The Action Plan

The following activities are planned to pursue the goal of increasing Canada's share for computer products in the French market:

a) Participation in the international fair SICOB (in Paris) in 1983 and 1984; support of Canadian companies which obtain space at the 1983 and 1984 fairs in Hanover, F.R.G.; (FELA/DEP/Embassy, Paris/Consulate General, Hamburg)*

b) Companies with complementary products will be encouraged to improve their market impact by working together in approaching the French market; (FELA*/Embassy, Paris)

c) In close co-operation with Canadian firms, develop more precise data on market potential for the specific peripherals manufactured in Canada; (FELA)*

d) Utilization of PEMD-B and PEMD-F to support market identification and sustained export market development by Canadian firms. (FELA/DEW)*

2. FISHERIES PRODUCTS

The Opportunity

Although France has a long maritime history, it is a major importer of fish. Declining landings in recent years and increased consumption have had to be met by greater imports. The French import/export deficit has been increasing by an average 7.5 per cent annually between 1971 and 1979. In 1981, imports amounted to slightly more than $1 billion (U.S.) and exports to about $325 million.

French consumption increased some 4 per cent per year from 1974 to 1978 when, for the first time, imports exceeded domestic production. The per capita consumption, which is one of the highest in the world at about 21.5 kg, is expected to reach 23.5 to 24.1 kg by 1985 when the population will reach 57 million (according to the United Nations Food and Agricultural Organization (FAO)).

Retail sales of fresh fish are an important factor in the marketplace, influenced in the long term by the price difference between fish and meats as well as by supply capability. The hotel/restaurant sector seems to be thriving despite rising prices of fish and seafood; customers appear oblivious to escalating costs of "eating out".

Trade in frozen products continues to increase with the main items being frozen fish fillets and portions for the hotel, restaurant and institutional (HR & I) trade. Second are frozen fish, whole or in portions (fillets/slices/chunks), for retail sale and lastly, prepared dishes ("plats cuisinés"), also for the retail market. Retail sales of frozen foods should increase still further as refrigeration facilities improve in France. One possible factor that could reduce demand, however, is consumer resistance to marked price increases. Continued increase in consumption also depends on trends in the HR & I market which is thought to account for up to 40 per cent of prepared foods and perhaps as much as 80 per cent of the frozen foods volume.

In general, demand for fish and seafood in France will continue to grow, though at a slower pace for the entire market and product range. As the base volume is large, the potential is worth tapping. It is also felt that the higher-priced luxury species will be in increasing demand, almost assuredly surpassing the rate of increase for more common species, particularly in the HR & I and fresh retail trade. Frozen boneless portions and fillets, depending on their price differential with meats such as beef, pork and poultry, will continue to increase in popularity with the institutional market.

With demand for fish rising in France at a time when the French fishing fleet's ability to maintain traditional levels of landings is uncertain, there seems to be a good possibility for increased Canadian sales.

Salmon is expected to continue being a major Canadian export. With no indigenous production, France relies on imports from the U.S. and Canada for its smoking and frozen trade and, from Britain, Ireland and Norway for its fresh trade. The Pacific salmon is particularly appreciated for its quality and is sought for smoking.

French cod production decreased by 50 per cent during the early 70s and Canada has ample supplies to fulfill import requirements.

As the French are among the world's largest consumers of shellfish, considerable potential exists for increased exports of lobster, shrimp, crab and shelled scallops with roe. Lobster, particularly, has an excellent potential for increased market share — if it can replace the traditional langouste of which France imported some $48 million in 1980; imports in 1978 were only about $200,000. With maximum consumer acceptance and available supply, the French market for lobster could reach $62 million by 1985.

Major opportunities for Canadian exporters do not stop at the products mentioned here. There are possibilities in France for the majority of species commercially caught in Canada. Canadian exports already include a wide variety of freshwater fish, dogfish backs, monkfish tails, skatewings, squid, herring, eels, hake, salt cod, Greenland turbot, plaice, capelin, halibut and other flat fish. Other products, such as B.C. clams, periwinkles and sea urchins, are in demand and could be exported from Canada.

Finally, there are possibilities for sales of Canadian fish to Africa and other third markets through French firms. A chapter entitled *Co-operation with French Firms in Third Countries* dealing with the potential, the approach and action plan, can be found on page 28.

The Canadian Fishery Industry

The Canadian fishery consists of Atlantic, Pacific and inland sectors which are distinct from one another in size and organization as well as in species caught, technology applied, products sold and markets

* Refer to the Glossary of Abbreviations, page 42.