

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## France

**Post:** Paris

### French Plan for Protein Crops 2014-2020

**Report Categories:**

Oilseeds and Products

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**Report Highlights:**

In December 2014, the French Minister of Agriculture Stéphane Le Foll released a plan to increase the production of protein crops in France between 2014 and 2020. This plan mainly consists of direct subsidies to farmers that produce protein crops. It is expected to result in an increase in production in the short- to medium-term, which will probably lead to a decrease in soybean imports. However, protein crops are not competitive in France and, if subsidies are removed, production will revert to previous lower levels.

## General Information:

### I. France has a structural shortage in protein crops

Protein crops include a variety of plants that have a high protein content, such as field peas, fava beans, lupine, alfalfa, and soybeans. They are needed to meet the nutritional requirements for livestock and poultry feeds.

France is the leading combined livestock (beef, pork, and dairy) and poultry producer in the European Union (EU) but has a structural shortage in production of protein crops, which requires it to import 40 percent of its domestic consumption needs. The French production of protein crops has declined in the past twenty years and, in 2013, accounted for less than two percent of total field crop area. This decline is due to low yields and profitability compared to alternative crops, especially since it is not possible to grow genetically engineered soybeans.

### II. A 2014-2020 plan to increase protein crop production in France

A seven-year “protein plan” was released by the French Minister of Agriculture Stéphane Le Foll in December 2014. This plan aims to reduce the dependence of French livestock and poultry producers on imports of vegetable proteins and to decrease the use of nitrogen fertilizer. The plan includes three parts:

- **An increase of protein crop production in France**

**Farmers** will be granted **between 100 and 200 euros per hectare per year of protein crops** between 2014 and 2020. This measure is funded by a 49 million euro annual budget from the Common Agricultural Policy (CAP) of the European Union. Seventy one percent of this amount is dedicated to legumes (field peas, lupine, fava beans), 16 percent to dehydrated fodder made of legumes (e.g., alfalfa, clover, sainfoin, vetch, and sweet clover), and 12 percent to soybeans.

In order to increase the production of legumes as fodder, to reduce the purchase of concentrates, and to decrease forage corn area, **livestock producers** will be granted **between 100 and 150 euros per hectare per year of legumes planted as fodder** between 2014 and 2020. This measure is also funded by the CAP (98 million euros per year).

The production of **legume seeds** will be subsidized, as well, at a rate of 4 million euros per year.

In the new CAP 2014-2020, farmers have to observe specific conditions to be granted subsidies. One of these conditions is intended to avoid large-scale monoculture, such as with corn. As a consequence, corn growers are expected to increase their production of non-GE soybeans. Additionally, several voluntary agri-environmental measures of the CAP aim to increase legume production and to reduce concentrate purchases.

The plan also includes an organic section, which aims at reaching “organic protein independence” (no

imports) for human and animal consumption.

- **A strategy for research in the field of protein crops**

The plan calls for the development of a ten-year research strategy for plant breeding, but there is no specific budget allocated to this measure.

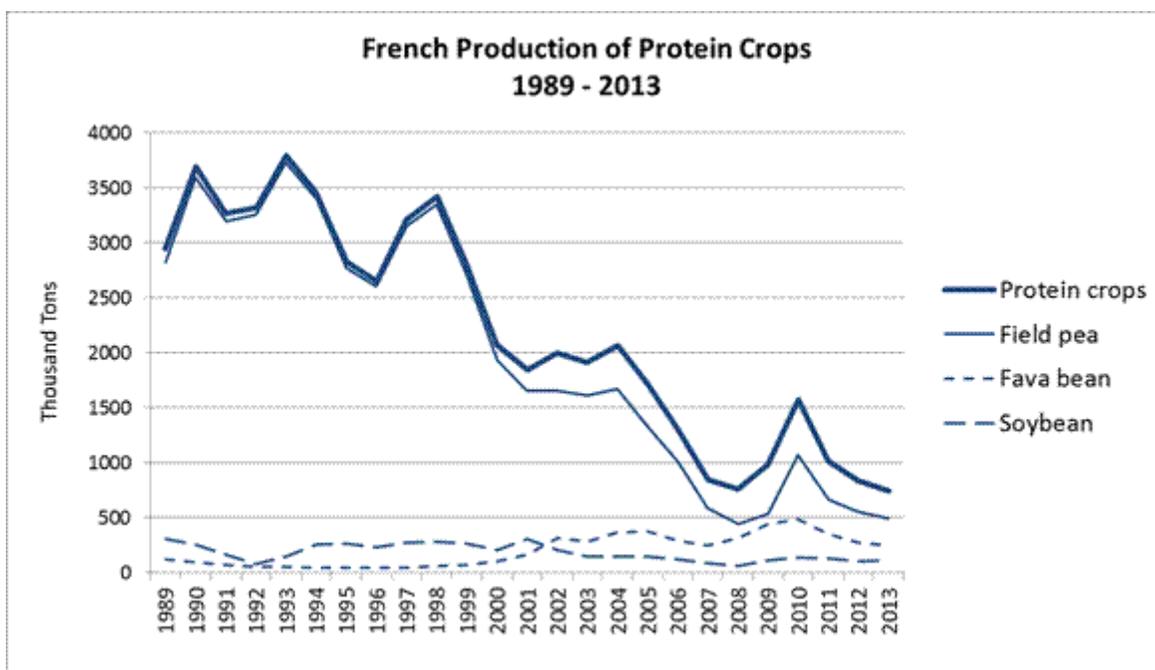
- **Working groups**

Working groups made up of farmers and animal feed compounders will be set up to discuss the possibilities for reducing France's shortage in protein plants.

### III. **The protein plan 2014-2020 is not a long-term plan**

The "protein plan 2014-2020" is not a sustainable long-term plan, because protein crops are not competitive in France. If subsidies are removed at the end of the current plan, production would likely revert to previous levels.

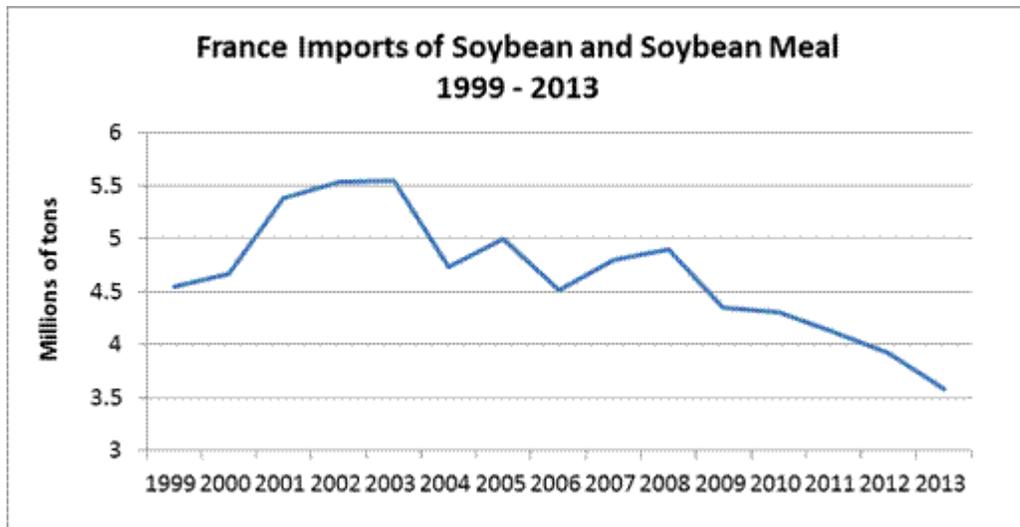
This has happened in the past, for example between 1977 and the 1990s, when the EU provided subsidies for protein crops. In France, the area increased from a few hundred hectares to more than 700,000 hectares but, since 1992 when the grants were reduced, production has steadily declined (see graph below).



The table below gives the French production of protein crops in 1992 and in 2013 and the graph shows French imports of soybean and soybean meal. In 2013, France imported a little more than 3.5 million tons of soybean and soybean meal, and produced around 740,000 tons of protein crops. This compares to a peak production of 3.3 million tons of protein crops in 1992.

### French production of protein crops (tons)

	1992	2013	Evolution
<b>Protein crops</b>	3,322,129	741,382	-78%
<b>Field pea</b>	3,258,876	488,270	-85%
<b>Fava bean</b>	50,524	245,546	386%
<b>Soybean</b>	74,475	110,279	48%



As a consequence of the protein plan 2014-2020, French imports of soybean are expected to decline in the next few years. They could increase again in the future, when subsidies will be removed.