

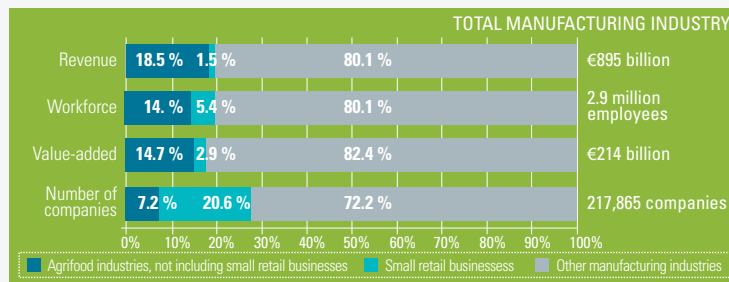
Overview of agrifood industries 2014

Key facts

- ✓ **425,640** employees and **€165 billion** in revenue
- ✓ **584,963** employees and **€178 billion** in revenue including **small retail businesses** (delicatessens and bakeries).

Data from the French Ministry of Agriculture, Agrifood and Forestry (MAAF)/Office of Statistics and Studies (SSP)

- ✓ The agrifood industries account for **18.5 %** of total revenue, **14.5 %** of the workforce, **14.7 %** of value-added and **7.2 %** (in terms of numbers) of **all manufacturing industries**.



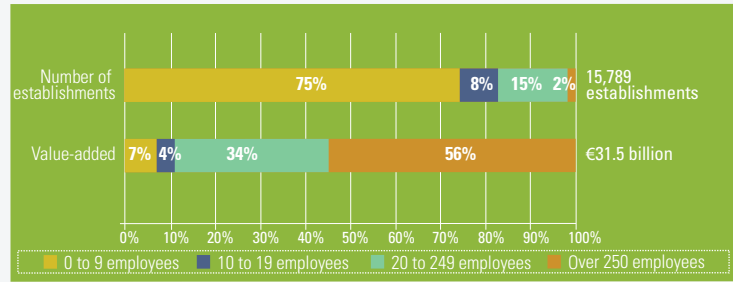
Source : Insee – Esane 2012, MAAF / SSP data

- ✓ The meat and dairy industries account for **37% of total revenue** and **41% of the total agrifood workforce**.

Insee Categories	Number of companies	Employees		Revenue excl. VAT		Value Added		GOS		Export rate
		Staff	%	€M	%	€M	%	€M	%	%
Value and in % of agrifood industry										
10.1 Meat processing	2,604	111,623	26.2%	33,839	20.5%	5,235	16.6%	487	4.8%	11.4%
10.2 Fish processing	317	11,990	2.8%	3,516	2.1%	607	1.9%	106	1.0%	10.6%
10.3 Processing of fruit and vegetables	1,235	23,315	5.5%	7,681	4.7%	1,543	4.9%	391	3.9%	18.2%
10.4 Manufacture of fats and oils	225	3,758	0.9%	8,085	4.9%	469	1.5%	171	1.7%	40.9%
10.5 Manufacture of dairy products	1,204	55,265	13.0%	27,667	16.7%	4,368	13.9%	1,552	15.3%	20.7%
10.6 Processing of grains, manufacture of starch products (flour, rice, starch, etc.)	488	14,406	3.4%	7,412	4.5%	1,345	4.3%	388	3.8%	44.6%
10.7 Manufacture of pastry/bakery products and pasta	1,813	55,940	13.1%	10,624	6.4%	2,602	8.3%	501	4.9%	14.4%
10.8 Manufacture of other food products	4,353	80,225	18.8%	26,765	16.2%	6,524	20.7%	2,361	23.3%	19.7%
<i>including manufacture of cocoa, chocolate and confectionery products</i>	1,452	23,994	5.6%	1,452	0.9%	1,452	4.6%	1,452	14.3%	100%
10.9 Manufacture of livestock feed	432	18,218	4.3%	12,963	7.8%	1,645	5.2%	557	5.5%	15.4%
Total division 10 Food industry products	12,671	374,740	88.0%	138,552	83.9%	24,339	77.2%	6,515	64.3%	19.3%
Total division 11 Beverage manufacturing	3,117	50,900	12.0%	26,637	16.1%	7,179	22.8%	3,620	35.7%	30.5%
<i>including production of distilled alcoholic beverages (cognac, whisky, etc.)</i>	671	8,208	1.9%	4,976	3.0%	1,657	5.3%	1,089	10.7%	54.3%
<i>including production of sparkling wines (Champagne, etc.)</i>	417	7,608	1.8%	5,246	3.2%	1,604	5.1%	1,068	10.5%	48.6%
<i>including production of wines (wine fermenting)</i>	1,205	13,618	3.2%	4,556	2.8%	1,020	3.2%	464	4.6%	23.9%
<i>including mineral water and soft drinks industry</i>	365	15,717	3.7%	8,237	5.0%	1,808	5.7%	523	5.2%	13.7%
Total agrifood industries (divisions 10 and 11)	15,788	425,640	100%	165,190	100%	31,518	100%	10,135	100%	21.1%

Source : Insee – Esane 2012, MAAF / SSP data (not including small retail businesses)

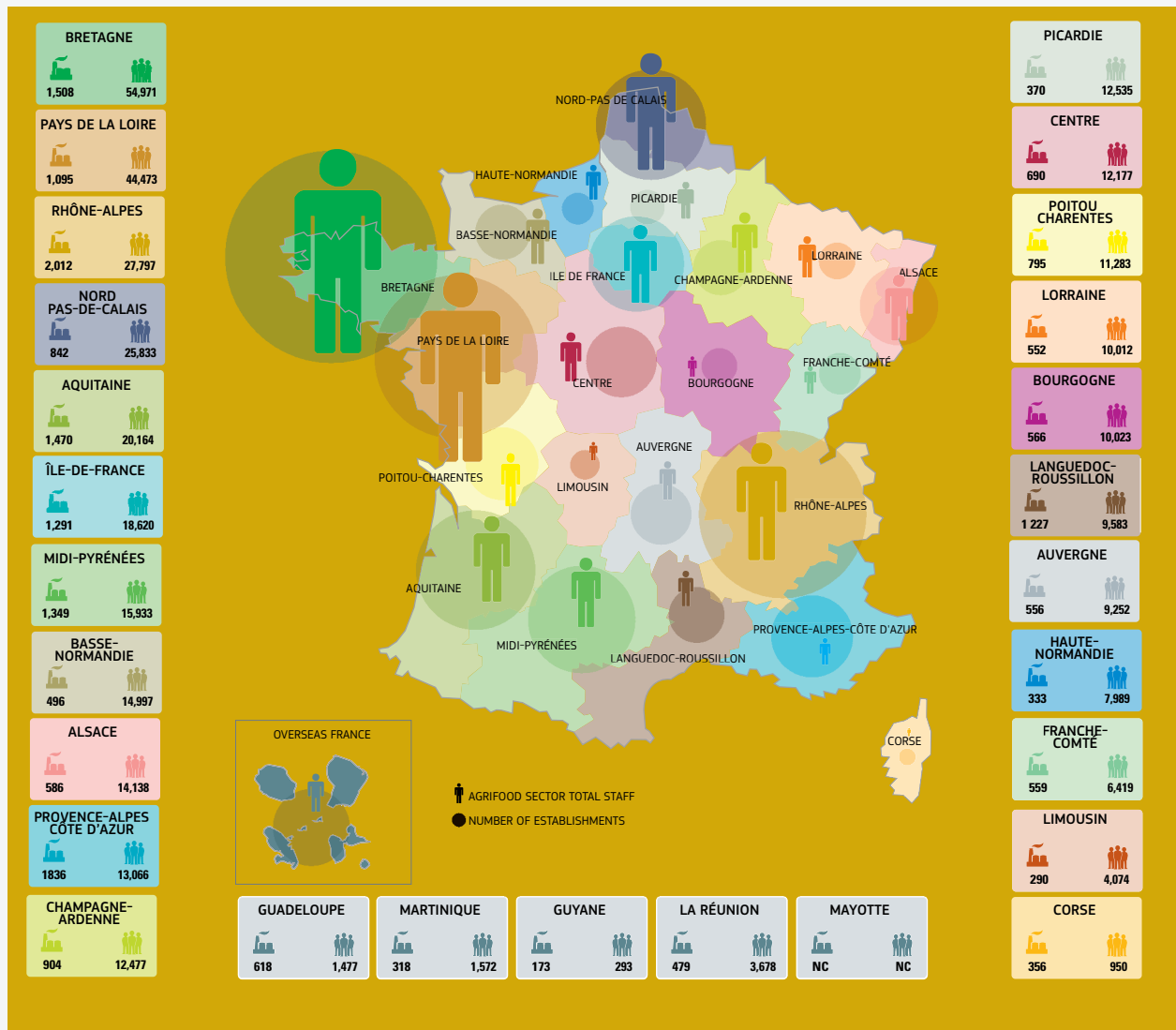
✓ Most agrifood enterprises are small: those with **fewer than 10 employees** account for **75%** of the total number of such firms and **7%** of their value-added (not including small retail businesses).



Source : Insee – Esane 2012, traitements MAAF / SSP

Jobs

✓ **27%** of the agrifood workforce work in Bretagne and Pays de la Loire.



Source : Insee - Esane, LIFI, Agreste SSP, 2012 (not including small retail businesses)

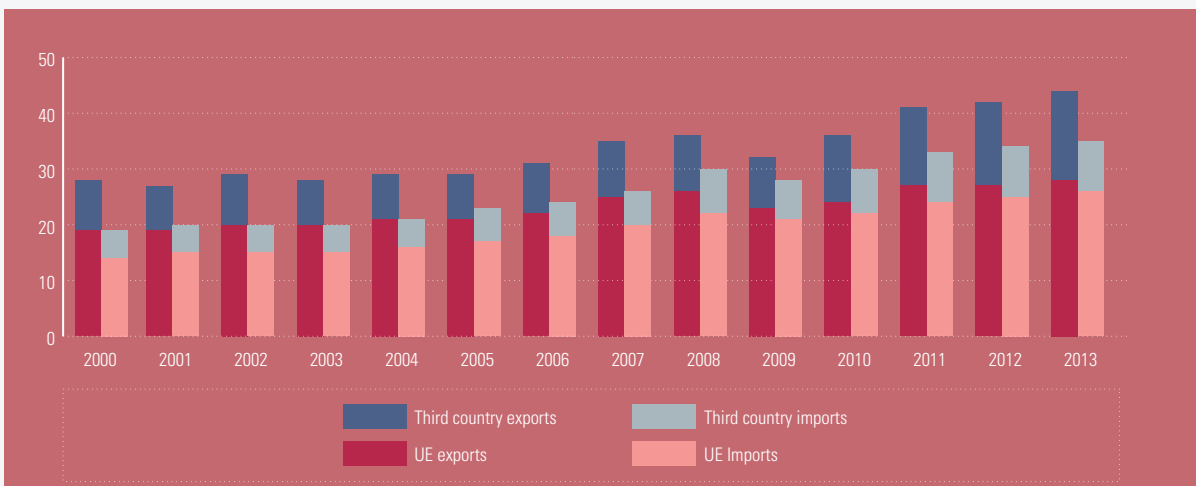
International trade

✓ There is a **trade surplus** in farm and agrifood products.



Source : Customs / SSP

✓ Development of French agrifood imports and exports with EU and non-EU countries between 2000 and 2013, in € billions: Most trade continues to be with the countries of the European Union, which represent **63 %** of our exports...

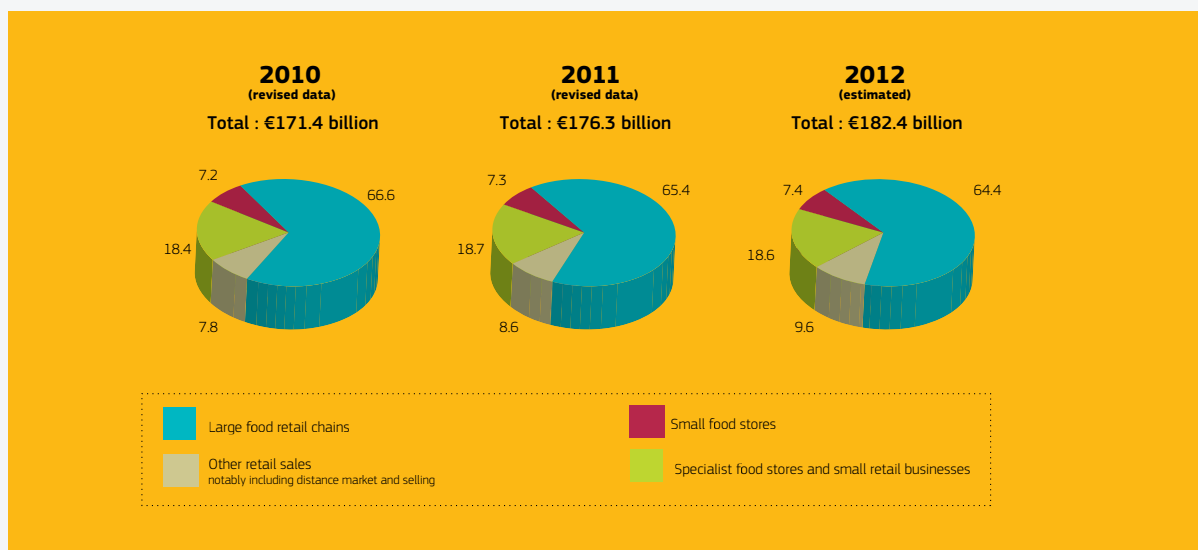


Source : Customs / SSP

✓ ...but non-EU countries are a very real growth driver for French agrifood companies, which have been able to capitalise on the increasing importance, in both quantity and quality, of consumption by the emerging economies, especially in Asia. France has become the **leading extra-EU exporter** among EU countries, with **10 % growth** every year between 2009 and 2012. France generates **30 %** of all European beverage sales to non-EU countries and **28 %** sales of cereals and processed cereal-based food products.

Food expenditure

- In 2012, food accounted for **13.8%** of the household budget, after "housing, heating and lighting" (**25.9%**) and transport (**14.1%**) which represented **21.5%** in 1959.
- **The national Pact to combat food waste** was launched on 14 June 2013. This represents a commitment by the various actors in the food supply chain to cut waste by half by 2025. Food waste in French household consumption apparently amounts to **20kg** of waste per year per person, **7kg** of which is still in its packaging, plus 2.3 million tonnes of food wasted in the retail sector and **1.6 million tonnes** in catering every year.
- Food expenditure stands at **€182.4 billion**, taking all distribution channels together, with large food retail chains holding **64.4%** market share.



Source : Insee, trade accounts- Insee – 2005 basis (in % value including VAT)

Innovation

✓ The focuses for agrifood innovation in 2013-2014

- Pleasure, with the search for new taste experiences and sensory variety: sweet-sour recipes, Brazil is in the spotlight in 2014 for its numerous recipes with exotic flavours;
- health, and especially the theme of naturalness which is making major progress, "clean label" recipes and a search for ingredients to replace additives: vegetarian diet or flexitarianism (semi- vegetarianism, i.e. plant-based diet with only the occasional inclusion of meat products for reduced meat consumption) which is also just arriving on the scene in particular with the incorporation of vegetable proteins into meat dishes (fibre-rich burgers) and the development of a wider range of "veggie burgers" (gluten-free, fibre-rich vegetable steak);
- convenience is a strongly growing trend driven by consumers who are always looking for new types of functionality such as the search for ever more easily handled/practical packaging; (drip-stop bottles of oil for example) in taking into account ecodesign and increased shelf life. The development of preparation kits is also warmly welcomed by consumers;
- ethics/authenticity is a growing innovation trend: the search for meaning and authenticity with for example the promotion of locally-sourced products is a concern for an increasing number of consumers who care about the quality of their products.

Source : LSA–no.2312-27 March 2014

For more information: see *Le panorama des IAA 2014*

Key issues, fact sheets by sector and region are available at <http://agriculture.gouv.fr/Le-panorama-des-IAA>