 tonnes:[2]

Fresh and frozen landings (inc shellfish)	460 000 tonnes
Farmed fish	45 000 tonnes
Farmed shellfish	160 000 tonnes

The total sales value of landed or farmed seafood in France was €1.803 billion:[3]

Fresh and frozen landings (inc shellfish)	€1 095 million
Farmed fish	€162 million
Farmed shellfish	€546 million

France imported €5 billion worth of seafood in 2014 but only exported €1.35 billion,[4] resulting in a trade deficit of €3.65 billion.

Table 1 – Main species sold in France by quantity (tonnes)

Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015

Species	Quantity (*liveweight equivalent*) (tonnes)
Oyster	80 400
Tuna	79 300
Mussel	77 100
Hake	32 300
Trout	32 200
Herring	30 100
Scallop	28 500
Sardine	27 500
Monkfish	23 400
Mackerel	18 800

[1] FranceAgriMer, *Les filières pêche et aquaculture en France*, Edition avril 2015, p4
[2] *Ibid,* p4
[3] *Ibid,* p4
[4] *Ibid,* p24

Table 2 – Main species sold in France by value (€ million)

Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015

Species	Value (€ million)
Oyster	397
Mussel	139
Tuna	137
Trout	108
Monkfish	97
Sole	96
Hake	76
Scallop	72
Seabass	57
Cod	36

Table 3 – Quantities sold and value of sales by French vessels at the main auctions in 2014

Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015

Port	Volume (tonnes)	Value (1000€)
ARCACHON	13 442	2 041
BOULOGNE-SUR-MER	42 554	21 112
CONCARNEAU	20 894	5 432
ERQUY	31 582	12 486
GRANVILLE	15 344	7 661
LA TURBALLE	20 350	8 622
LE GUILVINEC	19 019	9 684
LES SABLES D'OLONNE	6 299	3 377
LORIENT	57 043	18 995
OLERON	26 295	5 085
PORT EN BESSIN	21 616	8 556
ROSCOFF	21 290	6 211
SAINT GUENOLE	64 114	17 451
SAINT QUAI PORTRIEUX	24 428	10 499
SETE	5 687	1 514

There were a total of 38 seafood auction halls in France in 2014.[5] Boulogne sur Mer is the most important in terms of value but greater volumes are sold through Lorient and Saint Guenole in Brittany.

[5] FranceAgriMer, *Les filières pêche et aquaculture en France*, Edition avril 2015, p7

Virtually all landings in France are from French boats.

Table 4 – Sales of fishery products at auction in 2014
Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015

	Volume (tonnes)	Value (million €)
French Vessels	200 900	613
Foreign vessels	8 300	23

Table 5 – Top 10 species sold from French auction halls by French vessels in 2014 by value
Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015

Species	Value (1000€)
Monkfish	68 620
Sole	62 780
Hake	43 830
Seabass	43 050
Scallop	39 620
Norway lobster	33 280
Squid	24 990
Cuttlefish	22 800
Whiting	15 350
John Dory	14 520

The total value of sales of farmed fish in 2012 was €162 million for 45 400 tonnes. Farmed shellfish (mostly oysters and mussels) had a sales value of €546 million for 159 600 tonnes.[6]

The main farmed fish species were:[7]

Carp/other freshwater	8 200 tonnes
Seabass/seabream/other saltwater	5 000 tonnes
Trout/salmon	32 200 tonnes

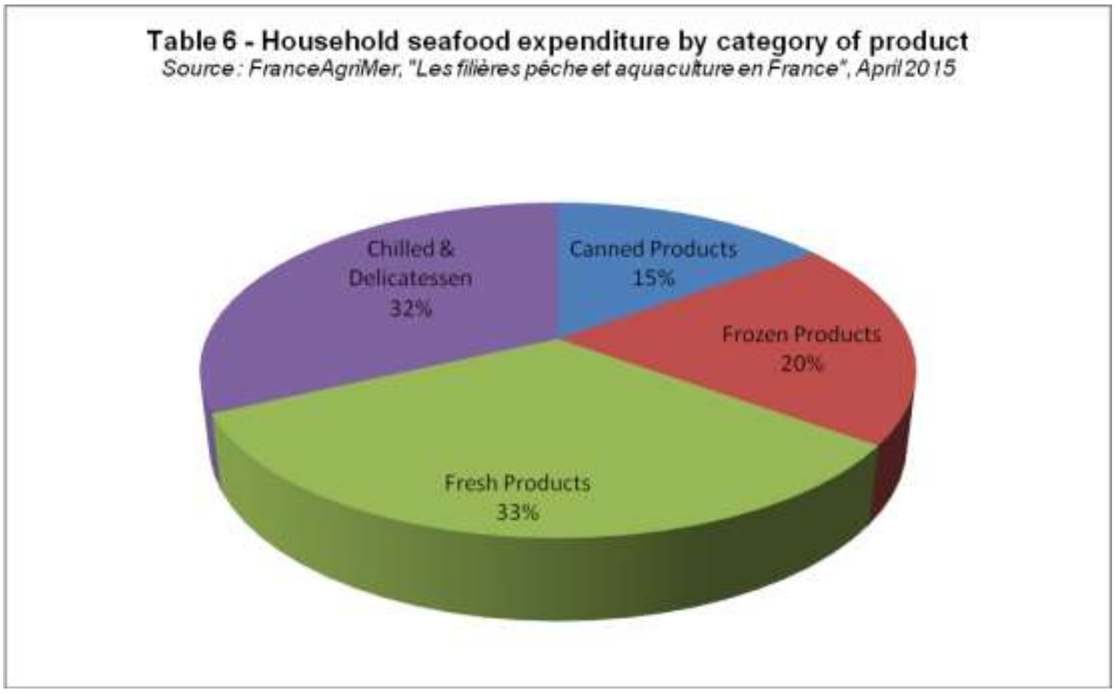
[6] *Ibid*, p11
[7] *Ibid*, p11

2.3 FRANCE – CONSUMER TRENDS IN THE SEAFOOD SECTOR

France has the fourth highest consumption per capita of seafood in Europe after Portugal, Spain and Italy.[8] This stood at 34.5 kg in 2014 (23.6 kg in fish and 9.9 kg in shellfish). The total comparable figure for 2009 was 34.8 kg, showing a slight long-term drop.[9]

Over the period 2012-2014, average consumption per head consisted of 57% fish, 13% farmed fish, 11% shellfish and 19% farmed shellfish.[10]

Household expenditure on seafood reached €7.065 billion in 2014. By category this was divided into fresh (33%), chilled delicatessen/processed such as surimi and breaded fish (32%), frozen (20%) and canned/smoked (15%).[11]



Consumption fell 1.8% in volume in 2014 compared to 2013 (a decrease of 7.8% since 2010), although increased by 1% in value. All categories were affected except certain chilled and delicatessen products. The main reasons behind this decrease in volume are a drop in the number of people purchasing seafood products as well as the frequency of seafood purchases.[12]

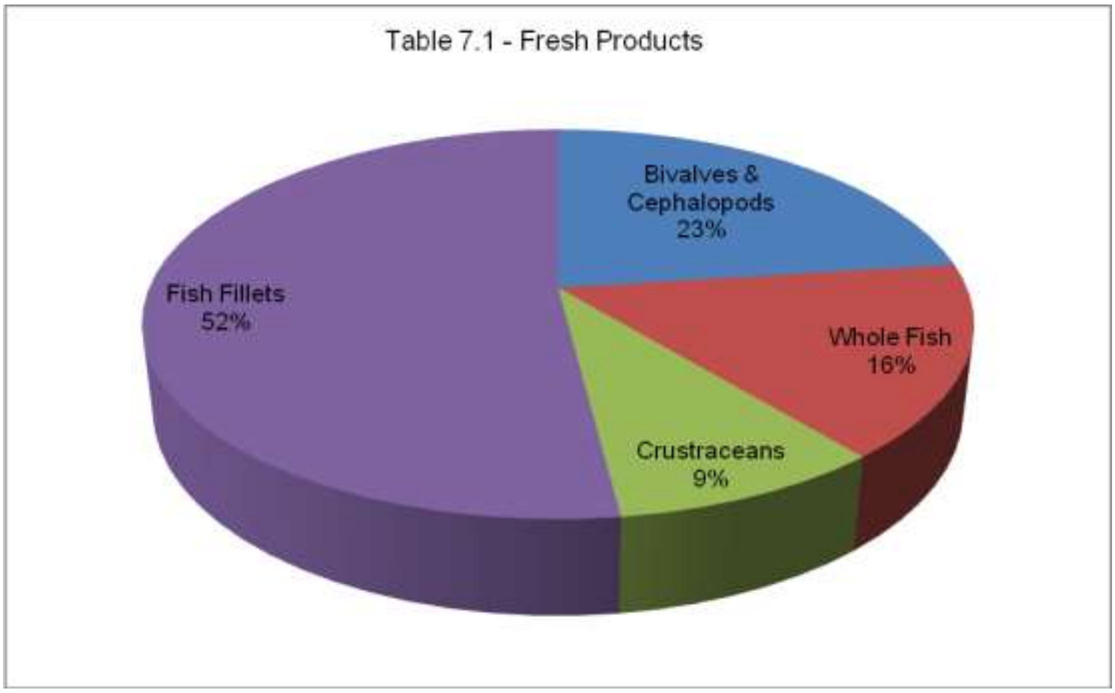
8 EUMOFA, *The EU Fish Market, 2014 Edition*
9 FranceAgriMer, *Données et Bilans : Consommation des produits de la pêche et de l'aquaculture 2014,* May 2015, p9
10 *Ibid,* p9
11 FranceAgriMer, *Les filières pêche et aquaculture en France*, Edition avril 2015, p28
12 FranceAgriMer, *Données et Bilans : Consommation des produits de la pêche et de l'aquaculture 2014,* May 2015, p13

The decrease in the consumption of fresh fish, a trend that began in 2009, continued into 2014. The volume of fresh fish bought by households fell by 2.7% in comparison to 2013. Although the market increased from 71.2 % to 72.1%, households are purchasing fish less and less often. Conversely, shellfish sales have seen an increase of 8.6% in 2014 with prices remaining stable. [13]

A steep rise in fresh salmon prices (from 12.2 €/kg in 2012 to 14.9 €/kg in 2014) has seen a decrease in purchases. Consumer confidence has also been hit by the broadcast of certain television reports and so less households have been purchasing the species; from 48% down to 42%. This dip in salmon purchases has been partly compensated by an increase in cod purchases and, to a certain extent, purchases of trout. In 2014, cod was cheaper than salmon (14.2 €/kg compared to 14.9 €/kg) and went on to become the most popular species of fish bough by households (salmon made up 18.7% of fresh fish purchases and cod 18.7%).[14]

Table 7 – Breakdown of household expenditure by category and species group in 2014

Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015



[13] *Ibid,* p14
[14] *Ibid,* p14

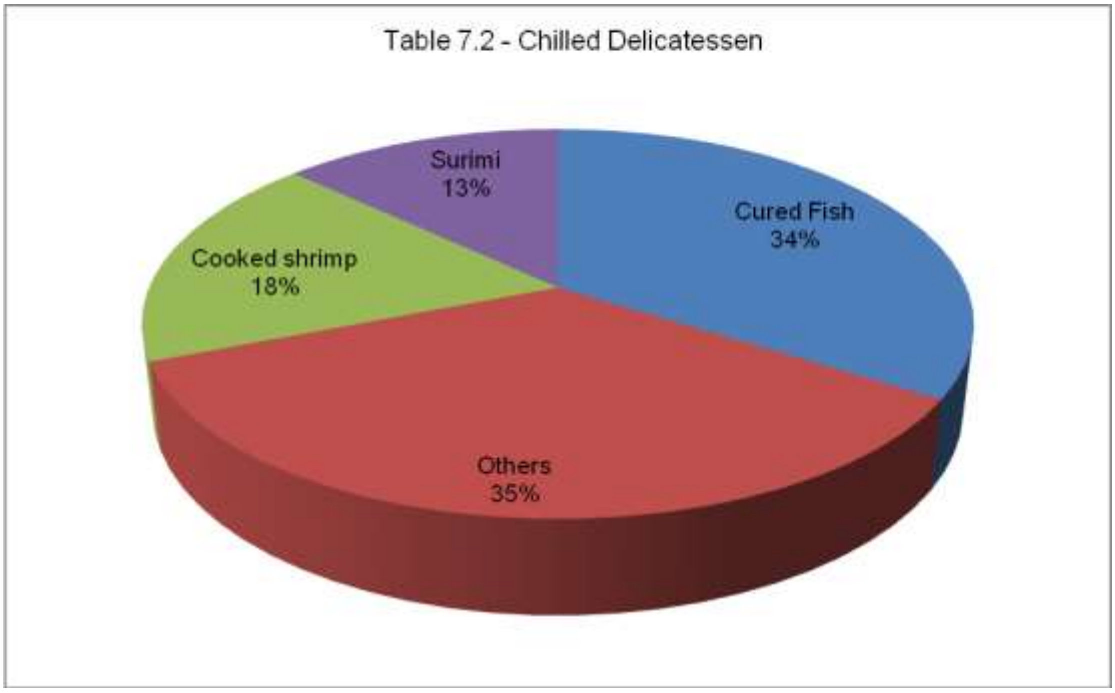


Table 7.2 - Chilled Delicatessen
Surimi
13%
Cured Fish
34%
Cooked shrimp
18%
Others
35%

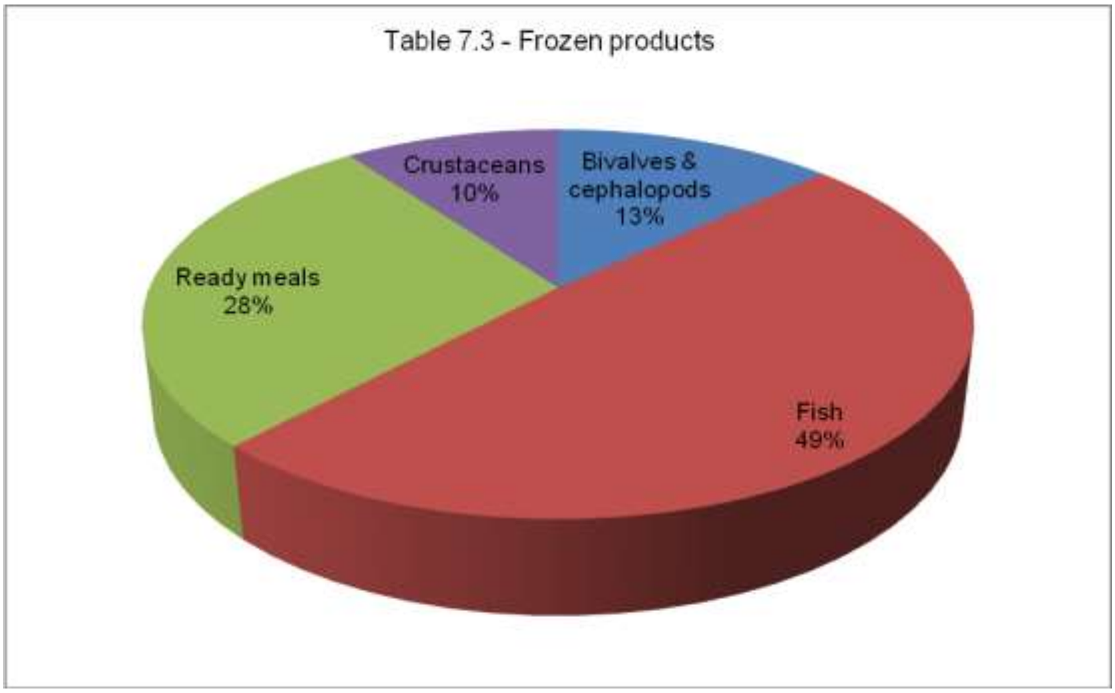
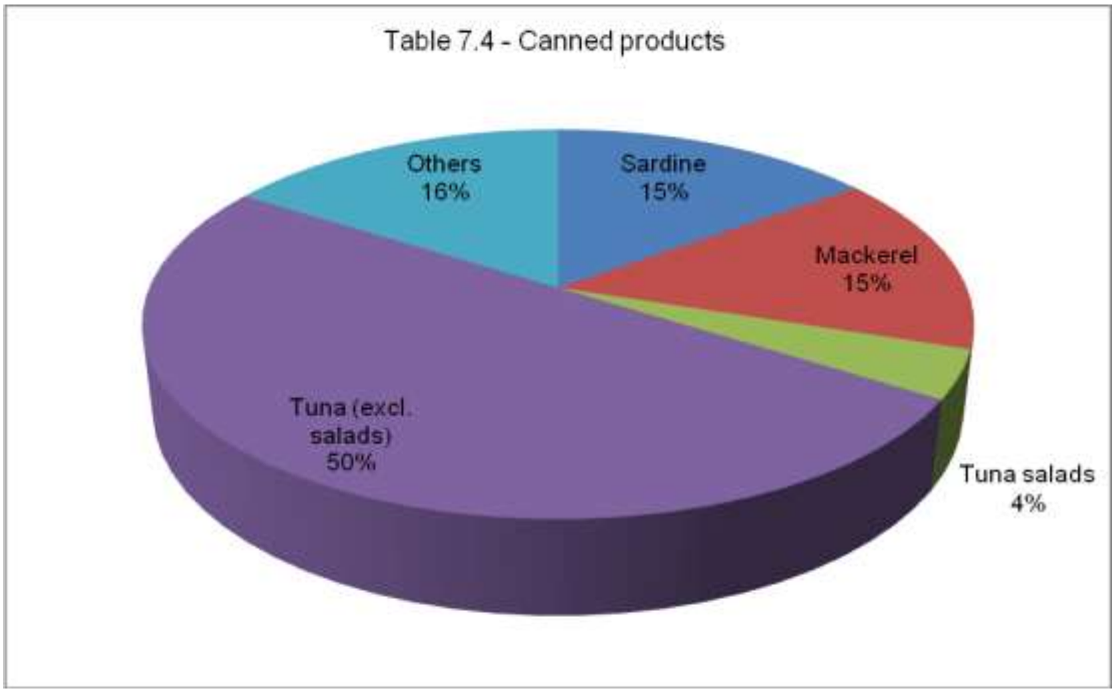


Table 7.3 - Frozen products
Crustaceans
10%
Bivalves &
cephalopods
13%
Ready meals
28%
Fish
49%



Supermarkets remained the main venue for seafood purchases by households for home consumption.[15]

Market drivers

Changes in consumer behaviour, as French people adopt a more "nomadic" way of life i.e. less structured meals, there has been an increase in demand for snack-type products or fish-based ready meals.

Convenience is also a key selling point, both in terms of preparation and speed of cooking. Consumers are no longer willing or able to prepare wet fish, or wish to be able to cook a healthy dish speedily in the evening. Major retailers seek innovation in packaging, e.g. of wet fish, and in product content or presentation to give themselves competitive advantage. Developments in recent years have included seafood salads, surimi, fish soups and seafood barbecue skewers.

Ecological concerns over the sustainability and origin of seafood. The MSC (Marine Stewardship Council) label is slowly gaining recognition amongst consumers in France. There were 7 certified fisheries in France in 2015 with another 5 in course of certification. One of these is a joint UK-France project covering Channel Islands lobster. The majority of retailers have introduced specific MSC lines. Leading fast food chains such as McDonalds, Quick and KFC are having their white fish supply chains certified by the MSC.

Sales of red tuna and endangered shark species have been banned by most retailers.

Health issues and the "safety" of seafoods, especially shellfish, are very important to consumers in the wake of the various scandals involving foodstuffs over the past 15 years.

[15] FranceAgriMer, *Les filières pêche et aquaculture en France*, Edition avril 2015, p29

Multiple retailers have developed quality schemes (“Filières Qualité”) in a bid to reassure consumers on the provenance of the seafood they are eating. The “Label Rouge” (red label) mark on quality salmon from Scotland for example justifies a premium price. Thanks to media pressure, the average French person is aware of the need to eat adequate amounts of “good” fats found in oily fish such as salmon. Educational authorities ensure that seafood features prominently on school canteen menus.

National branding. In January 2012 the French government provided a €30 million envelope of match funding, to be managed by the « Association France Filière Pêche » (France fisheries industry network), for a new national brand, « Pavillon Français » aimed at promoting the merits of French-caught seafood and developing sustainable fisheries.

2.4 UK MARKET SHARE & OPPORTUNITIES

Overall imports of seafood to France in 2013 were valued at €4,848 million, corresponding to 1,028 278 tonnes (live weight equivalent). Frozen fish accounted for just below 50% of total imports.[16]

Total imports into France have increased steadily over the last 10 years, while French landings and production have seen a steady decline. The trend for a decrease in exports continued with figures showing a slight improvement in 2012 but descending again in 2013.[17]

The UK remained the second country supplier, behind Norway, in terms of imports. The total value of these imports was worth €454 million, an increase of 8% on 2012. Imports of Ecuadorian seafood have seen an increase of 23% in the same period while Chinese imports have experienced a decrease of 17%.

Table 8 – Imports by country 2012/2013

Source : FranceAgriMer, 'Commerce extérieur des produits de la pêche et aquaculture', Juiy 2014

	2012		2013		Change 12/13	
Country	**Value (1000 €)**	**Volume (tonnes)**	**Value (1000€)**	**Volume (tonnes)**	**% change in Value**	**% change in Volume**
Norway	561 835	122 015	**628 575**	**122015**	12%	-8%
United Kingdom	395 430	75 665	**454 535**	**81 689**	15%	8%
Spain	336 014	99 004	**345 452**	**91 988**	3%	-7%
Ecuador	201 209	43 164	**247 712**	**46 387**	23%	7%
Netherlands	224 534	55 151	**227 234**	**49 823**	1%	-10%
United States	206 700	50 183	**191 759**	**49 419**	-7%	-2%
Denmark	164 947	32 434	**168 161**	**36 957**	2%	14%
China	184 701	57 376	**152 717**	**51 115**	-17%	-11%
Poland	124 461	18 692	**143 318**	**21 339**	15%	14%
Germany	129 417	37 068	**135 760**	**43 300**	5%	17%

Table 9 – Top 10 UK species imported into France 2013

Source : FranceAgriMer, 'Commerce extérieur des produits de la pêche et aquaculture', Juiy 2014

[16] FranceAgriMer, *Données et bilans : Commerce extérieur des produits de la pêche et aquaculture 2013,* July 2014, p7
[17] *Ibid,* p6

Species	Volume (tons)	Value (1000€)	Average Price (€/kg)	% share of UK import market *
Salmon	23 885	137 448	5.75	30%
Scallops	5 000	67 287	13.46	15%
Langoustine	4 473	43 881	9.81	10%
Various filleted sea fish	5 165	30 441	5.89	7%
Cod	4 738	26 158	5.52	6%
Lobster	1 422	23 181	16.30	5%
Crab	4 008	20 953	5.23	5%
Various flat sea fish	1 562	16 630	10.65	4%
Pollock	4 725	11 292	2.39	3%
Mackerel	4 214	7 268	1.72	2%

*share by value

The principal outlets for fresh seafood are supermarkets although higher added-value species will more likely to be offered through independent fishmongers. Similarly, the main outlet for chilled delicatessen (or added-value products) as well as smoked and canned fish, is also the supermarkets.

Table 10 – Breakdown of purchases by category and outlet

Source : FranceAgriMer, 'Les filières pêche et aquaculture en France, April 2015

Table 10.1 – Breakdown of purchases by category for different outlets (value)

	Fresh	Chilled Delicatessen	Frozen Products	Canned Products
Supermarkets (1)	27%	34%	23%	17%
Fishmongers and Markets (2)	87%	13%	0%	0%
Restaurants	66%	6%	25%	2%
Institutional Catering	22%	2%	68%	8%

Table 10.2 – Breakdown of purchases by outlet for different categories (quantities) (3)

	Supermarkets (1)	Fishmongers and Markets (2)	Restaurants	Institutional Catering
Fresh Products	60%	18%	19%	4%
Chilled Delicatessen	95%	2%	2%	1%
Frozen Products	71%	0%	11%	18%
Canned Products	95%	0%	2%	3%

(1) Including hard discount, freezer centres and home delivery
(2) Including direct sales
(3) Net weight

Perceived Strengths and Weaknesses of British Suppliers

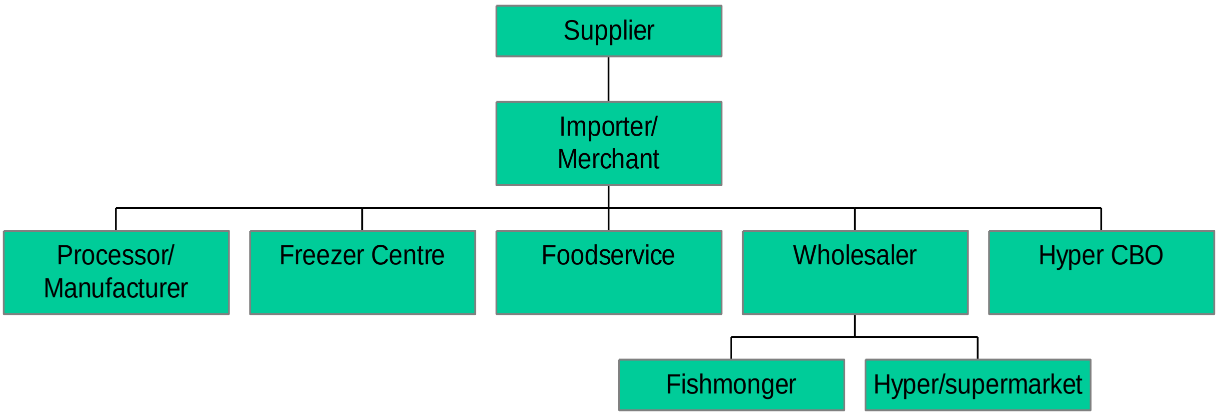
Trade contacts have indicated to UKTI that French traders and processors see Britain as having certain strengths as a source of supply:

- ✓ Available seafood resources
- ✓ Good quality fish and shellfish
- ✓ Established transport links e.g. overnight from Scotland direct to Boulogne sur Mer
- ✓ Existing presence in market
- ✓ “Green” image (Scotland, Cornwall)

On the other hand Britain is also perceived to suffer from some weaknesses:

- Irregular product quality
- Poor service
- Lack of communication
- Poor packing/shortweights
- Failure to use EU pallets

3.1 SUPPLY STRUCTURE



The diagram above represents a schematic layout of the traditional supply chain for seafood.

Suppliers of bulk or primary-processed seafood will normally sell to an importer or merchant who in turn sells on to the retail trade, foodservice and processors. Most UK suppliers deal with intermediaries in Boulogne sur Mer who sell on to wholesalers or retailers throughout France.

Some merchants in Boulogne have premises at, or are owned by traders at, the Rungis market south of Paris is the largest wholesale market for fresh produce in the world. Most independent fishmongers in the Paris area will source there.

Fishmongers and buyers at superstore groups who purchase for fresh fish counters will source from wholesalers, wholesale markets such as Rungis or others elsewhere in France, or from port auctions. Some superstore groups have dedicated fresh seafood buying offices (“Bureau d’achats Marée”) which may compete with external suppliers.

In recent years the supply chain model above has begun to contract, in part due to the decline in the number of retail fishmongers and in part due to superstore groups trying to remove the “middlemen”. Auchan for example have contracted individual Scots fishing boats to work for them, trucking the catch to Boulogne and then having the fish filleted to its own specification. The supermarket chain Intermarché on the other hand have their own fishing fleet and the balance of the catch not required for their outlets (approximately 50%) is sold through a merchant subsidiary on to the open market.

Fresh shellfish is normally supplied via Breton importers to ensure traceability and regularity of supply. According to supermarket buyers, French suppliers in Brittany and Normandy are sometimes incapable of meeting order levels and a broader supply base that includes the UK would maintain market stability. Trade contacts have suggested that UK exporters of fish and shellfish could develop regional brands with supply though Boulogne sur Mer to the French market. Not only would this shorten transport times and reduce costs compared to using merchants in north-western France for transit, but it would also command a higher price.

A typical price structure for imported fresh seafood at a French retail multiple would be as follows:

Individual store	25-30%
Central buying office	1%
Transport & delivery	€1.6-2.0 per kg
Wholesaler	20%
Merchant	15-20%

Suppliers of processed seafood (i.e. chilled added-value or smoked/canned) will generally need to obtain listings with buyers at the central buying offices of superstore groups. The best route to market for UK firms is via an importer or distributor who can provide the level of service necessary as well as organising logistics and monitoring product shelf life. An intermediary will almost certainly be necessary for sales to the institutional catering sector where calls to tender and long payment terms are the norm.

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3.2 RETAIL

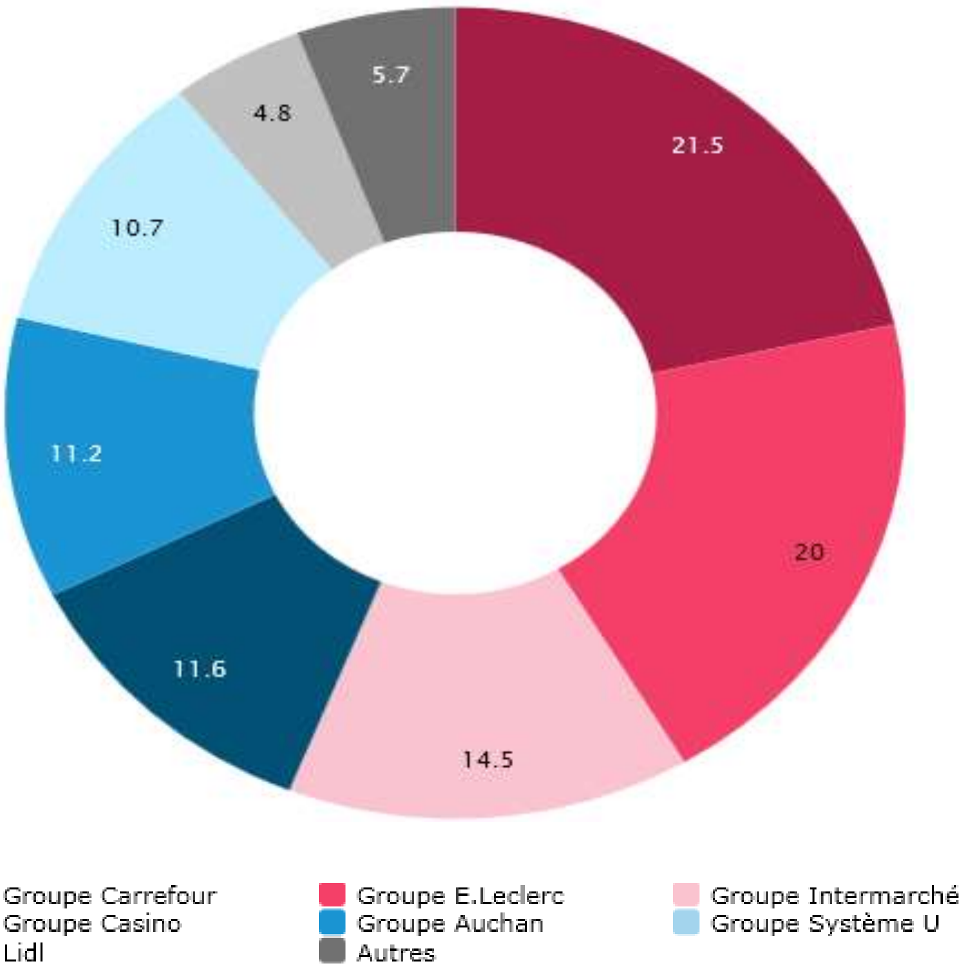
Information on the major French grocery retailers is given in the table in **Annex 1**. This includes market share by group, total turnover and ownership.

Four of the retailers (Carrefour, Auchan, Casino, Cora) are integrated structures with salaried managers, not dissimilar to comparable groups in the UK. The other three are voluntary associations of owner-managers so decision-making is often decentralised. Purchasing for such retailers may be at a national or regional level. Buying of fresh seafood for the Super U chain for example is done from its regional office in western France.

The grocery retail sector is predominantly dominated by French retailers with only Lidl (the German global discount supermarket chain) making a mark on the sector.

Table 11 – Market shares in French grocery retail sector

Source : Référenseigne P08 du 13 juillet au 9 aout 2015



Due to the ongoing price war launched by Leclerc in 2014, some groups have set up buying alliances (e.g. Auchan/Super U and Casino/Intermarché) to obtain more favourable conditions from multinational suppliers. For the time being purchases of seafood are not affected by these moves.

The addresses of Central Buying Offices and “Bureaux d’achats Marée” (fresh fish/shellfish buying), if different, are shown in **Annex 2**. Although not strictly a retailer, the buying office for the METRO FRANCE cash-and-carry group has been included in the annex, since its 90 outlets can have an influence on pricing in specific regions.

More detailed information on selling to French grocery superstores has been included in **Annex 3**.

Product ranges

Most hypermarkets and larger supermarkets have fresh fish counters offering a wide variety of fish (including salmon) and shellfish. Many will have tanks for live lobster, crab and possibly trout. An adjoining counter will usually offer chilled added-value seafood (“Rayon Traiteur de la Mer”).

Leading superstores offer premium and standard chilled added-value private-label ranges.

Best practices

Innovation, whether in product content or presentation, is seen as key to driving sales. Suppliers able to offer bespoke product content and/or private-label will be at an advantage. Top retailers aim to offer maximum service levels to attract customers.

Other retail

In 2014, there were 2 926 fishmongers across France with 7 475 full-time employees. In the Paris region alone there are 373 fishmongers, the highest concentration in one region. Other regions with high concentrations are, in decreasing order, Provence-Alpes-Côte d’Azur (372), Brittany (326) and Languedoc-Roussillon (292).[18]

Independent fishmongers try to offer good quality and top service in order to retain customers. Numbers remain unchanged since 2011.

[18] FranceAgriMer, *Les filières pêche et aquaculture en France*, Edition avril 2015, p16

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3.3 FOODSERVICE

Total foodservice sales in France reached €1 135 million in 2013.[19]

Sales were broken down by category as follows:[20]

Self-managed institutional catering	€242 million
Institutional catering firms	€100 million
Independent restaurant outlets	€550 million
Restaurant chains and groups	€243 million

Table 12 – Top foodservice operators in France
Source : Neorestauration magazine

	Sales ex-VAT in € million			Number of restaurants		
Company/group	**2013**	**2012**	**Growth**	**2013**	**2012**	**Growth**
Mcdonalds	**4,460**	4,350	+ 2.53%	**1,298**	1,260	+ 3.02%
Agapes restauration	**954**	946	+ 1.04%	**526**	527	- 0.19%
Quick	**831**	801	+ 3.75%	**379**	379	0%
Elior	**723.7**	740.5	- 2.27%	**805**	831	- 3.13%
Servair	**575**	573	+ 0.35%	**n/a**	n/a	**n/a**
Groupe flo	**496**	521	- 4.00%	**282**	284	- 0.70%
Buffalo grill	**478.2**	495.1	- 3.41%	**328**	327	+ 0.31%
Groupe le duff	**410.9**	393	+ 4.55%	**486**	474	+ 2.53%
Kfc	**386**	385	+ 0.26%	**n/a**	146	**n/a**
Newrest	**375**	374	+ 0.32%	**n/a**	53	**n/a**
Paul	**348**	347	+ 0.32%	**n/a**	**n/a**	**n/a**
Sodexo	**335**	311	+ 7.72%	**75**	77	- 2.60%
Casino restauration	**319**	318	+ 0.31%	**n/a**	**n/a**	**n/a**
Courtepaille	**281.2**	289	- 2.67%	**253**	242	+ 4.55 %
Groupe bertrand	**270**	250	+ 8.00%	**n/a**	250	**n/a**
Autogrill	**225.9**	242.1	- 6.69%	**332**	405	- 18.02%

A list of the main distributors supplying to the above are appended in **Annex 4**.

[19] FranceAgriMer, *Les filières pêche et aquaculture en France*, Edition avril 2015, p32
[20] *Ibid,* p32

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3.4 TRADING TERMS

Trading terms for seafood are strictly regulated in France.

Payment for fresh and frozen seafood by importers, merchants and processors must normally be made within 30 calendar days. Trade contacts have suggested that shorter terms for initial deliveries may be possible.

Terms for trawlermen and at auction are shorter (respectively 10 and 7 calendar days).

Hyper/supermarkets must settle invoices for fresh and frozen seafoods at 30 days end-of-month: for crustaceans this period is reduced to 30 calendar days.

For ambient products payment terms could be at 60 days or even longer.

Labelling

See **Annex 5**.

Organic certification

See **Annex 6**.

4.1 Next Steps & Follow-up

UKTI can assist further by:

- Researching specific aspects of the market in more detail on behalf of the SIA
- Identifying and "warming" trade contacts and/or buyers on behalf of the SIA or individual seafood companies, either as part of a market entry strategy or in advance of a major trade event such as Seafood Global Expo (see **5.4 Trade Shows)**.

Both of the above could be undertaken through a separate OMIS order, which we would be happy to discuss with you. The pricing for these can be quoted on demand.

Please do not hesitate to contact UKTI France directly if you have any further questions about this service or wish to discuss your business development strategy in France. We would be happy to receive feedback on the service we have provided so far.

We look forward to hearing from you soon and continuing to work with you to help expand your business in France.

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ADDITIONAL INFORMATION

UKTI has included the following additional information. This provides further information for successful expansion into France.

5.1 TRADE PUBLICATIONS

The list below is non-exhaustive but highlights the key publications in France relevant to the seafood sector.

- **Cultures Marines**

Address:	CULTURES MARINES 13 rue du Breil BP 6305 35063 – RENNES CEDEX
Tel:	+33 (0)2 99 32 58 80
Website:	www.informer.fr
Issues per year:	12
Copies sold/printed:	1 600
Profile:	Monthly magazine on the subject of shellfish (news, business ect)

- **Le Marin**

Address:	LE MARIN 13 rue du Breil BP 6305 35063 – RENNES CEDEX
Tel:	+33 (0)2 99 32 58 80
Website:	www.lemarin.fr
Issues per year:	48
Copies sold/printed:	11 100
Profile:	Weekly magazine that provides information on the economy generated by the sea including the seafood industry.

- **Produits de la Mer**

Address:	PRODUITS DE LA MER 13 rue du Breil BP 6305 35063 – RENNES CEDEX
Tel:	N/A
Website:	www.informer.fr
Issues per year:	24
Copies sold/printed:	1 339
Profile:	Bi-monthly magazine specifically dealing with the seafood industry destined for industrial purchasers of seafood produce (supermarkets, fishmongers ect).

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5.2 TRADE ASSOCIATIONS

The list below is non-exhaustive but highlights the key trade associations in France relevant to the seafood sector.

- **FranceAgriMer**

FranceAgriMer is the division of the French ministry of agriculture covering the seafood industry. It has a comprehensive website.

Address:	12 rue Henri Rol-Tanguy TSA 20002 93555 MONTREUIL-SOUS-BOIS
Tel:	+ 33 (0)1 73 30 30 00
Website:	http://www.franceagrimer.fr/

- **DPMA**

DPMA is the Directorate for Sea Fisheries and Aquaculture (Direction des Pêches Maritimes et de l'Aquaculture) within the French ministry of agriculture. It is in charge of creating, implementing and monitoring regulations and policies.

Address:	3, Place de Fontenoy, 75007 Paris,
Tel:	+ 33 (0)1 49 55 54 02
Website:	http://peche.gouv.fr/

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5.3 TRADE SHOWS

The list below is non-exhaustive but highlights the key trade shows concerning the French seafood sector.

- **Seafood Expo Global**

Where:	Brussels – Brussels Expo
When:	26 –28 April 2016
Email:	sales-global@seafoodexpo.com
Website:	www.seafoodexpo.com/global/
Profile:	Seafood Expo Global is the world's largest seafood trade event, featuring more than 1 700 exhibiting companies from over 70 countries. Exhibitors supply all types of fish, seafood and seafood-related products or services. Attendees travel from 150 countries to do business at the three-day event.

- **SIAL**

Where:	Paris – Parc des Expositions Nord (Villepinte)
When:	16 –20 October 2016
Email:	exhibit@sialparis.com
Website:	www.sialparis.com
Profile:	SIAL is the world’s largest trade event in the food industry sector and is held biennially. It claims 6 500 exhibitors and 166 000 visitors. One hall is partially devoted to seafood and there is usually a large UK pavilion.

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ANNEX 1 – GROCERY SUPERSTORE GROUPS

	Carrefour	Groupe Auchan	Groupe Casino	Intermarché (Les Mousquetaires)	E.Leclerc	Super U	Cora
Market share	21.9%	11%	11.4%	14.1%	20.3%	10.1%	2%
Store Type	Hypermarkets, supermarkets, convenience stores, local stores, cash and carry catering	Hypermarkets and Supermarkets, Click & Collect	Hypermarkets, supermarkets, local stores, convenience stores, discount stores	Supermarkets, convenience stores, hard discount stores	Hypermarkets and Supermarkets, Click & Collect	Hypermarkets, supermarkets and convenience stores	Hypermarkets and supermarkets
Ownership	Group (family, stock exchange and private enterprises)	Family group	Group (family, stock exchange and private enterprises)	Independent retailer*	Independent retailer*	Independent retailer*	Family group
Buying office	Carrefour (Paris)	Eurauchan (Lille)	EMC Distribution (Paris)	Intermarché (Paris)	GALEC (Paris)	Système U (Paris)	Cora (Paris)
Annual Turnover in 2014 (billion Euros)**	France: 35,4 Worldwide: 74.7	France: 19,7 Worldwide: 53,4	France: 18,8 Worldwide: 48.5	France: n/c Worldwide: 36.2	France: 34.5 Worldwide: 37	France: 18.5	France: 6.1
Website	www.carrefour.com	www.groupe-auchan.com	www.groupe-casino.com	www.mousquetaires.com	www.e-leclerc.com	www.magasins-u.com	www.cora.fr

*association of owner-operators

** excluding fuel sales

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ANNEX 2 – CENTRAL BUYING OFFICES

EURAUCHAN (Auchan)

Address:	200 rue de la Recherche 59650 VILLENEUVE D'ASCQ CEDEX
Tel:	+33 (0) 3 28 37 67 00
Fax:	+33 (0) 3 28 37 64 00

CARREFOUR

Address:	Service Achats Alimentaire 17/19 rue Victor Basch 91887 MASSY 2 Cedex
Tel:	+33 (0) 1 69 32 50 00

EMC DISTRIBUTION (Casino)

Address:	Centrale d'Achat Casino 28 rue des Vieilles Vignes 77316 Marne la Vallee Cedex 2
Tel:	+33 (0) 1 61 44 70 00

Fresh fish/shellfish : **Filière Produits de la Mer**

Address:	24 rue de la Montat 42000 SAINT-ETIENNE
Tel:	+33 (0) 4 77 45 31 31
Fax:	+33 (0) 4 77 45 37 70

PROVERA (Cora)

Address:	Domaine de Beaubourg 77183 CROISSY BEAUBOURG
Tel:	+33 (0) 1 64 62 65 00

Fresh fish/shellfish : **Poissonerie**

Tel:	+33 (0) 1 61 61 24 34

INTERMARCHE

Address:	Parc de Tréville 1 Allée des Mousquetaires 91078 BONDOUFLE CEDEX
Tel:	+33 (0) 1 69 64 10 72

Fresh fish/shellfish : **Bureau d'achats de marée**

Tel: +33 (0) 1 69 64 29 73

Fresh fish/shellfish : **Société Centrale d'Approvisionnement des Produits de la Mer (SCAMER)**

Address: Port de Pêche
Route Fluvy
56100 LORIENT
Tel: +33 (0) 2 97 88 21 21
Fax: +33 (0) 2 97 88 21 20

GALEC (Leclerc)

Address: 27 Quai Marcel Boyet
94200 IVRY SUR SEINE
Tel: +33 (0) 1 49 87 50 00

METRO FRANCE

Address: 5 rue des Grands Prés
Zone Artisanale du Petit Nanterre
BP 205
92404 NANTERRE CEDEX

Tel: +33 (0) 1 47 86 63 00
Fax: +33 (0) 1 47 86 65 96

Fresh fish/shellfish : **Bureau Marée Fraîche**

Tel: +33 (0) 2 33 88 33 16

SUPER U

Address: Centrale d'Achats Système U
72 avenue Robert Schumann
94150 RUNGIS
Tel: +33 (0) 1 45 15 95 00

Fresh fish/shellfish: **SYSTEME-U OUEST**

Address: ZI Belle Etoile Antarès
Places des Pléiades
44470 CARQUEFOU
Tel: +33 (0) 2 40 68 58 28

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ANNEX 3 – SELLING TO FRENCH GROCERY SUPERSTORES

Product Listing Procedures ("Procedures de Référencement")

Grocery superstores represent nearly 80% of total sales in the food and drink sector, so to obtain product recognition on a large scale manufacturers and suppliers must sell through the superstore networks. To achieve acceptance, the procedure is usually as follows:

Supplier Brands

All products should first be presented to the CBO (**Central Buying Office)** of each grocery chain. A group of buyers will test the products before accepting them. This is the most difficult part of the negotiation process and can take 3-5 months, depending on the product concerned. The CBOs decide which products will be listed as approved for purchase. They are responsible for detailed negotiations with suppliers on price, delivery, transport, logistics, discounts, payment conditions, etc.

Once a product is accepted by a CBO, the supplier will be asked to pay a fee, known as the main listing price. It will vary according to the degree of innovation and market competitiveness of the product. Overriders and/or additional discounts may be requested at this stage: e.g. end of year retrospective on sales.
Positioning of products within store and promotional programmes will be related to the listing price paid. These supplementary costs were formerly known as "marges arrières" (back margins) but must now be negotiated in advance with the supplier.

Individual stores in some French chains have considerable freedom of choice for goods that they stock. Acceptance of a product by a CBO does not imply it will automatically be sold in every outlet. Further negotiations will be needed either with regional or individual store buyers. In some cases, the CBO may be prepared to negotiate a listing price for group stores in specific regions.

Regional or individual store negotiations will be much easier than the initial dealings with the CBO. Suppliers are advised to maintain regular contact with the individual store buyers within the group to develop their business over the long term.

Private Label

All selection procedures and negotiations for private label products are coordinated solely through the CBO.

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ANNEX 4 – MAIN FOODSERVICE DISTRIBUTORS

BRAKE FRANCE SERVICE

Address:	4 Allée des Sequoias 69760 LIMONEST
Tel:	+33 (0)4 78 66 38 00
Fax:	+33 (0)04 78 66 60 12
Website:	www.brake.fr

Profile: Subsidiary of the UK Brake Group. Has developed into a major distributor to the foodservice industry and restaurants in France through the acquisition of regional wholesalers. Carries 2 500 product listings and has almost full national coverage through a network of 35 agencies in France. Claims to have 40 000 customers in France.

DAVIGEL

Address:	Service Snack ZI Louis Delaporte BP 41 76370 ROUXMENIL BOUTEILLES
Tel:	+33 (0) 2 35 04 76 00
Fax:	+33 (0) 2 35 04 88 45
Website:	www.davigel.fr

Profile: Foodservice distributor belonging to Nestlé. Has 28 depots throughout France and 650 sales reps. Company has own frozen food factory as well as importing product. Carries 1 400 listings, mainly in frozen and fresh foods.

POMONA PASSIONFROID

Address:	2/4 place Charles de Gaulle 92164 ANTONY Cedex
Tel:	+33 (0) 1 55 59 61 00
Fax:	+33 (0) 1 55 59 63 87
Website:	www.pomona.fr

Profile: Seafood and chilled & frozenfood distribution division of the long-established French agri-food group POMONA. Another division (POMONA TERRAZUR) specialises in fruit & vegetables and grocery products). Major importer /distributor of fresh food products, with a specialised department for seafood (details below).

Fresh fish/shellfish : **Pomona Boulogne Sur Mer**

Address:	31 rue Alexandre Adam Gare de Marée 62200 BOULOGNE SUR MER
Tel:	+33 (0) 3 21 83 50 00
Fax:	+33 (0) 3 21 87 56 28
Website:	www.pomona.fr

TRANSGOURMET

Address:	1/11 rue du Puits Dixme Senia 524 94577 ORLY Cedex
Tel:	+33 (0) 1 41 76 22 22
Fax:	+33 (0) 1 41 80 56 55
Website:	www.transgourmet.fr

Profile: Major distributor to the restaurant trade and foodservice. Company claims to have 60 000 customers in France and carries 12 000 food and non-food listings.

ANNEX 5 – LABELLING

French law complies with EU law regarding the labelling of foodstuffs; namely Directive 2000/13/EC relating to labelling, presentation and advertising of foodstuffs as well as Directive 90/496/EEC regarding nutrition labelling for foodstuffs. These two directives have been combined into one Regulation; **Regulation (EU) No 1169/2011.** This Regulation is a binding legislative act and must be applied in its entirety across the EU[21] thus harmonising labelling information across the single market. These measures are contained within the French Consumer Code.[22]

The regulation entered into application on 13 December 2014. The obligation to provide nutritional information on labelling is set to apply from 13 December 2016.[23] New rules on country of origin information for meat from sheep, pigs, goats and poultry apply from 1 April 2015.[24]

The objective of the new European food labelling rules is to "*ensure that consumers receive clearer, more comprehensive and accurate information on food content, and help them make informed choices about what they eat*."[25]

As the measures in Regulation (EU) No 1169/2011 mostly serve to consolidate previous legislation there are no major changes to what is expected of food business operators. An EU Commission pictogram charting the new rules of the Regulation is included at the end of this Annex.

Labelling of pre-packaged foodstuffs[26]

Pre-packaged foodstuffs must have the following mandatory information on the label:

- product name
- product description (including the providence of the product if its omission could cause erroneous purchase)
- list of ingredients (in decreasing order of quantity in product and including additives and other substances)
- quantity of certain ingredients, particularly those featuring in the product name or description
- quantity of product (grams (g) or millilitres (ml)
- sell by date or best before date (including storage indications)
- name and address of supplier or importer (the company which first introduces the products on the French market, whether as a manufacturer or as an importer, is consequently held responsible for the correct labelling)
- batch number

[21] EU Commission, Regulations, Directives and other acts
[22] French Consumer Code, Regulatory Part, Book II: Quality of products and services, Title I : Conformity, Chapter IV : Measures of application, Section 2 : Labelling and presentation of foodstuffs and animal feed,
[23] EU Commission, Food Information to consumers – Legislation
[24] Food Standards Agency (FSA*),* European Food Information to Consumers Regulation No 1169/2011 (FIC)
[25] EU Commission, Food: EU consumers to benefit from better labelling as of 13 December 2014, Press release 11/12/14
[26] DGCCRF, Étiquetage des denrées alimentaires

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- instructions for use

The appearance of certain phrases and expressions on food labelling is strictly regulated;

Artisanal	Product is manufactured by a registered artisan
GM Free	Products does not contain genetically modified food or organisms (GM or GMO)[27]
Homemade	Product is prepared in a non-industrial manner, at the place of sale
Natural	Product has not been treated or transformed
Organic	Product is an issue of organic farming and certified by relevant institution (***Annex 6***)
Pure	Term can only be used for certain products i.e. pure juice
Traditional	Product is manufactured according to traditional methods & do not contain additives

N.B. Information on **allergens** must be highlighted in ingredients list.

Particularly regarding fish and seafood . . . [28]

Vendors must clearly show three mandatory pieces of information:
- the commercial denomination
- the manner of production
- the area of production

<u>Nutritional information (in force from 13 December 2016)</u>

The following information must be found in a legible table that appears on the labelling of foodstuffs:
- energy values
- quantity of lipids
- quantity of saturated fats
- quantity of carbohydrates
- quantity of sugars
- quantity of protein
- quantity of salt

This information must be expressed in terms of grams (g) and millilitres (ml). Quantities must be given for 100g/100 ml of the product or per portion.

[27] To benefit from this labelling:
- GM content of vegetable ingredients must be less than 0.1%.
- The absence of GM animal ingredients is indicated by a statement that the animals used were given feed containing less than 0.1 % or 0.9 % GMO.
- For ingredients of beekeeping origin (honey, pollen, etc.) to be labelled “sans OGM”, the beehives must be at least 3km (4.8miles) from GM crops and fields.

[28] FranceAgriMer, Quelles sont les règles d’étiquetage qui s’appliquent aux produits de la pèche et de l’aquaculture ?

Obligatory nutritional information may be accompanied by, voluntary, complimentary information regarding other nutrients. However this voluntary information may not be added to label to the detriment of the space accorded to the obligatory information.

Language and appearance of label

Under the French law "*Loi Toubon*" ("loi du 4 août 1994"), relating to the use of language, French must be used for "*the designation, offer, presentation, instructions for use, and description of the scope and conditions of a warranty of goods, products and services, as well as bills and receipts.*" The law requires that labels are written in French.[29]

This allows the consumer to have all the necessary information regarding the price and the quality of the product in a language that is understandable to him. It also allows the consumer to use a product in the correct manner and to guarantee his safety and that of those around him.[30]

Under the same law, a lack of translation is tolerated in certain cases;[31]

- The products contain graved inscriptions, or are moulded or weaved in a foreign language.
- The terms and expressions are used in everyday language or are international terms (e.g. off/on, made in..., copyright, etc.)
- Typical foreign products and foreign appellations (PDO: protected designation of origin) are allowed to keep their original names (i.e. pizza, paella, gorgonzola, scotch whisky, etc)
- Drawings, symbols and pictograms can accompany non translated text in a foreign language in so far as these have the appropriate meaning which cannot mislead the consumer.

Regarding the appearance of labels, the new EU Regulation enforces a minimum font size for mandatory information appearing on the label of foodstuffs;[32]

- if the packaging has a surface area of more than 80cm2, the minimum size per character is 1.2 mm
- if the packaging has a surface area of less than 80cm2, the minimum size per character is reduced to 0.9 mm
- (in accordance with the international rules of the Codex Alimentarius)[33] if the packaging has a surface area of less than 10cm2, the label doesn't have to include a nutritional declaration or list of ingredients.[34]

The French organisation responsible for policing labelling is la ***Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes*** **(DGCCRF)**, which is part of the French economics and finance ministry: http://www.economie.gouv.fr/dgccrf

[29] DGCCRF, L'emploi de la langue Francaise
[30] *ibid*
[31] *ibid*
[32] *DGCCRF,* Étiquetage des denrées alimentaires : nouvelles règles européennes
[33] Codex Alimentarius
[34] Whatever the size of the surface area of the packaging, the name of the product, allergens, quantity and storage instructions must always be present.

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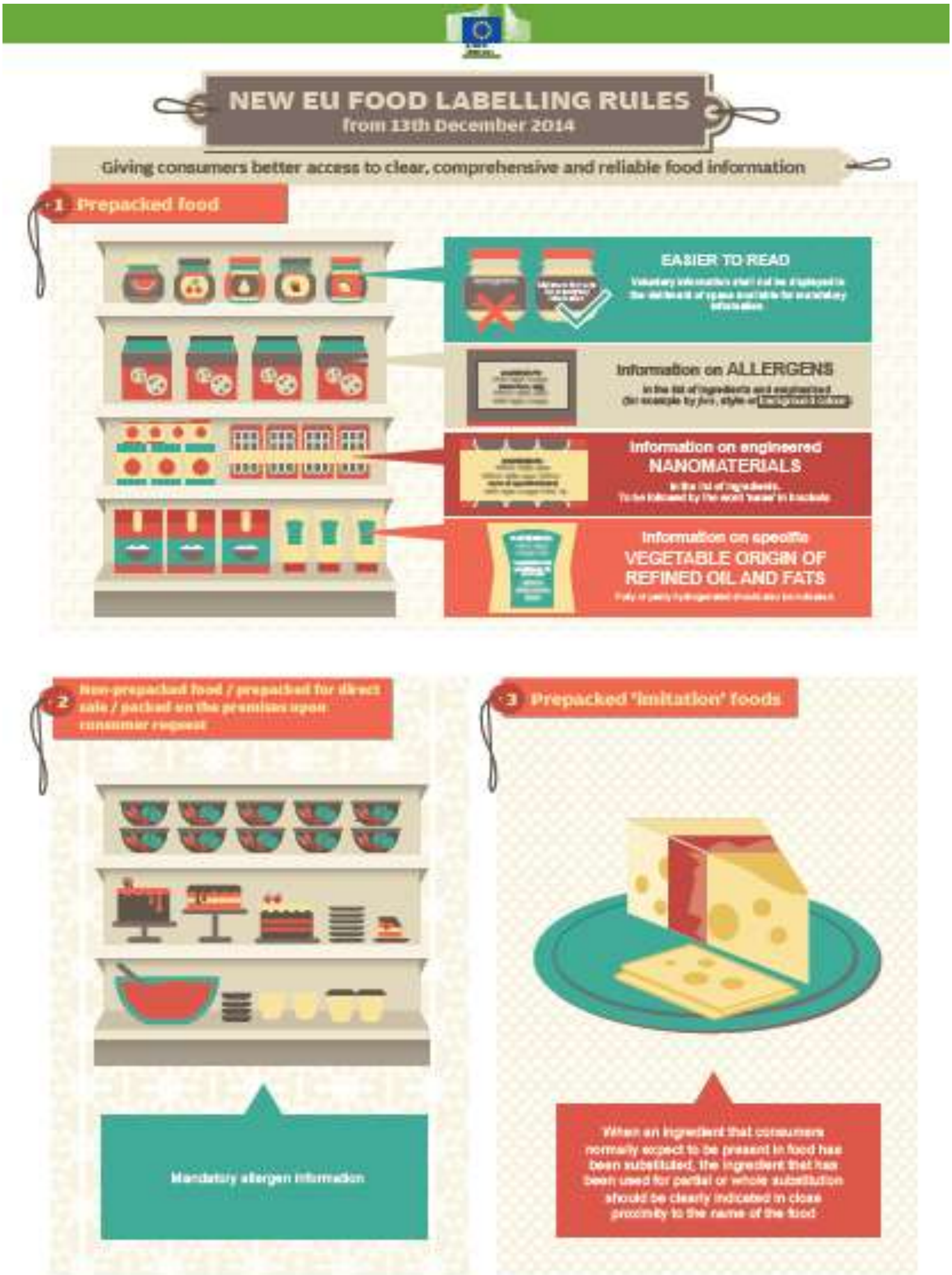

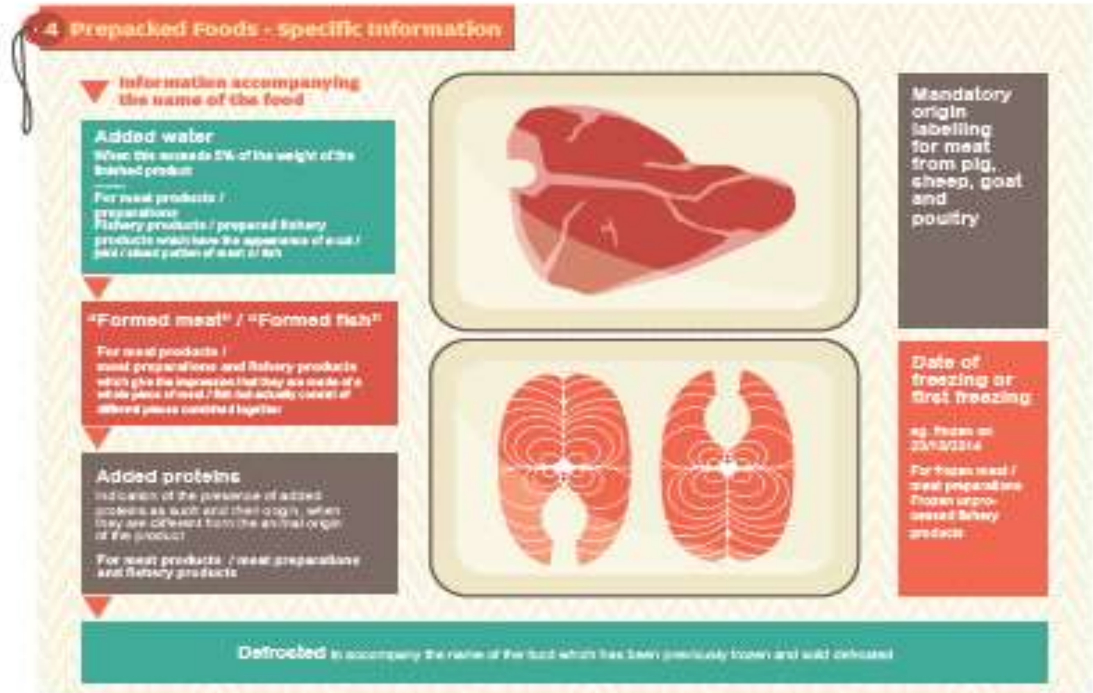
4 Prepacked Foods - Specific information
Information accompanying the name of the food
Added water
When this exceeds 5% of the weight of the finished product
For meat products / preparations
Fishery products / prepared fishery products which have the appearance of a cut / joint / sliced portion of meat or fish
"Formed meat" / "Formed fish"
For meat products / meat preparations and fishery products which give the impression that they are made of a whole piece of meat / fish but actually consist of different pieces combined together
Added proteins
Indication of the presence of added proteins as such and their origin, when they are different from the animal origin of the product
For meat products / meat preparations and fishery products
Defrosted to accompany the name of the food which has been previously frozen and sold defrosted
Mandatory origin labelling for meat from pig, sheep, goat and poultry
Date of freezing or first freezing
For frozen meat / meat preparations / frozen unprocessed fishery products


5 Distance selling: same information available online
Eshop food website
Mandatory food information
Ensuring that the same food information you can find in the store is available online

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ANNEX 6 – ORGANIC CERTIFICATION

French certification on organic products follows the rules and regulations as set out by European Union law. Nonetheless, as many in the French Organics sector believe the European standards to be too low, many continue to make use of higher standard certification predating EU legislation.

History of organic products in France

AGRICULTURE BIOLOGIQUE

The word "organic" officially came into use in France in 1980 when the law "*Orientation Agricole*" came into effect.[35] In 1985 France created the "*Agriculture Biologique*" (or "*AB*") label which enabled the recognition of foodstuffs produced from organic farming. This was set up by the Ministry of Agriculture and has been promoted by *Agence Bio*,[36] the French Agency for Development and Promotion of Organic Farming, ever since. (*Please see below for more information regarding Agence Bio*)

The term "organic farming" first came into use in 1991 when Regulation CEE 2092/91 of 24 June 1991 officially recognised this method of production.[37] In June 2007 a new Council Regulation, **Regulation (EC) No 834/2007,** on organic production and labelling of organic products was agreed to by the European Council of Agricultural Ministers. This new Council Regulation contained clearly defined goals, principles and general rules for organic production and went into effect on 1 January 2009 for the production, control and labelling of organic products. Some of the new provisions on labelling did not take effect until 1 July 2010.

Since 1 July 2012 (the end of the transition period), the EU organic logo is **obligatory** for **all** organic pre-packaged food products within the European Union. It is also possible to use the logo on a voluntary basis for non pre-packaged organic goods produced within the EU or any organic products imported from third countries.[38]Other private, regional or national logos will continue to be allowed to appear alongside the EU logo.

The EU Council Regulation (EC) No 834/2007

As stated by the Organic Farming website (the EU website) regarding the EU legislation:

"Foods may only be marked as "organic" if at least 95% of their agricultural ingredients are organic. Organic ingredients in non-organic food may be listed as organic in the list of ingredients, as long as this food has been produced in accordance with the organic

[35] FNAB (Fédération Nationale d'Agriculture Biologique), Historique des règles françaises de l'agriculture biologique
[36] French Ministry of Agriculture, Agriculture biologique ; French Ministry of Agriculture, Reglementation
[37] INAO, Nos missions
[38] EU Commission, Organic Legislation ; EU Commission, Organic Logo ; EU Commission, Organic products

legislation. In order to ensure better transparency, the code number of the control body must be indicated.

The use of genetically modified organisms (GMO) and of products manufactured from GMOs is still prohibited in organic production. Products containing GMOs may not be labelled as organic unless the ingredients containing GMOs entered the products unintentionally and the GMO proportion in the ingredient is less than 0.9%.

According to the new legislation, producers of packaged organic food must use the EU organic logo as of 1 July 2010. The use of the logo on organic foods from third countries, however, is optional. When the EU organic logo is used, the place of production of the agricultural ingredients must be indicated starting on 1 July 2010."

French Legislation

As many operators in the French organic farming sector feel that the European regulations set lower standards than before, many continue to use some of the higher standards, especially concerning breeding and livestock farming.

Relevant institutions

Institut National de l'Origine et de la Qualité

The French authority in charge of regulating the origin of French agricultural products and their labels is the *INAO* (*Institut National des Appellations d'Origine*). Although the Institute was renamed *Institut National de l'Origine et de la Qualité* on 1 January 2007, it retains the abbreviation *INAO*. It is controlled by the French government and forms part of the Ministry of Agriculture.[39]

The *INAO* guarantees organic and origin labels as well as other certifications. Such certifications include:[40]

- *AOC* (*Appellation d'Origine Contrôlée*) the French equivalent of PDO (Protection Designations of Origin)
- *AOP* (*Appellation d'Origine Protégée*)
- *IGP* (*Indication Géographique Protégée*)
- *STG* (*Spécialité Traditionnelle Garantie*)
- *AB* (*Agriculture Biologique*)
- *Label Rouge*.

In order to benefit from one of the marks, it is obligatory for the product to be put through the inspection procedure by one of the inspection organisations. The cost of the inspection is at the expense of the operator.

INAO has accredited organisations with the authority to inspect and certify products in France on its behalf. For the *AB Label*, there are 6 organisations with the authority to inspect and certify organic products in France on its behalf.[41]

[39] INAO

[40] INAO, Nos missions

[41] INAO, Les signes officiels de la qualité et de l'origine

Agence Bio

Agence Bio is a public interest group formed in November 2001 which gathers the Ministry of Agriculture, Food, and Fishery, the Ministry of Ecology, Energy, Sustainable Development and Sea, the Permanent Assembly of French Chambers of Agriculture (*APCA*), the Federation of agricultural Co-operatives (*Coop de France*), the National Federation of Organic Farming (*FNAB*) and the National Federation of Processors of Natural and Organic Products (*SYNABIO*).[42]

Agence Bio works with partners who contribute to the development of organic farming, especially public, professional and inter-professional organisations, research, distribution, environmental organizations and consumers' associations. It also manages notifications that it receives every year from operators working within the organic farming sector.[43]

Inspection Procedures

Operators working within organic farming have to notify *Agence Bio* of their activities every year.

Inspection of production, processing and import conditions is carried out by accredited certification organisations. These organisations are accredited by the *INAO*, although they need to already have accreditation by the *Comité Français d'Accréditation* (*COFRAC*).

Operators wishing to be accredited with one of the marks must comply with the "*Cahiers des Charges*" (Statements of Work) related to the type of product involved. Most organisations, such as EcoCert, have auditors who will carry out inspections. The audits are then reviewed by accreditation experts. Once the audit has been reviewed, the expert will accredit (or not) the product.
The products have to be reviewed every year (or according to the Statements of Work).[44]

Labelling

The use of the words "*biologique*" or "*bio*" on products is protected by European law. This word may only be used on the products which comply with the EU regulations on organic foodstuffs from organic farming. This is in line with the EU regulation EC 889/2008 which lays down detailed rules for implementation of the main Council Regulation.[45]

Logos such as the *AB Label and AOC* are also controlled by *Agence Bio* and *INAO*. Their use is only allowed after products have been successfully accredited.

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[42] Organic Data Network, ODN Partners
[43] Agence Bio
[44] EcoCert ; EcoCert, Guides Pratiques – Agriculture biologique ; EcoCert, Processus de certification
[45] EU Regulation EC 889/2008

UK Trade
& Investment

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