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France

Grain and Feed

French Grain Crop impacted by Weather: Small Crop but Good Quality

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Report Highlights:

France is again experiencing a severe drought in 2005. However, compared to the worst drought of 2003, this year extreme dry conditions are less widespread. The hay crop has been average. In the more affected areas, farmers will be eligible for disaster payments to offset part of their losses. It appears that wheat, durum and barley crops were not very affected by the drought but suffered some losses from the heat wave in June followed by the continued rainfall during harvest. On the other hand, the wheat and durum crops have excellent quality with high protein content meaning the 2005 French wheat crop will have excellent milling and baking qualities. The corn crop is more suffering from the drought. It is still too early to forecast if the yields could reach the low level of 2003, but, combined with lower areas and a decline in yield, corn crop could down 15 to 20 percent from the previous year.

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France is again experiencing a severe drought in 2005. However, compared to the worst drought of 2003, this year extreme dry conditions are less widespread. The hay crop, which is very important to the livestock sector, has been average. Use of set-aside fields also limited the lack of forage for cattle farmers. Overall, it is estimated that the French forage supply/demand figure will be negative by 7 to 8 percent meaning an increased use of straw and processed feed by cattle farmers to balance it. In the more affected areas (especially the central-western part of France), farmers will be eligible for disaster payments ("calamités agricoles") to partly offset part of their losses.

By mid-August 2005, the French wheat, durum and barley harvest has ended, while the corn crop will be harvested starting early September to end in October 2005. It appears that wheat; durum and barley crops were not very affected by the drought situation but suffered some losses from the heat wave, which hit France in June 2005, and the continued rainfall during harvest starting mid-July.

Crop	Area (HA)	Aug 1 st yield estimate (MT/HA)	Aug 1 st crop estimate (MMT)	April crop estimate (MMT)
Soft Wheat	4870	7,3	36	37,6
Durum	412	4,86	2,0	1,99
All wheat	5282		38	39,6
Barley	1607	6,46	10,4	10,5
Corn	1626	8,29	13,5	14,1

(Source Ministry of Agriculture and ONIC)

On the other hand, favorable weather conditions throughout the plant growth in the winter and spring lead to an excellent quality for the wheat crop: on average, protein content is above 12 percent and often reaching 13 percent and above, specific weight is in the 75 to 85 kg per hectoliter range and Hagberg indexes are often above 250, meaning the 2005 French wheat crop will have excellent milling and baking qualities. Durum wheat crop is and exceptional quality, with protein contents on a 13 to 15 percent on average. Such good quality means the French wheat crop will have excellent export opportunities, especially since competitors particularly in the southern hemisphere may have lower crops.

Barley crop is also of a average quantity and of a good quality. The heat wave, which hit the crop closer to harvest, reduced the specific weight and kernel size, but the protein levels are optimum for malting barley.

Analysts have more acute concerns for the corn crop, which is suffering from the drought. Water restrictions have been effective in most regions growing corn, which means that even irrigated corn would suffer from the drought. With those restrictions already looming in the spring, many farmers switched to less water demanding crops such as sunflower, reducing the overall area planted to corn by close to 8 percent from previous year. It is still too early to forecast if the yields could reach the low level of 2003, but, combined with lower areas and a decline in yield, corn crop could down 15 to 20 percent from the previous year.