USDA Foreign Agricultural Service
GAIN Report
Global Agricultural Information Network

Voluntary _ Public

Date: 11/9/2012
GAIN Report Number: FR9121

France

Post: Paris

France's Sustainable Agriculture Initiatives

Report Categories:
Agricultural Situation
Agriculture in the Economy
Biofuels
Biotechnology - GE Plants and Animals
Special Certification – Organic/Kosher/Halal

Approved By:
Lashonda McLeod

Prepared By:
Marie-Cecile Henard

Report Highlights:
Sustainable development is a top priority for France. A National Strategy for Sustainable Development was developed, resulting in a larger organic industry, environmental labeling, efforts to reduce pesticide use, and research and innovation projects. As consumers are receptive to sustainability, both upstream and downstream private initiatives have also developed, resulting in a number of logos on food products. FAS/Paris outreach activities have illustrated a variety of means taken in the United States to make agro-food production more sustainable. Theses activities have contributed to improve the image of U.S. food products and are likely to open minds and markets to U.S products and methods of production in the future.

Executive Summary:

Productivity in French and European agriculture was encouraged by national and European policies in the decades following World War II, aiming to address domestic food security. While successful, this approach has been criticized by many, pointing that economic competitiveness was reached at the expense of the environment. Since the 1990's, policy makers and the population have increasingly called for a more holistic approach, combining the economic, environmental, and social aspects for a long-term viable system, i.e., a more sustainable agriculture. In parallel with the United Nations Conference on Sustainable Development held in Rio in 1992, the Common Agricultural Policy (CAP) was first reformed in the same year, and since then several additional changes in the CAP have taken place to combine economic productivity and environmentally-friendly practices.

Sustainable development has become a top priority for the Government, to the point that a very influential Ministry of Ecology and Sustainable Development was created in 2007. In 2009 and 2010, the Parliament adopted laws named Grenelle, which used the concept of "ecologically intensive agriculture" close to "sustainable intensification" currently often used in international fora. The 2010-2013 National Strategy for Sustainable Development aims to "develop a more sustainable food production" and "support green economy and business innovation," and have resulted in higher domestic organic production and consumption, testing environmental labeling on certain food products, combining efforts to reduce pesticide use, increasing farms energy independence, and launching new research and innovation programs in plant biotechnology and renewable energies.

A variety of voluntary upstream measures have been taken by farmer groups and farm input suppliers to make agricultural practices more sustainable, and also downstream, mainly by distributors and food companies, as marketing tools to meet consumer demand for a more sustainable agriculture and food production. Nevertheless, retail price premium remains the main limiting factor to the development of sustainably-produced food. Organic agriculture, which is the most advertized and subsidized sign of sustainability, remains marginal. In 2012, it accounts for 3 percent of the farmland and 2 percent of food consumption, i.e., twice as low as initially targeted by the Government.

In a country where agriculture is competitive and intensive, many observe that the economic dimension of sustainability appears as the least important of the sustainability dimensions, while the environmental leg is the most visible. The government and retailers do not consider plant biotechnology as a tool to simultaneously increase the economic and environmental sustainability of agriculture. By contrast, many experts in France among farming groups, scientists, and economists point to agriculture's competitiveness is in jeopardy as long as biotechnology is not adopted.

As world leaders in food and agriculture, France and the United States both consider improving agriculture sustainability as a major objective that can be addressed by both policy measures and individual private initiatives, for the benefit of consumers. Illustrating the diversity of tools used in the United States to make agriculture and food production more sustainable has raised significant interest in France at various events organized in the past by FAS/Paris. These events have contributed to improve the image of U.S. agriculture and further actions are planned in this direction.

Table of Contents

General Information:

1. Government of France and Sustainable Development

Since the Rio Summit in 1992 under the auspices of the United Nations, France has taken a number of steps relative to sustainable development, illustrated in the website of the Ministry of Sustainable Development:

- First, the National Strategy for Sustainable Development (in French, Stratégie Nationale pour le Développement Durable, SNDD) dates back to 1992, during the time that the Junior Ministry for Sustainable Development was created.

- In 2003, an advisory committee representing civil society and local authorities, involved in the development of SNDD, was created: the National Committee on Sustainable Development (in French, Conseil National pour le Développement Durable, CNDD). In addition, the Inter-Ministerial Committee on Sustainable Development (in French, Commité Interministériel pour le Développement Durable, CIDD) was launched.

- In 2004, the French Parliament added the Charter for the Environment to France's Constitution. According to the Charter, "public policies must promote sustainable development," and three major principles were proclaimed: the prevention principle, the precautionary principle, and the polluter-pays principle.

- In 2006, SNDD 2003-2008 was put in conformity with the European Strategy for Sustainable Development.

- In 2007, the Ministry for Sustainable Development was created**,** and the Government of France initiated the Grenelle for the Environment**,** defined as a new type of governance combining national authorities and representatives of the civil society. Grenelle participants took almost 300 commitments aimed to reduce greenhouse gas emissions and ecological footprint, develop renewable energies, and favor the emergence of sustainable territories.

- In 2009 and 2010, the Parliament adopted the Grenelle 1 and Grenelle 2 laws and SNDD 2010-2013 was adopted to implement the Grenelle's commitments. In addition, CNDD was replaced by the National Committee on Sustainable Development and Grenelle for the Environment (in French, Commité National de Développement Durable et du Grenelle de l'Environnement, CNDDGE), monitoring the implementation of the commitments of the Grenelle.

- France organized an environmental conference in September 2012, resulting in the creation of a new agency, the Agency on Biodiversity.

2. Initial Objectives of the National Strategy on Sustainable Development for 2010-2013

The Strategic Analysis Center released a report titled, "Towards Sustainable Consumption" in late 2011, to support more sustainable and competitive agriculture. Specific emphasis was made on organic agriculture (identified as preserving ecosystems, leveraging against input price volatility, reducing dangers to human health, and favoring farm profitability and rural development). Public support for organic agriculture is expected to help its development, currently limited by consumer price premium of 23 percent in hotels, restaurants, and institutions (HRI), and the cost and time necessary for farmers when converting from conventional to organic agriculture.

The National Strategy for Sustainable Development for 2010-2013, released in July 2010, listed a number of strategies, of which several involve agriculture. For example, "developing a more sustainable food production," with the following objectives:

- Perform organic agriculture on 6 percent of the total farmland by 2012 and 20 percent by 2020
- Public HRI must contain 20 percent of organic products by 2012
- Have 50 percent of farms involved in environmental certification by 2012 and 30 percent of farms with low energy dependence by 2013
- Reduce pesticide use by 50 percent by 2018
- Increase public purchases of wood products from sustainably managed forests (eco-certified) from 2010.

Another strategy identified in this document was "supporting green economy and business innovation." The objectives include strengthening the competitiveness of techniques and organizations respecting the environment and of products and services allowing to "decarbonate" the economy, towards green growth.

3. Implementation of the National Strategy on Sustainable Development in Agriculture

In October 2011, the Prime Minister's office provided its first report to the Parliament regarding the implementation of SNDD 2010-2013. The report highlighted the implementation of a number of measures towards more sustainability. The major ones for agriculture were the following:

Expanding Organic Agriculture:

Currently, there are 24,000 organic farmers (up from 10,000 in 2001); farming 1 million ha (3 percent of farm land); and sales of organic products amount to 4 billion Euros (up from 1 billion Euros in 2001), accounting for 2 percent of the total food market in France. The leading categories of products sold under this label are fruits and vegetables, grocery products, dairy products, bread, and wine. The action plan of the Ministry of Agriculture to promote organic agriculture (available here in English) includes the following:

- Facilitate the conversion from conventional to organic: a tax credit of 2,500 Euros per farm is provided as a national subsidy, in addition to the conversion grants (21 million Euros in 2010) and the support (50 million Euros) authorized under the Common Agricultural Policy. Regional aids for certification and product promotion are allowed on top of the previous national and European aids.

- Target Research and Education on Organic: the Ministry of Agriculture and the National Research Institute in Agriculture (INRA) participate to the European transnational research cooperation project on organic agriculture CORE Organic 2 supported by the European Commission in 2010-2013, and vocational education is increasingly farming organic products.

- Coordinate the building of the organic industry through an annual budget of 3 million Euros for the organic agency "Agence Bio." This fund provides support to industry projects (production, collection, processing and commercialization of products) to help supply meet national and local demand.

- Encouraging institutional caterers to serve more organic food in public cafeterias as a way to increase total demand for organic food, as the bulk of the consumption resides in household consumption.

Although expanding, the area covered by organic agriculture in 2012 is twice as low as the objective set by the Grenelle law (3 percent rather than 6 percent). Despite its high visibility and significant public support, organic agriculture remains a marginal market segment, especially in the current economic situation. In October 2012, the Minister of Agriculture revised down the target percentage of organic agriculture out of the total farmland from 20 to 8 percent by 2020. In 2011, organic use in HRI accounted only for 4 percent of total organic consumption (158 million Euros). In 2012, fifty-seven percent of HRI (mainly in education) reported serving organic products, although sporadically.

The logos used on organic products at the consumer level that guarantees that products meet certification requirements are the following:

The European Union organic logo and certification scheme is described at the following: http://ec.europa.eu/agriculture/organic/home_en

France's national organic agency (in French, "Agence Bio") describes the French logo and scheme at the following: http://www.agencebio.org/pageEdito.asp?IDPAGE=196

Testing Environmental Labeling

Testing environmental labeling for all goods, not only food products, started on July 1, 2011. It is described in a report published in January 2012 by the Ministry of Ecology and Sustainable Development titled, "Towards an environmental labeling for food products" (an English translation is available here). Environmental labeling aims to "test how information is passed on throughout the entire production and distribution chain, all the way to the consumer."

The legislative grounds for environmental labeling are the in Grenelle laws indicating "consumers must have access to sincere, objective and comprehensive environmental information on the overall characteristics of the product/package pair." The technical grounds of environmental labeling include a methodology of good practices for environmental labeling of consumption products (BPX30-323:2009), which sets carbon dioxide emissions as the main but not unique criteria for environmental labeling, and life-cycle as the basis for calculation. This methodology resulted from the work of the Environment and Energy Management Agency and of the Food Standards Agency (ADEME-AFNOR).

Overall, thirty-six food organizations (including 29 private companies) volunteered to participate in the program, on a total of 326 food products. Three indicators were labeled on the products, on average: greenhouse gas (GHG) emissions, water consumption, and impact on biodiversity. Consumers were informed mainly via internet, labeling at the retail outlet, or through a mobile application. The results indicated that 75 percent of the food companies want to continue environmental labeling, and 60 percent want it to expand. The coexistence of this environmental labeling scheme on food products with other distinctions (such as organic agriculture, sustainable agriculture, geographical and quality indications, 'product grown on a farm with high environmental value' and the European Ecolabel) has yet to be studied.

Here is an example of environmental labeling taken from organic breakfast cereals (oats):

Reducing Pesticide Use - Ecophyto 2018

The Ecophyto 2018 program, with an annual budget of 41 million Euros, aims to reduce pesticide use by half from 2008 to 2018 and gradually prohibit the use of the most dangerous molecules from the market. This program is especially important for France, which is the leading user of pesticides in the European Union (and the third user in quantity of pesticide used per hectare), with 2 billion Euros and 78,600 MT products used in 2008.

écophyto2018
Réduire et améliorer l'utilisation des phytos : moins, c'est mieux

"Ecophyto 2018 – reducing and improving the use of chemical products: less is better"

The Ministry of Agriculture, farmers, researchers, technicians from the Chambers of Agriculture, and research institutes have been involved in a wide range of actions. Currently, there are 2,000 pilot farms, a certification program, Certiphyto, on good practices and integrated pest management (certificates were delivered to 200,000 farmers in 2012), plant health newsletters prepared by the Ministry of Agriculture disseminated to farmers to help them better target their treatments (8,000 newsletters in 2012), and a scheme to control sprayers.

In a study released in 2010, INRA concluded that reducing pesticide use by 30 percent from 2006 levels would be achievable with significant changes in practices but no severe disruption in production systems, and with various impacts on production and margins. For crop production, which totals most of the acreage spread and the largest quantities of pesticides use, a 30 percent decline in pesticide use would virtually not affect margins with 2006 prices, but quantities produced would decline by 6 percent. Further, INRA concluded that reducing pesticide use by 50 percent would imply new production systems, significantly impact production and margins, and require reorganizing agricultural

markets and industry, with long-term changes. Both production and trade characteristics of France's agriculture would be affected. In a document published in February 2012, INRA describes other approaches in Ecophyto 2018: monitoring the spraying index frequency in experimental farms, studying integrated pest management in orchards, cross –disciplinary approach to control pests and diseases, studying herbicide-tolerant crop production, selecting low-input wheat varieties, using biological control, selecting aphid-resistant melon, developing a diagnosis tool to help farmers identify diseases and pests in their fields, and experimenting crop systems with low herbicide input.

In October 2012, the Minister of Agriculture announced new perspectives for Ecophyto, which encourages the use of biological control (support to producing small to medium size supplying companies, facilitation market release authorizations), and studies a tax on agrochemical products to fund good agronomical practices.

Increasing Farms' Energy Independence - Energy Performance Program

The Energy Performance Program 2009-2013 is co-funded by the European Union and France, where the Ministry of Agriculture has the lead. It is a tool to help reach the objective of 30 percent of farms with little energy dependence by 2013, through the evaluation of farms' energy consumption, and their energy diagnosis, rationalization of farms' energy efficiency, and the development of renewable energy on farms. In 2011, energy diagnoses were conducted on 10,000 farms, and the energy consumption of 2,400 farms was reduced. Energy diagnosis can help farmers (1) change their practices without making additional investments in order to reduce energy consumption; (2) optimize the use of their equipment or building to reduce energy use or produce renewable energy; and (3) make long-term decisions modifying production system of their farms.

Expanding the Environmental Certification of Farms

The environmental certification of farms, managed by a national committee on environmental certification, is provided on a voluntary basis. This is validated in five different schemes, on a total of 2,000 farms, to date. The most stringent environmental certification is called High Environmental Value.

Agro-Environmental Measures

They are funded by the European Union's rural development schemes in favor of biodiversity, water, and soil quality. In 2010, almost 6 million hectares (ha) (i.e., almost 20 percent of France's agricultural land) benefitted from these subsidies.

Research and Innovation: Future Investment Programs

The program "Invest for the Future" (in French, "Investissements d'Avenir") was launched in December 2009, aiming to strengthen the nation's productivity, innovation, companies' competitiveness, and boost employment.

A total budget of 35 billion Euros was allocated to these programs, to fund five strategic priorities: (1) higher education and training, (2) research (to develop biotechnology, impulse a new dynamic to laboratories of excellence, and favor industrial implementation of research), (3) industry and small to medium enterprises, (4) sustainable development (to strengthen the industry in renewable energies, among other examples), and (5) favor the development of a new numeric economy. For example, a number of research projects lead by INRA are granted by Invest for the Future.

They include the following: BREEDWHEAT (selecting corn varieties with high yields and reduced needs in water supply and chemical inputs), AMAIZING (selecting high yield, high quality, and stress-tolerant wheat varieties, for a more sustainable production), Rapsodyn (optimizing rapeseed yields with reduced nitrogen input), Sunrise (increasing the oil content of sunflowerseed varieties in conditions of water shortage), PeaMust (optimizing pea yields and quality), Aker (increasing the sugar content of sugarbeet), Genius (developing plant breeding new technologies for varieties more resistant, less polluting, and more adapted to consumer needs), BFF (developing miscanthus and sorghum plants for advanced biofuels), and Probio3 (developing aircraft biofuels).

4. Private Initiatives

Upstream Initiatives

There are many upstream actions conducted by farmer groups towards a more sustainable agriculture on a voluntary basis, but these actions remain unknown by the public, and if farmers generally have a favorable image among the public, farming is often seen as a polluting activity by people outside of agriculture.

- **Forum for Integrated Farming Respecting the Environment**

Forum for Integrated Farming Respecting the Environment (FARRE) is a network of 1,000 farms certified to meet a number of good agricultural practices set by regulation (decrees published in the

Official Journal) by independent certifying organizations. Certified farms obtain public support in exchange (1,000 Euros per farm). FARRE is member of the European Initiative for Sustainable Development in Agriculture (EISA). Products sourced from farms members of FARRE are labeled with "sourced from an integrated farming qualifying farm." The leading farm categories involved in FARRE grow crops and vines.

FARRE and the non-governmental organization, France Nature Environment (FNE), are currently working together on pesticide use and water pollution by farming. A series of working groups and a joint public conference held on September 27, 2012, titled "Agriculture and the Environment – From Tension to Mediation," resulted in a mediation charter released in October listing the points of agreement (e.g., valuing and disseminating information to the general public on good farming practices, and an agreement on indicators allowing an objective and common observation of the pesticide situation) and of disagreement (e.g., expectations from technology, the role of genetics, and the importance of biogas) between FARRE and FNE. Further joint actions will continue in the future.

- **Institute for Sustainable Agriculture**

Institute for Sustainable Agriculture (In French, Institut de l'Agriculture Durable ((IAD) is an organization which members are farmers, private companies (including Syngenta and Monsanto), as well as associations involved in soil conservation. IAD considers farmers as central to sustainable agriculture, which requires five tools including soil science and agronomic knowledge, genetic diversity and improvement, protection of plant and animal health, organic fertilization, and machinery adapted to living soil.

- **Sustainable Agriculture Network**

Sustainable Agriculture Network (In French, Réseau Agriculture Durable (RAD)) is a network of farmers that are working to increase their economic autonomy and environmental efficiency. There projects include banning GE feed, hormones, and antibiotics, as well as limiting chemical use; however, encouraging organic nitrogen use.

Downstream Initiatives

According to a study conducted by the Environment and Energy Management Agency (ADEME) in 2010, more than half of the French population intuitively link sustainable development with ecology, fighting against pollution, preserving resources, and protecting the environment. The study also revealed that if 79 percent of the French are ready to be responsible consumers and 20 percent declare themselves as eco-consumers, only four percent would translate into purchasing actions (buying fair trade and organic products, paying specific attention to the geographic origin of the products, or boycotting some products). Price premium for these products is the major limiting factor that will likely prevent consumption from increasing further.

To meet consumer demand, several retailers and food suppliers have developed a number of

sustainability initiatives that are clearly identified by consumers thanks to specific logos.

- **Carrefour Supermarket Chain**

Carrefour is the EU's leading supermarket chain. Its actions relative to sustainable development are listed at http://www.c-laterre.fr and are developed in their 2011 activity report . The supermarket chain works is in partnership with the World Wide Fund (WWF) on sustainable development, and has created a number of private sustainability labels including the following:

The "Carrefour commitment to quality" logo appears on approximately 600 products across the world, and guarantees short supply chains from 20,000 farmers and ranchers to final products. Carrefour defines it as a sign of quality and traceability.

The "Carrefour Organic" logo corresponds to a specific organic certification for products sold under the Carrefour brand name, different from the European Union and French national organic logos and certifications.

Carrefour considers its voluntary "non-biotech" labeling as part of its sustainability schemes. The logo appears on Carrefour-branded products (meat and dairy) derived from animals fed on non genetically-engineered products.

- **Fair Trade**

In 2011, there were more than 3,000 products sold in France under this label, representing sales of 315

million Euros, mainly including coffee (41 percent), cotton, (14 percent), cocoa (13 percent), banana (8 percent), and tea (8 percent). Ecocert certifies products under "equitable, supportive, responsible" include cocoa, coffee, dried fruits, legumes, olive and sesame oil, quinoa, rice, rum, can sugar, vanilla, coconut, bananas.

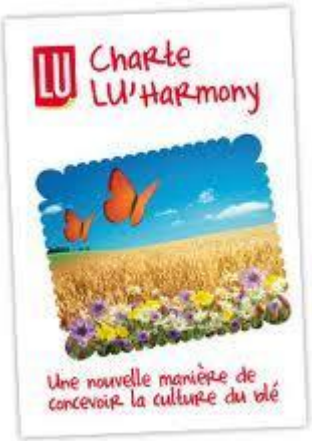
The following logos indicating fair trade can be found on food products sold in France:

- **Lactalis**

This is an example in terms of incentives for suppliers and subcontractors to comply with good conduct of health and safety. Since 1999, the group established a charter of good practices, titled "Focus on the Future," especially dedicated to milk producers. In the same logic, the company requires its food dairy suppliers to meet the conditions of an approval process to demonstrate compliance with traceability and product quality. This case study aims to show the role that big business can play in the process of sustainable development resulting, by obligation, all actors upstream in the food chain.

- **LU**

LU is a leading cookie producing food company involved in a program favoring biodiversity, protecting bees, involving farmers, millers and food manufacturers. A specific logo appears on the packaging of cookies sold under the logo, and retail prices are significantly higher than food products from conventional methods of production.



5. Outreach

Since 2010, FAS/Paris has organized or been involved in a number of official visits focusing on sustainable agriculture in order to engage dialogue with the Government of France and stakeholders involved in this issue. These included the visit of Carol Kramer-Leblanc (Office of the Chief Economist), Dr. Roger Beachy (Former Director of USDA's National Institute of Food and Agriculture), Chris Schoonwinkel (South Africa farmer), Jeff Moyer (Rodale Institute), a group of U.S., Brazilian, and Paraguayan farmers of the International Soybean Growers Alliance, and Marsha Echols, Consultant. The variety of tools and actions taken and used in the United States towards a more sustainable agriculture and food production raised a lot of interest among the French audience, and contributed to improve and diversify the image of U.S. agriculture. Please visit FAS/Paris website for more information: http://www.usda-france.fr/sustainable-agriculture.htm, http://www.usda-france.fr/biotechnology-437263-en.htm, and http://www.usda-france.fr/mag/en/page-402409.htm.

FAS/Paris will continue to illustrate the steps taken in the United States towards sustainable intensification of agriculture and food production, as this issue should be addressed across the globe, especially by leading countries involved in food and agriculture such as France.