



► Agriculture and Food Products

Important market facts

- France is Europe's leading agricultural nation.
- French farmlands cover 31 million ha, which is 57.7 per cent of French territory and 31 per cent of the agricultural area in the European Economic Community (EEC).
- In 1985, agricultural products were valued at \$60.8 billion (52 per cent for livestock and 48 per cent for crops). Milk, cereals, fruit and vegetables, and wine constitute the major products.
- The agri-food sector is France's most important industrial sector. In 1985, turnover was estimated at \$108 billion. The agri-food sector includes the dairy and meat industries, grain by-products, beverages, alcohol and other products.
- In 1985, exports were valued at \$33.6 billion and imports at \$26.7 billion.
- France is the world's second largest exporter of agri-food products (15 to 20 per cent of its total exports, depending on the year), behind only the United States. Agri-food exports consist mainly of cereals and their by-products, wines and beverages, live animals, meat, milk, dairy products, fruits, vegetables and sugar.

Market trends

- France's 1 170 000 farms are small, averaging only 26 ha. However, the number of farms is continually decreasing while the average area is increasing.
- The working population continues to decrease.
- In 1985, France imported about \$26.7 billion of agri-food products (12.5 per cent of its total imports). The main groups were live animals and meat, oil-seeds, fats and oils, tropical products, wines and beverages, and tobacco. About 60 per cent of imports came from other EEC countries.

Canadian imports

- In terms of potential markets for Canadian exporters, France remains a relatively underdeveloped market for both agricultural and food products. In 1986, Canada exported only \$50 million worth of these products.
- The main exported products were wheat, mustard seed, horse meat, maple syrup products, giblets, vegetable and animal seeds, honey, blueberries, dry vegetables and forest mushrooms.

Recommendations for Canadian exporters

- Several Canadian companies have concluded industrial co-operation agreements with French counterparts. These ventures offer many possibilities since France has developed a number of products and procedures that are relatively unknown in North America. They could prove interesting for Canadian companies wanting to diversify.
- The recent success of some Canadian products, such as smoked beef and frozen pizza, shows that Canadian products new to this market could be introduced.
- Certain agricultural products, such as the angora goat, could also find potential markets.
- In this sector, the EEC has set a number of technical standards which have been implemented by France. As in Canada, these standards control several aspects of production and marketing. It is important for exporters to adhere to the standards to penetrate not only the French market but all EEC countries which together represent some 320 million people.

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