FRANCE

Overseas Market Introduction Service

First Activity

for

SEAFISH

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British Embassy, Paris

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EXECUTIVE SUMMARY

Introduction

This report was commissioned by:

SEAFISH

Seafish is funded by a levy on the first sale of seafood landed and imported in the UK. It aims to support and improve the environmental sustainability, efficiency and cost-effectiveness of the industry, as well as promoting sustainably-sourced seafood.

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.

Methodology

UKTI compiled information for the report principally through desk research, using internal sources, trade directories and, where appropriate, French websites. Further information was obtained from discussions with contacts by telephone.

Research summary

UKTI followed the research brief set out in the Order Form as far as possible. The same format and headings have been used as in the current Seafish Export Profile for France, although there may be divergences in places in order to include additional data. UKTI has used the latest possible statistics available in general covering 2011: in a few instances data for 2010 or even 2009 has had to be included as the most recent available.
FOLLOW-UP

UKTI can assist further by:

- Researching specific aspects of the market
- Identifying and “warming” trade contacts and/or buyers on behalf of Seafish or individual seafood companies, either as part of a market entry strategy or in advance of a major trade event such as the European Seafood Exhibition (see KEY REGULATIONS & OTHER INFORMATION).

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

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1. THE MATCHING PROFILE

1.1 France – Economic environment

<table>
<thead>
<tr>
<th>Fast Facts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>65.35 million (01/01/2012) INSEE</td>
</tr>
<tr>
<td>Land Area</td>
<td>632 734.9 (INSEE 2008)*</td>
</tr>
<tr>
<td>Inhabitants per sq km</td>
<td>101.1 (INSEE 2008)</td>
</tr>
<tr>
<td>No. of Households</td>
<td>27.27million (INSEE 2008)</td>
</tr>
<tr>
<td>Religion</td>
<td>Catholic ** (4)</td>
</tr>
<tr>
<td>Exchange Rate</td>
<td>1.115 Euro to £ 2011 average (5)</td>
</tr>
<tr>
<td>Total GDP</td>
<td>2,808 billion dollars in 2011 (1)</td>
</tr>
<tr>
<td>Total GDP PPP (PPP)</td>
<td>2,214 billion dollars in 2011 (1)</td>
</tr>
<tr>
<td>Real GDP Growth Rate</td>
<td>+1.7% change between 2010 and 2011 (3)</td>
</tr>
<tr>
<td>GDP per Capita (PPP)</td>
<td>35,000 dollars (US 2011) from (1)</td>
</tr>
<tr>
<td>Inflation Growth Rate</td>
<td>2.3% (3)</td>
</tr>
<tr>
<td>Unemployment</td>
<td>9.1% (1)</td>
</tr>
<tr>
<td>Total Food and Drink Imports</td>
<td>€36.56billion 2010 (INSEE), +6.6% (2)</td>
</tr>
<tr>
<td>Total Food and Drink Exports</td>
<td>€31.29billion 2010 (INSEE), +11.7% (2)</td>
</tr>
<tr>
<td>Top Import Countries (for Food and Drink)</td>
<td>Netherlands, Spain, Belgium, Germany, Italy, UK (2009) (6)</td>
</tr>
</tbody>
</table>

Sources:
(1) CIA World Factbook
(2) French Customs
(3) Eurostats.eu
(4) INED
(5) OANDA.com
(6) French Ministry of Agriculture
*France metropolitan & overseas regions/departments
** in 2011 some 10% of the French population was estimated to be Muslim

The French economy showed greater resilience to the downturn than many comparable economies in 2009 and began to recover in 2010. Following a GDP contraction of 2.5% in 2009 (the worst performance since the War), the French economy grew by 1.4% in 2010 then 1.4% in 2011.

The government forecast growth of 2.25% in 2012 but following turbulence in the eurozone, this has been revised down to 0.3%: an increase of 1.2% is forecast for 2013. The unemployment rate increased from 7.4% in 2008 to 9.3% in 2010 and 9.1% in 2011. The government budget deficit rose sharply from 3.4% of GDP in 2008 to 7.5% of GDP in 2009 before improving to 5.8% of GDP in 2011, while France's public debt rose from 68% of GDP to 86% over the same period. (UKTI)
Trade deficits - with both EU and non-EU countries - continue to hamper growth. High oil prices and the inadequacy of domestic supply have increased imports, while the strong euro, and low penetration rates in emerging economies have undermined exports. After falling sharply during the recession, business confidence has been recovering, but consumer sentiment remains well below pre-crisis levels. Investment by firms has gained significant momentum. Household consumption was resilient to the slowdown thanks to government measures (e.g. car scrappage scheme), but might weaken in the wake of higher inflation. (UKTI)

Under President Sarkozy, Paris implemented austerity measures that eliminated tax credits and froze most government spending in an effort to bring the budget deficit under the 3% euro-zone ceiling by 2013 and to highlight France's commitment to fiscal discipline at a time of intense financial market scrutiny of euro-zone debt levels. (CIA World Factbook).

Policy has focused on purchasing power and competitiveness. Following initial tax measures, the government further softened the 35-hour week legislation (e.g. through tax exemption on overtime pay) and engaged structural reforms in the labour and product markets. It cut local business rates and improved the existing research tax credit, as part of its competitiveness agenda. It also launched a € 35 billion investment programme, which is a core element of its new industrial strategy. (UKTI)

Socialist Francois Hollande won the May 2012 presidential election, after advocating pro-growth economic policies, as well as measures such as forcing banks to separate their investment and savings businesses, increasing taxes on bank profits, introducing a new top bracket on income taxes for people earning over €1 million a year, and hiring an additional 60,000 employees in the education sector during his five-year term of office.

UKTI, updated 14/12/2011 (UKTI Overseas Business Risk Report France)
CIA World Factbook, updated 15/05/2012
1.2 The Seafood Sector

The total quantity of seafood landed or farmed in France in 2010 was 696 140 tonnes (liveweight equivalent):

- Fresh fish/shellfish: 305 160 tonnes
- Frozen fish/shellfish: 154 720 tonnes
- Farmed fish: 49 960 tonnes
- Farmed shellfish: 186 300 tonnes

Fresh landings have declined by 100 000 tonnes since 2002.

The total sales value of seafood landed or farmed in France was €1.64 billion:

- Fresh fish/shellfish: €740 million
- Frozen fish/shellfish: €200 million
- Farmed fish: €180 million
- Farmed shellfish: €520 million

Household consumption of landed or farmed seafood reached €3.6 billion in 2011, a 2% increase on 2010. Household consumption of processed seafood rose 2.5% to €4.8 billion.

France imported €4.7 billion worth of seafood in 2011 but only exported €1.27 billion, resulting in a trade deficit of €3.46 billion (Source: French customs).

Table 1
Main species sold in France

<table>
<thead>
<tr>
<th></th>
<th>Quantity (liveweight equivalent)</th>
<th>Value (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuna</td>
<td>109 117</td>
<td>Oyster 269</td>
</tr>
<tr>
<td>Mussel</td>
<td>84 168</td>
<td>Tuna 159</td>
</tr>
<tr>
<td>Oyster</td>
<td>78 378</td>
<td>Mussel 98</td>
</tr>
<tr>
<td>Trout</td>
<td>35 894</td>
<td>Trout 97</td>
</tr>
<tr>
<td>Scallop</td>
<td>23 902</td>
<td>Sole 92</td>
</tr>
<tr>
<td>Sardine</td>
<td>23 488</td>
<td>Monkfish 82</td>
</tr>
<tr>
<td>Hake</td>
<td>20 600</td>
<td>Scallop 76</td>
</tr>
<tr>
<td>Mackerel</td>
<td>18 950</td>
<td>Bass 54</td>
</tr>
</tbody>
</table>
Table 2
Landings by auction hall

<table>
<thead>
<tr>
<th>Port</th>
<th>Volume (tonnes)</th>
<th>Value (1000€)</th>
<th>Volume (tonnes)</th>
<th>Value (1000€)</th>
<th>Volume (tonnes)</th>
<th>Value (1000€)</th>
<th>Volume (tonnes)</th>
<th>Value (1000€)</th>
<th>Volume (tonnes)</th>
<th>Value (1000€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LE GUILVINEC</td>
<td>13,889</td>
<td>52,419</td>
<td>15,762</td>
<td>56,659</td>
<td>17,985</td>
<td>65,825</td>
<td>14%</td>
<td>8%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>BOULOGNE/MER</td>
<td>30,899</td>
<td>57,920</td>
<td>28,626</td>
<td>56,521</td>
<td>27,903</td>
<td>55,539</td>
<td>-7%</td>
<td>-2%</td>
<td>-3%</td>
<td>-2%</td>
</tr>
<tr>
<td>LORIENT</td>
<td>14,480</td>
<td>47,200</td>
<td>15,824</td>
<td>51,679</td>
<td>16,952</td>
<td>57,032</td>
<td>9%</td>
<td>9%</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>ERQUY</td>
<td>8,786</td>
<td>24,241</td>
<td>10,048</td>
<td>26,624</td>
<td>11,849</td>
<td>31,463</td>
<td>14%</td>
<td>10%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>SAINT GUENOLE</td>
<td>11,659</td>
<td>22,361</td>
<td>13,641</td>
<td>25,322</td>
<td>13,262</td>
<td>26,903</td>
<td>17%</td>
<td>13%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>LES SABLES D’OLONNE</td>
<td>4,696</td>
<td>22,905</td>
<td>5,006</td>
<td>25,148</td>
<td>6,483</td>
<td>34,167</td>
<td>7%</td>
<td>10%</td>
<td>23%</td>
<td>26%</td>
</tr>
<tr>
<td>ORELOM</td>
<td>5,142</td>
<td>22,576</td>
<td>5,257</td>
<td>25,033</td>
<td>5,097</td>
<td>27,344</td>
<td>-2%</td>
<td>11%</td>
<td>-3%</td>
<td>8%</td>
</tr>
<tr>
<td>CONCARNEAU</td>
<td>6,873</td>
<td>22,022</td>
<td>6,504</td>
<td>21,847</td>
<td>8,224</td>
<td>26,018</td>
<td>17%</td>
<td>13%</td>
<td>21%</td>
<td>16%</td>
</tr>
<tr>
<td>LA TURBALLE</td>
<td>3,887</td>
<td>13,500</td>
<td>6,814</td>
<td>21,139</td>
<td>5,723</td>
<td>20,333</td>
<td>75%</td>
<td>57%</td>
<td>-19%</td>
<td>-4%</td>
</tr>
<tr>
<td>SAINT QUI PORTRIEUX</td>
<td>8,568</td>
<td>20,547</td>
<td>8,330</td>
<td>20,933</td>
<td>9,159</td>
<td>24,143</td>
<td>-3%</td>
<td>2%</td>
<td>9%</td>
<td>13%</td>
</tr>
<tr>
<td>ROSCOFF</td>
<td>5,644</td>
<td>17,886</td>
<td>6,093</td>
<td>20,908</td>
<td>6,660</td>
<td>23,012</td>
<td>-5%</td>
<td>17%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>GRANVILLE</td>
<td>8,600</td>
<td>14,693</td>
<td>11,750</td>
<td>17,862</td>
<td>11,234</td>
<td>18,508</td>
<td>37%</td>
<td>22%</td>
<td>-5%</td>
<td>3%</td>
</tr>
<tr>
<td>PORT EN BESSIN</td>
<td>5,667</td>
<td>12,758</td>
<td>6,423</td>
<td>15,507</td>
<td>NA</td>
<td>NA</td>
<td>13%</td>
<td>22%</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>SETE</td>
<td>5,895</td>
<td>15,917</td>
<td>4,137</td>
<td>14,679</td>
<td>NA</td>
<td>NA</td>
<td>-30%</td>
<td>-8%</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>ARCACHON</td>
<td>1,803</td>
<td>11,503</td>
<td>1,831</td>
<td>13,299</td>
<td>2,168</td>
<td>15,127</td>
<td>2%</td>
<td>16%</td>
<td>16%</td>
<td>12%</td>
</tr>
</tbody>
</table>

There were a total of 40 seafood auction halls in France in 2011. Despite a difficult year in 2009 when many auction halls recorded significant drops in sales, 2010 saw sales recover, with only 4 out of the top 15 auction halls suffering another decrease. On average, auction halls saw the volume sold increase by 3% and the value increase by 5%. La Turballe saw the most significant increase in volume sold: 75%.

The vast majority of landings in France are from French boats.

<table>
<thead>
<tr>
<th></th>
<th>Volume (tonnes)</th>
<th>Value (million €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>French Vessels</td>
<td>202 150</td>
<td>631</td>
</tr>
<tr>
<td>Foreign vessels</td>
<td>10 082</td>
<td>27</td>
</tr>
</tbody>
</table>
Table 3
Top 10 species sold from French auction halls in 2011 (value in €000)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole</td>
<td>73 793</td>
<td></td>
</tr>
<tr>
<td>Monkfish</td>
<td>67,122</td>
<td></td>
</tr>
<tr>
<td>Seabass</td>
<td>42,061</td>
<td></td>
</tr>
<tr>
<td>Scallop</td>
<td>39 554</td>
<td></td>
</tr>
<tr>
<td>Langoustine</td>
<td>38 165</td>
<td></td>
</tr>
<tr>
<td>Cuttlefish</td>
<td>31 186</td>
<td></td>
</tr>
<tr>
<td>Squid</td>
<td>30 273</td>
<td></td>
</tr>
<tr>
<td>Hake</td>
<td>23 802</td>
<td></td>
</tr>
<tr>
<td>Whiting</td>
<td>17 917</td>
<td></td>
</tr>
<tr>
<td>Cod</td>
<td>14 935</td>
<td></td>
</tr>
</tbody>
</table>

The total value of sales of farmed fish in 2009 was €177 million for 49 964 tonnes. Farmed shellfish (oysters and mussels) had a sales value of €465 million.

The main farmed fish species were:

- Carp/other freshwater: 8 215 tonnes
- Seabass/seabream/other saltwater: 5 707 tonnes
- Trout/salmon: 36 042 tonnes
1.3 Consumer Trends

France has the third highest consumption per head of population of seafood in Europe after Spain and Italy. This stood at 36.8 kg in 2011 (26.5 fish and 10.3 shellfish). The total comparable figure for 2006 was 35.7 kg, showing a slight long-term rise.

Over the period 2009-2011, average consumption per head consisted of 57% fish, 11% farmed fish, 15% shellfish and 17% farmed shellfish.

Table 4
Household expenditure on seafood

![Household Spending](image)

Household expenditure on seafood reached €6.97 billion in 2011. By category this was divided into fresh (33%), chilled delicatessen/processed such as surimi and breaded fish (31%), frozen (21%) and canned/smoked (15%).

Consumption fell 2.8% in volume, although increased 0.4% in value. All categories were affected except chilled processed products. Rising prices, measured by INSEE, the French statistics office, and the research consultancy Kantar Worldpanel, had a negative impact on volumes: the quantity of fresh fish bought fell by 4.8%, in part due to a decline in the percentage of households purchasing fresh seafood from 73.2 to 71.4, and that of shellfish by 12%, whereas their prices increased by 4% and 7% respectively.

Despite a drop in quantities bought, salmon (-7%) and cod (-5%) still remain the most popular fish species with 20% and 13% of the total volume purchased. The volume of fresh crustaceans bought fell 5.8%, with langoustine dropping 14% due to their scarcity. According to provisional figures for the 1st six months of 2012, the quantity of salmon sold has
jumped +18% due to a price decrease of 13%, whereas for most other species consumption has fallen in line with rises in the retail cost. Saithe for example has declined 9% in volume (+3% in price), seabream 21% (+10% in price) and trout 7% (+7% in price). The price of cod has risen 3.5% but consumption has remained stable at +0.5%.

Table 5
Breakdown of expenditure by category and species
Market drivers

Changes in consumer behaviour, as French people adopt a more “nomadic” way of life i.e. less structured meals, has lead to 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 product content or presentation to give themselves competitive advantage. Recent developments have included shellfish platters at Christmas time, 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. Some 45 French companies are certified to process MSC-certified seafood and retailers are introducing specific MSC lines: the supermarket chain Auchan have just brought out an MSC frozen cod caught from a sustainable fishery in the North Sea. Both Auchan and Leclerc, another supermarket chain, have banned sales of red tuna and endangered shark species.

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. 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.

In 2007 the French government introduced a 2% levy on sales of seafood through hyper/supermarkets and larger fishmongers in order to finance a promotional campaign aimed at encouraging consumers to eat more fish. This was scrapped in January 2012 and replaced by a €30 million envelope of match funding to be managed by the “Association France Filière Pêche » (France fisheries industry network). A new national brand, « Pavillon Français » has just been launched to promote the merits of French-caught seafood.
1.4 UK Share & Market Opportunities

Overall imports of seafood to France in 2011 were valued at €4,783 million, corresponding to 2,283 000 tonnes (live weight equivalent). Frozen fish accounted for just below 50% of total imports. Total imports into France have increased steadily over the last 10 years, while French landings and production have seen a steady decline. Although exports had been decreasing since 2008, in 2011 these remained at the same level as in 2010. The UK remained the second country supplier, behind Norway, in terms of imports with a value of €424 million, an increase of 8.8% on 2010. Imports of Chinese and American seafood continue to rise whereas Danish seafood has seen a decrease.

Table 6
Imports by country 2011

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>1</td>
<td>1</td>
<td>597</td>
<td>556</td>
<td>-7%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2</td>
<td>2</td>
<td>403</td>
<td>424</td>
<td>5%</td>
</tr>
<tr>
<td>Spain</td>
<td>3</td>
<td>3</td>
<td>322</td>
<td>347</td>
<td>7%</td>
</tr>
<tr>
<td>United States</td>
<td>5</td>
<td>4</td>
<td>188</td>
<td>225</td>
<td>16%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>4</td>
<td>5</td>
<td>200</td>
<td>214</td>
<td>7%</td>
</tr>
<tr>
<td>China</td>
<td>6</td>
<td>6</td>
<td>176</td>
<td>209</td>
<td>16%</td>
</tr>
<tr>
<td>Denmark</td>
<td>7</td>
<td>7</td>
<td>170</td>
<td>194</td>
<td>12%</td>
</tr>
<tr>
<td>Ecuador</td>
<td>8</td>
<td>8</td>
<td>158</td>
<td>186</td>
<td>15%</td>
</tr>
<tr>
<td>Ireland</td>
<td>12</td>
<td>9</td>
<td>115</td>
<td>125</td>
<td>8%</td>
</tr>
<tr>
<td>Poland</td>
<td>10</td>
<td>10</td>
<td>118</td>
<td>122</td>
<td>3%</td>
</tr>
<tr>
<td>Thailand</td>
<td>11</td>
<td>11</td>
<td>117</td>
<td>121</td>
<td>3%</td>
</tr>
<tr>
<td>Germany</td>
<td>9</td>
<td>12</td>
<td>124</td>
<td>116</td>
<td>-7%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>13</td>
<td>13</td>
<td>104</td>
<td>113</td>
<td>8%</td>
</tr>
<tr>
<td>Belgium</td>
<td>14</td>
<td>14</td>
<td>99</td>
<td>112</td>
<td>12%</td>
</tr>
</tbody>
</table>
Table 7
Top 11 UK species imported into France 2010

<table>
<thead>
<tr>
<th>Species</th>
<th>Rank</th>
<th>Volume (tons)</th>
<th>Value (1000€)</th>
<th>Average Price (€/kg)</th>
<th>% share*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salmon</td>
<td>1</td>
<td>24,865</td>
<td>123,259</td>
<td>4.96</td>
<td>31%</td>
</tr>
<tr>
<td>Scallops</td>
<td>2</td>
<td>4,032</td>
<td>52,135</td>
<td>12.93</td>
<td>13%</td>
</tr>
<tr>
<td>Langoustine</td>
<td>3</td>
<td>7,432</td>
<td>43,615</td>
<td>5.87</td>
<td>11%</td>
</tr>
<tr>
<td>Other sea fish (filleted)</td>
<td>4</td>
<td>3,806</td>
<td>23,759</td>
<td>6.24</td>
<td>6%</td>
</tr>
<tr>
<td>Lobster</td>
<td>5</td>
<td>1,274</td>
<td>20,777</td>
<td>16.31</td>
<td>5%</td>
</tr>
<tr>
<td>Edible Crab</td>
<td>6</td>
<td>4,039</td>
<td>16,745</td>
<td>4.15</td>
<td>4%</td>
</tr>
<tr>
<td>Hake</td>
<td>7</td>
<td>6,921</td>
<td>14,718</td>
<td>2.13</td>
<td>4%</td>
</tr>
<tr>
<td>Other sea fish (whole)</td>
<td>8</td>
<td>3,665</td>
<td>12,439</td>
<td>3.39</td>
<td>3%</td>
</tr>
<tr>
<td>Cod</td>
<td>9</td>
<td>3,157</td>
<td>12,245</td>
<td>3.88</td>
<td>3%</td>
</tr>
<tr>
<td>Mackerel</td>
<td>10</td>
<td>7,463</td>
<td>11,246</td>
<td>1.51</td>
<td>3%</td>
</tr>
<tr>
<td>Monkfish</td>
<td>11</td>
<td>960</td>
<td>8,413</td>
<td>8.76</td>
<td>2%</td>
</tr>
<tr>
<td>Other Species</td>
<td>12</td>
<td>20,689</td>
<td>63,446</td>
<td>3.07</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>88,302</td>
<td>402,797</td>
<td>4.56</td>
<td>100%</td>
</tr>
</tbody>
</table>

*share by value

Exports of salmon and langoustine from the UK have risen (9% and 23% respectively) whilst exports of saithe have decreased. This may be explained by the increase of seafood imports from the US and China.

Table 8
Channels of Distribution

BREAKDOWN OF PURCHASES BY CATEGORY FOR DIFFERENT OUTLETS (VALUE)

<table>
<thead>
<tr>
<th></th>
<th>Fresh</th>
<th>Chilled Delicatessen</th>
<th>Frozen Products</th>
<th>Canned Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple retail (1)</td>
<td>28%</td>
<td>34%</td>
<td>21%</td>
<td>17%</td>
</tr>
<tr>
<td>Fishmongers and Markets (2)</td>
<td>87%</td>
<td>13%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Restaurants</td>
<td>60%</td>
<td>5%</td>
<td>31%</td>
<td>4%</td>
</tr>
<tr>
<td>Institutional Catering</td>
<td>8%</td>
<td>2%</td>
<td>83%</td>
<td>7%</td>
</tr>
</tbody>
</table>

15
BREAKDOWN OF PURCHASES BY OUTLET FOR DIFFERENT CATEGORIES (QUANTITY)(3)

<table>
<thead>
<tr>
<th></th>
<th>Multiple retail</th>
<th>Fishmongers and Markets</th>
<th>Restaurants</th>
<th>Institutional Catering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Products</td>
<td>59%</td>
<td>20%</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>Chilled Delicatessen</td>
<td>94%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Frozen Products</td>
<td>64%</td>
<td>0%</td>
<td>12%</td>
<td>24%</td>
</tr>
<tr>
<td>Canned Products</td>
<td>93%</td>
<td>0%</td>
<td>3%</td>
<td>4%</td>
</tr>
</tbody>
</table>

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

The principal outlets for fresh seafood are clearly multiple retailers although higher added-value species will probably be offered through independent fishmongers.
The main outlet for chilled delicatessen, or added-value, products as well as smoked and canned fish is also the multiple retail sector.
Institutional caterers purchase mainly fresh mussels and shrimp and also frozen product, largely due to budget constraints. The most commonly found crustaceans/shellfish in French restaurants are said to be langoustine and crab.

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. 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
2. THE BUSINESS PROFILE

2.1 Supply Structure

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

Suppliers of bulk or semi-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. The Rungis market south of Paris is the largest wholesale market for fresh produce in the world and most independent retailers in the Paris area will source there.

Fishmongers and buyers at superstore groups who purchase for fresh fish counters will source from wholesalers, regional wholesale markets such as Rungis 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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual store</td>
<td>25-30%</td>
</tr>
<tr>
<td>Central buying office</td>
<td>1%</td>
</tr>
<tr>
<td>Transport &amp; delivery</td>
<td>€1.6-2.0 per kg</td>
</tr>
<tr>
<td>Wholesaler</td>
<td>20%</td>
</tr>
<tr>
<td>Merchant</td>
<td>15-20%</td>
</tr>
</tbody>
</table>

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 and organise logistics and 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.
### 2.2 Retail

Table 9
Major French grocery retailers

<table>
<thead>
<tr>
<th>Market share</th>
<th>Store Type</th>
<th>Ownership</th>
<th>Annual Turnover in 2011 (million Euros)</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrefour</td>
<td>Hypermarkets, supermarkets, local stores, cash and carry catering</td>
<td>Group (family, stock exchange and private enterprises)</td>
<td>France: 35,179 Worldwide: 81,271</td>
<td><a href="http://www.carrefour.com">www.carrefour.com</a></td>
</tr>
<tr>
<td>Auchan</td>
<td>Hypermarkets and supermarkets</td>
<td>Family holding company</td>
<td>France: 19,879 Worldwide: 44,373</td>
<td><a href="http://www.groupe-auchan.com">www.groupe-auchan.com</a></td>
</tr>
<tr>
<td>Casino</td>
<td>Supermarkets</td>
<td>Group (family, stock exchange and private enterprises)</td>
<td>France: 18,748 Worldwide: 34,361</td>
<td><a href="http://www.groupe-casino.com">www.groupe-casino.com</a></td>
</tr>
<tr>
<td>Intermarché</td>
<td>Hypermarket, local stores, convenience stores, discount stores</td>
<td>Independent retailers</td>
<td>France: 27,900 Worldwide: 37,000</td>
<td><a href="http://www.mousquetaires.com">www.mousquetaires.com</a></td>
</tr>
<tr>
<td>System U</td>
<td>Supermarkets and convenience stores</td>
<td>Independent retailers</td>
<td>France: 21,110</td>
<td><a href="http://www.magasins-u.com">www.magasins-u.com</a></td>
</tr>
</tbody>
</table>

The retailers in the 1st three columns in the above table (Carrefour, Auchan, Casino) are integrated structures with salaried managers. The other 3 are voluntary associations of owner-managers so decision-making is often decentralised. Purchasing for such retailers may be at a national or regional level.

The addresses of “Bureaux d’achats Marée” and central buying offices and are shown in Annex 1. Whilst not strictly a retailer, the buying office for METRO FRANCE has been included since its 90 outlets across France can have an influence on pricing in specific regions.

More detailed information on selling to French grocery superstores has been included in Annex 2.

**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”).

<table>
<thead>
<tr>
<th>Annual Turnover in 2011 (million Euros)</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>France: 35,179 Worldwide: 81,271</td>
<td><a href="http://www.carrefour.com">www.carrefour.com</a></td>
</tr>
<tr>
<td>France: 19,879 Worldwide: 44,373</td>
<td><a href="http://www.groupe-auchan.com">www.groupe-auchan.com</a></td>
</tr>
<tr>
<td>France: 18,748 Worldwide: 34,361</td>
<td><a href="http://www.groupe-casino.com">www.groupe-casino.com</a></td>
</tr>
<tr>
<td>France: 27,900 Worldwide: 37,000</td>
<td><a href="http://www.mousquetaires.com">www.mousquetaires.com</a></td>
</tr>
<tr>
<td>France: 37,846 Worldwide: 40,646</td>
<td><a href="http://www.e-leclerc.com">www.e-leclerc.com</a></td>
</tr>
<tr>
<td>France: 21,110</td>
<td><a href="http://www.magasins-u.com">www.magasins-u.com</a></td>
</tr>
</tbody>
</table>
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 2011, there were 2926 fishmongers across France with 7475 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).

Independent fishmongers try to offer good quality and top service in order to retain customers. Numbers are however in sharp decline. One problem is a lack of trained personnel who are able to advise customers.
2.3 Foodservice

Total foodservice sales in France reached €78.1 million (net of VAT) in 2011, an increase of 3.6% on 2010 (Gira Foodservice consultancy).

After many years of hard lobbying, the restaurant industry expected a boost following the introduction of a lower rate of VAT on restaurant meals (16.6% to 5.5%) at the beginning of July 2009. Anecdotal evidence suggests that some restaurant owners or operators have taken the opportunity to increase margins or invest in new staff rather than pass on the reduction in price to customers.

Sales were broken down by category as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Sales (€M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial catering (1)</td>
<td>€50.4 million</td>
</tr>
<tr>
<td>Institutional catering (2)</td>
<td>€19.1 million</td>
</tr>
<tr>
<td>Ready to go (3)</td>
<td>€8.6 million</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>€78.1 million</strong></td>
</tr>
</tbody>
</table>

(1) Independent restaurants, restaurant chains, cafés
(2) Health and education sector, public-sector (NB represents 85% of all meals served outside the home in France and accounts for 11 million meals per day)
(3) Bakers, filling stations, convenience stores

Table 10
Top 10 foodservice operators in France 2011 (all categories)

<table>
<thead>
<tr>
<th>Brands</th>
<th>Turnover (net of VAT) in €M</th>
<th>Number of Outlets</th>
</tr>
</thead>
<tbody>
<tr>
<td>McDonald's</td>
<td>3900</td>
<td>4200</td>
</tr>
<tr>
<td>Agapes Restauration</td>
<td>880</td>
<td>925</td>
</tr>
<tr>
<td>Quick</td>
<td>811.9</td>
<td>761.2</td>
</tr>
<tr>
<td>Elior</td>
<td>646.1</td>
<td>744</td>
</tr>
<tr>
<td>Buffalo Grill</td>
<td>550.3</td>
<td>616</td>
</tr>
<tr>
<td>Servair</td>
<td>501</td>
<td>573</td>
</tr>
<tr>
<td>Groupe Le Duff</td>
<td>504.1</td>
<td>559.2</td>
</tr>
<tr>
<td>KFC</td>
<td>320</td>
<td>385</td>
</tr>
<tr>
<td>Groupe Flo</td>
<td>378.8</td>
<td>382.2</td>
</tr>
<tr>
<td>Paul</td>
<td>307</td>
<td>346.9</td>
</tr>
</tbody>
</table>

A list of the main distributors supplying to the above is appended in Annex 3.
Legal 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 4.

Organic certification

See Annex 5

Trade Event

The only major trade fair covering the seafood market in France is the European Seafood Exhibition held annually at the Parc des Expositions in Brussels. This show attracts visitors from over 100 countries. Anecdotal evidence suggests that all the main seafood buyers and merchants in France attend.

The next event is 23-25 April 2013.

Further information can be obtained from the organiser's website: www.euroseafood.com
Key organisations

FranceAgriMer:

FranceAgriMer is the division of the French ministry of agriculture covering the seafood industry. It has a comprehensive website.
12 rue Henri Rol-Tanguy, TSA 20002, 93555 Montreuil-sous-Bois, FRANCE
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.
3, Place de Fontenoy, 75007 Paris, FRANCE
Tel.: + 33 (0)1 49 55 54 02
Website: http://peche.gouv.fr/

Rungis Market:

Europe’s largest wholesale market based on the outskirts of Paris.
Tel.: + 33 (0)1 41 80 80 00 (switchboard for the International Market)
Website: http://rungisinternational.com/
ANNEX 1: FRENCH SUPERSTORES – CENTRAL BUYING OFFICES

AUCHAN
200 rue de la Recherche
59650 VILLENEUVE D’ASCQ CEDEX
Tel: 03 28 37 67 00
Fax: 03 28 37 64 00

Fresh fish/shellfish:
Bureau d’Achats Marée
Tel: 03 20 67 57 07

CARREFOUR
Centrale d’Achats
26, quai Michelet
TSA 60002
92300 LEVALLOIS-PERRET
Tel: 01 58 63 30 00
Fax: 01 58 63 67 63

CASINO
EMC
Centrale d’Achats
28 rue des Vieilles Vignes
Croissy Beaubourg
77316 MARNE LA VALLEE Cédex 2
Tel: 01 61 44 70 00
Fax: 01 61 44 70 01

Fresh fish/shellfish:
Filière Produits de la Mer
24 rue de la Montat
42000 SAINT-ETIENNE
Tel: 04 77 45 31 31
Fax: 04 77 45 37 70

CORAN PROVERA
Domaine de Beaubourg
77183 CROISSY BEAUBOURG
Tel: 01 64 62 65 00  
Fax: 01 64 62 64 64

**INTERMARCHE**  
Parc de Tréville  
1 Allée des Mousquetaires  
91078 BONDOUFLE CEDEX  
Tel: 01 69 64 10 72  
Fax: 01 69 64 55 07

Fresh fish/shellfish:  
SCAMER  
Société Centrale d’Approvisionnement des Produits de la Mer  
Port de Pêche  
Route Fluvy  
56100 LORIENT  
Tel: 02 97 88 21 21  
Fax: 02 97 88 21 20

**LECLERC**  
GALEC  
Centrale d’Achats et Référencement  
01 49 87 50 00  
27 Quai Marcel Boyet  
94200 IVRY SUR SEINE  
Tel: 01 49 87 50 00

Fresh fish/shellfish:  
SCAPMAREE  
1 rue des Antilles  
Entrepôts 113  
94538 RUNGIS CEDEX  
Tel: 01 45 60 73 73  
Fax: 01 46 60 73 78

**METRO FRANCE**  
5 rue des Grands Prés  
Zone Artisanale du Petit Nanterre  
BP 205  
92404 NANTERRE CEDEX  
Tel: 01 41 80 39 09  
Fax: 01 47 86 65 96

Bureau Marée Fraîche (fresh seafood purchasing office)  
Tel: 01 41 80 39 29
SUPER U
Centrale d’Achats Système U
72 avenue Robert Schumann
94150 RUNGIS
Tel: 01 45 15 95 00
Fax: 01 45 15 95 10

Fresh fish/shellfish:
SYSTEME-U OUEST
ZI Belle Etoile Antarès
Places des Pléiades
44470 CARQUEFOU
Tel : 02 40 68 59 59
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 distribute through the superstore networks. To achieve acceptance, the following procedures must be followed:

Central Buying Offices (CBOs)
All products should first be presented to the CBO of each hyper / supermarket 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 between 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.

Listing Price
Once a product is accepted by a hyper / supermarket group, the supplier will be asked to pay a fee. This is known as the main listing price. It will vary according to the degree of innovation and market competitiveness of the product. Other overrides and/or 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.

Regional / Individual Store Negotiations
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 level 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.
**ANNEX 3: MAIN FOODSERVICE DISTRIBUTORS**

**BRAKE FRANCE SERVICE**  
4 Allée des Sequoias  
69760 LIMONEST  
Tel: 04 78 66 38 00  
Fax: 04 78 66 60 12  
www.brake.fr  

**Company 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 2500 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**  
Service Snack  
ZI Louis Delaporte  
BP 41  
76370 ROUXMENIL BOUTEILLES  
Tel: 02 35 04 76 00  
Fax: 02 35 04 88 45  
www.davigel.fr  

**Company 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 1400 listings, mainly in frozen and fresh foods.

**LE DELAS**  
1, Avenue de Normandie  
94597 RUNGIS Cedex PLA 184  
Tel: 01 45 12 38 00  
www.ledelas.fr  

**Company profile:** Distributor/wholesaler of meat, frozen food, fish, fruits, grocery. They are developing snacking products and high quality fast foods, mostly imported from the UK.

**POMONA**  
2/4 place Charles de Gaulle  
92164 ANTONY Cedex  
Tel: 01 55 59 61 00  
Fax: 01 55 59 63 87  
www.pomona.fr
Fresh fish/shellfish:

**Pomona Boulogne Sur Mer**
31 rue Alexandre Adam  
Gare de Marée  
62200 BOULOGNE SUR MER  
Tel: 03 21 83 50 00  
Fax: 03 21 87 56 28

**Company profile:** Grocery distribution division of the long-established French agri-food group POMONA. Other divisions (POMONA TERRAZUR and POMONA PASSIONFROID) specialise in fruit & vegetables and seafood and chilled and frozen foods). Major importer /distributor of fresh food products, with a specialised department for seafood.

**TRANSGOURMET**
1/11 rue du Puits Dixme Senia 524  
94577 ORLY Cedex  
Tel: 01 41 76 22 22  
Fax: 01 41 80 56 55  
[www.transgourmet.fr](http://www.transgourmet.fr)

**Company 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 4: LABELLING OF FOOD PRODUCTS FOR RETAIL SALE

The main objective of French labelling legislation is that "there should not be any confusion possible" in a consumer's mind as to the nature or use of a particular foodstuff.

In general French law complies with the EU Directive 2000/13/EC relating to the labelling, presentation and advertising of foodstuffs. The links below will give direct access to the EU directive as well as the French legislation (translated into English). They are taken from the europa.eu website and the legifrance.gouv.fr website.

EU directive: Directive 2000/13/EC
French legislation: Consumer Code (Regulatory Part, Book I, Title I, Chapter II Manner of Presentation and Labelling) please read from page 71 to 79.

Please note: the French legislation on this link has been translated for information purposes only. In a court of law only the French version will be used. The French version can be found on the following link: Code de la Consommation (Partie Réglementaire, Livre Ier, Titre Ier, Chapitre Modes de Présentation et Incription) (3)

There are a couple of important points to remember: (4)
- It is mandatory to show on the outside of any food container put up for retail sale:
  - the product name
  - the list of ingredients (quantity and categories of ingredients)
  - product description
  - quantity/weight
  - sell by date and best before date (including storage indication)
  - the batch number
  - instructions for use
  - the name and address of the supplier (or importer)
  - origin of the product
- Ingredients should also be shown in decreasing order.
- The name and address of the supplier (or importer) should be clearly visible. The company which first introduces the products on the French market, whether as manufacturer or as importer, is consequently held responsible for the correct labelling.

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 finance ministry: www.dgccrf.bercy.gouv.fr (website partially in English)
Tel: +33 (0)1 44 97 32 24 or +33 (0)1 44 97 03 34

The website offers the following factsheets on the subject in French:
Labelling of GM-free foodstuffs:

Since 1 July 2012 all ingredients of vegetable, animal or of beekeeping origin ("d’origine végétale, animale et apicole") can be labelled “sans OGM (organismes génétiquement modifies)"). “Sans OGM” means that the ingredient is not a genetically modified food or organism (GM or GMO).

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.

In addition to ingredient labelling, the “sans OGM” label can be used on the front of the product on the main package/packing, when this ingredient accounts for more than 95% of the foodstuff (final product). (5)

Language:

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 indicates that the following should be written or mentioned in French: labels, prospectus, brochures and information leaflets. (1) This allows the consumer to have all the necessary information regarding the price and the quality of the goods or services 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. (1)

Under the same law, a lack of translation is tolerated in certain cases(1).
- 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.
If any other languages than French are shown, the lettering should not be any larger than that of the French text. (2)

A translation of the *Loi Toubon* is available on the following site (in English) www.culture.gouv.fr/culture/dgflf/lois/loi-gb.htm.

References:
(1) www.economie.gouv.fr
http://www.economie.gouv.fr/dgccrf/Publications/Vie-pratique/Fiches-pratiques/Langue-francaise
(2) www.culture.gouv.fr
(3) www.legifrance.gouv.fr French document:
http://www.legifrance.gouv.fr/affichCode.do?idSectionTA=LEGISCTA000006146604&cidTexte=LEGITEXT000006069565&dateTexte=20120413
(4) www.legifrance.gouv.fr English document:
www.dgccrf.bercy.gouv.fr
(5) www.service-public.fr news:
http://www.service-public.fr/actualites/00701.html

www.europa.eu
The Directive document:
As with a large proportion of current legislation, French certification on organic products follows the rules and regulations set out by European law.

**How it started and recent history:**

The word "organic" officially came into use in France in 1980 when the law "Orientation Agricole" came into effect (5). 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 (7), 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 the CEE 2092/91 regulation of 24 June 1991 officially recognised this method of production (6). In June 2007 a new Council Regulation 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. However, 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. (3) Other private, regional or national logos will continue to be allowed to appear alongside the EU logo. Please see below for more detailed information regarding the EU regulation in effect.

**The EU Council Regulations:**

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 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.” (3)

Please note that the date “1 July 2010” is the date of the EU Regulation which started the transition period. The presence of the EU logo is now obligatory since 1 July 2012.

All legislation documents and amendments can be found in English on this website.

**French Regulations:**

Between 2000 and 2009 the European regulation allowed a certain amount of national subsidiarity. France, which felt that the EU standards were lower than their national standards, decided that it would use its more strict “Cahier de Charges Françaises” or “CCF” (French Statements of Work) as well as provide “Reading Guides” for the EU regulations which would help explain the legislation (to certification organisations and operators involved in organic farming). (5)

However, in 2004, the EU Commission decided that national subsidiarities hindered exchanges within Europe and the development of organic farming. A new regulation was set up, which laid out the new general guidelines, and went into effect 1 January 2009 (as mentioned above). Thus all the French guidelines, except those not covered by the new EU regulation, disappeared. These included guidelines from the “CCFs” regarding the production/breeding of rabbits, snails, ostriches, aquacultures and young hens (in regards to organic eggs). (5) The following link provides the French documentation: [Cahier des Charges Françaises](#) (7)

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. (5)

**The controlling authorities:**

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. (9)

The INAO guarantees organic and origin labels as well as certifications. Such certifications include: 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); and Label Rouge. Information about these can be found in French on their website: [http://www.inao.gouv.fr/](http://www.inao.gouv.fr/) (6)

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. (6)

The INAO has accredited organisations with the authority to inspect and certify products in France on its behalf. The following web page provides a downloadable list of all the accredited inspection organisations and the certifications they are allowed to provide: [List of Accredited Organisations](#)

This page also provides a downloadable list of the organisations’ contact details. (6)

Organisations specifically for the AB Label: there are 6 organisations with the authority to inspect and certify organic products in France on its behalf. The following link gives a list of the accredited inspection organisations and their contact details: [List of AB Label Accredited Organisations](#)

**The organisation involved: L’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*). (8)

*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 (8). It also manages notifications that it receives every year from operators working within the organic farming sector. For more information about *Agence Bio* please see the following link: [Agence Bio (English)](#)

**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*). Please see above for the list of accredited organisations. (7)

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 (6). 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

**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. A copy of this text in English can be found on the following link: [EC 889/2008](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:250:0001:0084:EN:PDF) (4)

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.

**REFERENCES :**


(2) EcoCert

(3) Europa:

(4) Eur-Lex

(5) FNAB (Fédération Nationale d’Agriculture Biologique) :

(6) INAO:

(7) Ministry of Agriculture:
[http://agriculture.gouv.fr/l-agriculture-biologique](http://agriculture.gouv.fr/l-agriculture-biologique)
[http://agriculture.gouv.fr/reglementation](http://agriculture.gouv.fr/reglementation)

(8) Organic Data Network:
[http://www.organicdatanetwork.net/odn-partners-abio.html](http://www.organicdatanetwork.net/odn-partners-abio.html)

(9) Wikipedia: