FRANCE, A MAJOR PLAYER IN AGRICULTURAL PRODUCTION, MOVING TOWARDS A SECURE, MODERN & SUSTAINABLE AGRI-FOOD INDUSTRY
FRANCE IS A MAJOR AGRICULTURAL AND AGRI-FOOD PLAYER WITH COMPETITIVE STRENGTHS

An agricultural sector, with a strategic role in food production:
- Agricultural production accounts for 3.5% of GDP
- 18% of European agricultural production
- Largest herd in the European Union; 2nd largest dairy producer in Europe
- 5th leading wheat producer and 2nd largest wine producer in the world

A powerful processing and competitive industry:
- €224 billion in revenues (INSEE)
- 70% of the agricultural production is transformed
- 54,800 businesses, 600,600 employees
- 2nd largest agri-food industry in Europe

An efficient export industry:
- 13% of total French merchandise exports
- 3rd largest trade surplus with €7.8 billion
- 6th largest exporter of food products in the world
- The world’s leading wine exporter (Source: WTO)
A LARGE, MATURE DOMESTIC MARKET, WITH A MODERN SUPPLY CHAIN

A large market, boasting quality products:
- 67 million consumers
- 80% of the population concentrated in urban areas
- A growing appetite for “made in France” organic and local products
- More than 1,100 products protected by a protected designation of origin or quality label

A highly integrated logistics sector and a strong, modern distribution system
- 3,100 warehouses, which are at least 5,000 sq. m. in size, totaling 78 million sq. m.
- 44,000 general food markets
- Development of specialized and short-circuit distribution

Dairy processing 
Dairy processing
Co-operative group, production and processing of cereals
Manufacture and distribution of wines and spirits
AN INNOVATIVE AGRI-FOOD MARKET INTEGRATED INTO THE GLOBAL VALUE CHAIN

A competitive and innovative industry:

19% average investment rate

One strategic technological plan for the entire food industry (2016-2020)

65% of businesses in the agri-food sector innovate, including 30% in products,
creating 3,000 new products every year

Agriculture is becoming more sustainable and compatible with the environment:

€19 billion in revenues from organic food production in 2019

8.5% of agricultural area, +14 more organic farms

5,399 HVE-certified farms, certification in development

An efficient innovation ecosystem:

10 innovation clusters

15 food technology institutes (ITAIs), 1,200 researchers

€645 million allocated to higher education and research in 2021 (excluding staff costs)

One platform dedicated to innovation: “Food for Life”
FRANCE WELCOMES FOREIGN AGRI-FOOD BUSINESSES

A pro-business legal framework:
No restrictions to invest in agricultural and agri-food sectors
Simplified administrative procedures, without lowering food safety
Corporate tax has been lowered since 2017
(from 33.33% in 2017 to 27.5% in 2021 and 25% by 2022; 15% for SMEs; conditions apply)

An attractive sector for international investors:
With 73 projects, investments in the agri-food industry accounted for 9.7% of all foreign investment in the industry in 2019
392 jobs creating FDI projects in the agri-food industry since 2014

Major foreign investors in France:

A success story from Canada: LALLEMAND
“The Canadian company Lallemand, which is one of the global leaders in the development and production of yeasts and bacteria, has a production site in Saint-Simon (Auvergne-Rhône-Alpes region). It specializes in the production of ferment for the food industry, especially the dairy industry, and probiotics. It is this latter activity that is driving the growth of the Saint-Simon site: since 2017, around forty jobs have been created and the site’s production capacity has doubled. New investments and recruitments are planned in the coming years.” – Business France Annual Report 2019
A PUBLIC AND PRIVATE ECOSYSTEM FOCUSING ON STRUCTURING MARKET OPPORTUNITIES

PRIVATE KEY PLAYERS

National Association of Food and Drink Industries

10 innovation clusters

Professional federations

The world’s largest food innovation exhibition

PUBLIC KEY PLAYERS

Ministry for Agriculture

Agricultural Research Centre for International Development

National Research Institute for Agriculture, Food and the Environment

French Research Institute for the Exploitation of the Sea
MANY STRUCTURAL OPPORTUNITIES IN AGRI-FOOD SECTORS TO REACH SELF-AWARENESS AND SECURE SUPPLIES

Agriculture sector
New technologies for precision agriculture
Biotechnology, equipment and livestock genetics
Natural phytosanitary products
Technologies for the decarbonization of agriculture and the land-use sector
Biotechs

Agri-food sector
Agricultural processing industries
New healthy agri-food products
Organic agriculture and food products
Conservation techniques
New packaging technologies

Specialized services
Distribution
Specialized transport
Logistic platform, suitable for short circuits and fresh products
Traceability technologies
Digitization
FRANCE RELANCE: A SPECIFIC AND AMBITIOUS PLAN TO SUPPORT THE AGRICULTURAL AND AGRI-FOOD MODEL OF THE FUTURE (2021-2022)

FOOD SOVEREIGNTY
A plan to strengthen the market, secure supplies and develop the strategy for priority sectors

€364 million
Relocation of strategic production sites; modernization of agricultural and agri-food sectors.

A NATIONAL STRATEGY ON PLANT PROTEIN
€100 million
Increase France’s independence in terms of its supply of vegetable proteins for human and animal food.
Develop, attract and support companies in the vegetable protein-based food sector.

MODERNIZATION OF SLAUGHTERHOUSES
€130 million
Investment to modernize slaughterhouses

ENSURING SAFE, HEALTHY FOOD AND ANIMAL WELFARE
€100 million
Ensuring biosecurity and animal comfort as part of the Biosecurity and Animal Welfare pact.
## FRANCE RELANCE – BUILDING THE AGRICULTURAL AND AGRI-FOOD MODEL OF THE FUTURE: Ensuring a more sustainable approach to protecting the environment

### INVESTING IN MEANS OF PRODUCTION FOR THE AGRI-ECOLOGICAL TRANSITION

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Premium for the conversion of agricultural equipment to invest in more resource-efficient tools and focus on innovation to reduce phytosanitary products</td>
<td>€546 million</td>
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<td>Financial support for businesses that design and manufacture agricultural equipment to promote innovation and adaptation of equipment to new uses</td>
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<tr>
<td>Aid for investments to protect against climatic hazards (equipment, resource management)</td>
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### STRUCTURING OF AGRICULTURAL AND FOOD SECTORS

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<td>Agri-equipment conversions, bonus and acceleration program for agri-equipment companies. Investment to support the structuring of sectors to develop and integrate new, inclusive bio-products</td>
<td>€100 million + €120 million (National Investment Program)</td>
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### BETTER ACCESS TO HEALTHY FOOD

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<tr>
<td>Support for school canteens</td>
<td>€200 million</td>
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<td>Support for regional food programs in local communities</td>
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<td>“Fresh basket” program</td>
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<td>Other programs</td>
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### BUILDING A SUSTAINABLE MODEL

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<td>Aid for investment to protect against climatic hazards (equipment, resource management), including €20 million for the wood industry.</td>
<td>€300 million</td>
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TERMS OF PARTICIPATION FOR BENEFICIARIES

**Project applications: Support for investment in strategic sectors**
Eligibility: Businesses, whatever their size, registered in France under the Trade and Companies Register (RCS), or a consortium of companies with a leader registered in France

**Investment financing: Reinforcement of bio-security and animal comfort**
Objectives: Modernization of slaughterhouses and acquisition of equipment to improve production, traceability and packaging and handling of agricultural products

**Tax credits: Acceleration of the agri-ecological transition and access to healthy food**
Objectives: Developing investments in organic farming and HVE certification
CREATING A STRONG, SECURE AND MORE SUSTAINABLE MARKET

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