Strengths and weaknesses of the French dairy sector in the international context

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- CNIEL is the national center of dairy economy

- CNIEL is represented by:
  - dairy farmers
  - dairy cooperative
  - private industries
STRENGTHS AND WEAKNESSES
OF THE FRENCH DAIRY SECTOR
AT INTERNATIONAL LEVEL

EDF Congress, La Baule, 28th June 2016
The strengths and weaknesses of the French dairy sector are inextricably linked to one of its main features—diversity:

- Species
- Dairy cattle breeds
- Geographical areas
- Milk production models
- Dairy farms’ degree of specialisation
- Milk production specifications
- Dairy cattle nutrition
- Dairy company profiles
- Products

...in terms of
### Diversity: Species

#### Percentage of EU milk produced in France

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<th>EU  (1 000 t)</th>
<th>France</th>
<th>Percentage</th>
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<tr>
<td>2014</td>
<td>159 640</td>
<td>2 700</td>
<td>2 160</td>
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<td>25 779</td>
<td>267</td>
<td>604</td>
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<td>16%</td>
<td>10%</td>
<td>28%</td>
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CNIEL / Eurostat
Diversity: Dairy cattle breeds

Cattle numbers on the 1st of January 2016

- Holstein Friesian: 2,450,000
- Montbéliarde: 640,000
- Normande: 342,000
- Abondance: 48,000
- Brune: 26,000
- Simmental: 25,000
- Pie Rouge des plaines: 15,000
- Tarentaise: 14,000
- Jersey: 13,000
Diversity: Geographical areas

2014 Volume of cow’s milk produced per area

IDELE / FAM
Diversity: Milk production models

**Lowland cattle-breeding areas**
- 34,300 farms (45%)
- 49% milk references

**Lowland areas combining crop-farming and cattle-breeding**
- 22,000 farms (29%)
- 32% milk references

**Mountain areas**
- 17,400 farms (23%)
- 16% milk references

Institut de l’Elevage / Agricultural census 2010
Diversity: Dairy farms’ degree of specialisation
(milk vs. other agricultural output)

Proportion (%) of milk earnings in total dairy farm earnings (excluding financial aid)

Institut de l’Elevage / FADN UE 2011
Diversity: Milk production specifications

**Conventional milk**

+ PDO (Protected Designation of Origin)
  Milk processed into PDO: 2.35 billion litres in 2014 (9.6% of deliveries)

**Organic**

558 million litres in 2015 (2.3% of deliveries)

**Certified milk from mountainous regions**

135 million litres in 2009 (0.6% of deliveries)
Diversity: Milk production specifications

French PDO areas
(cheese, butter and cream)

Number of PDOs
Cheese: 45
Butter: 3
Cream: 2
Diversity: Dairy cattle nutrition

Proportion (%) of dairy farmers who put their herds out to pasture

Institut de l’Elevage / Agricultural census 2010
How can you govern a country which has two hundred and forty-six varieties of cheese?

Les Mots du Général, Ernest Mignon, 1962
Diversity: Dairy plant locations
Diversity: Dairy company profiles

5 world market leaders

Plenty of outsiders (turnover > € 200 M)

Portfolio focus: ready to eat products
- SENOBLE (€730 M)
- ANDROS (€750 M 2009)
- riants (€270 M)
- Triballat (€419 M)

Versatile portfolio
- MAÎTRES LAITIERS DE NORMANDIE (€331 M)
- LAÏTA (€1 300 M)
- LACT'UNION (€232 M)
- SILL (€288 M)

Portfolio focus: ingredients
- AGRIAL (€1 356 M)
- EURIAL (€1 020 M)
- SILL (€410 M)
- INGREDIA GROUP (€414 M)
- FLÉCHARD (€220 M)

Year: 2014
Conclusion: The main strengths and weaknesses of the French dairy sector

- Strong brands and well-known generic products associated with France
- Appeal of dairy farming challenged by other agricultural activities
- Wide portfolio including high added value products
- High cost of mechanisation on dairy farms due to cropping activities
- Flexibility of dairy farm management
- Productivity restricted by the small size of both dairy farms and processing plants
- High level of fodder autonomy at farm level
- Productivity restricted by lack of specialisation on dairy farms
- Strong local identity
Thank you for your attention!