USDA Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network
Template Version 2.09

Required Report - public distribution

Date: 11/21/2006

GAIN Report Number: FR6071

France

Planting Seeds

Annual

2006

Approved by:
Elizabeth B. Berry
U.S. Embassy

Prepared by:
Marie-Cécile Hénard

Report Highlights:
France is the largest European producer and the world's second leading exporter of planting seeds. The main product exported by the United States to France is corn seed although France has recenlty reduced imports of corn seeds from all origins, and particularly from the United States. The French planting seed industry, which favors biotechnology, has experienced the destruction of many biotech test plots by anti-biotech proponents. In 2006, two thirds of field test plots were destroyed.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Paris [FR1]
[FR]

Table of Contents

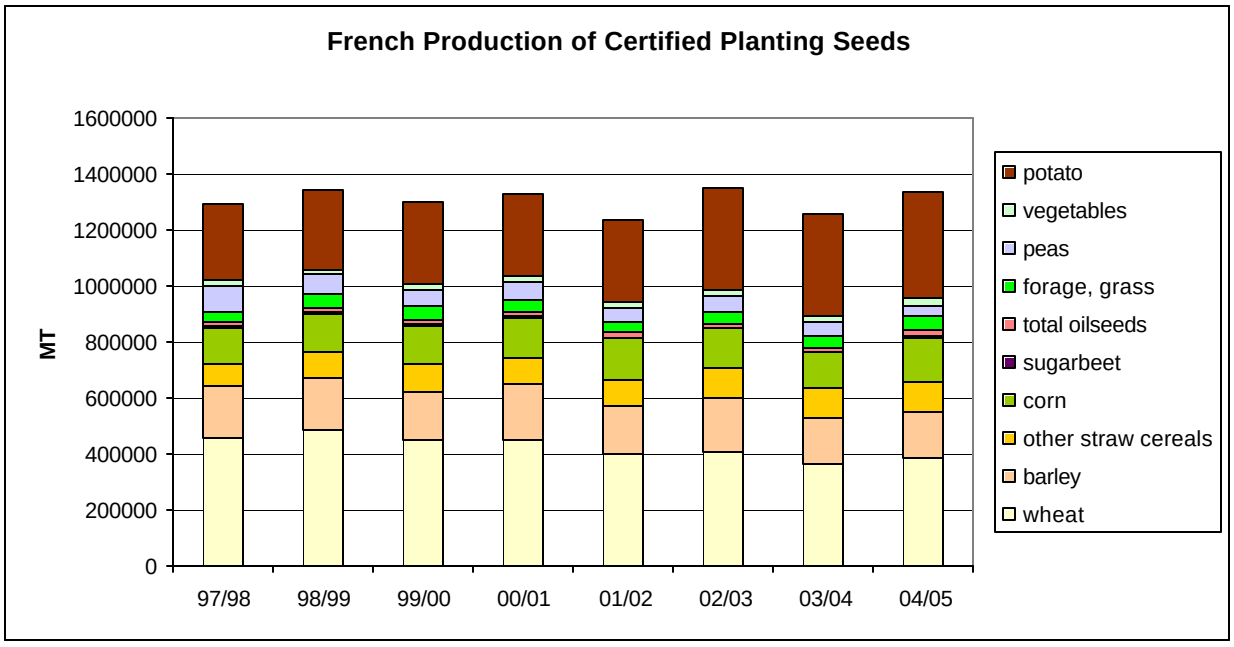
Executive Summary

France is the largest seed producer in the European Union. Since 1997/98, total production of planting seeds has been relatively stable at approximately 1.3 million MT. Wheat and potato planting seeds are the leading products. France imported $41 million of planting seeds in CY 2005 from the United States (BICO), primarily seed corn.

The French and EU seed registration systems are fully integrated, therefore, seeds registered in any EU member state are also registered in France, and vice versa. French intellectual property law allows plant breeders making varietal selections to freely use (copyrighted) plant varieties to create new varieties. In 2006, anti-GMO proponents destroyed two-thirds of open-field biotech test plots leading to a chilling effect on biotech research in France. Nevertheless, demand for biotech corn seeds (MON810 event) is growing. Biotech acreage has grown from 500 ha in 2005 to 5,000 ha in 2006 and is forecast to increase significantly in 2007 (see FR6037).

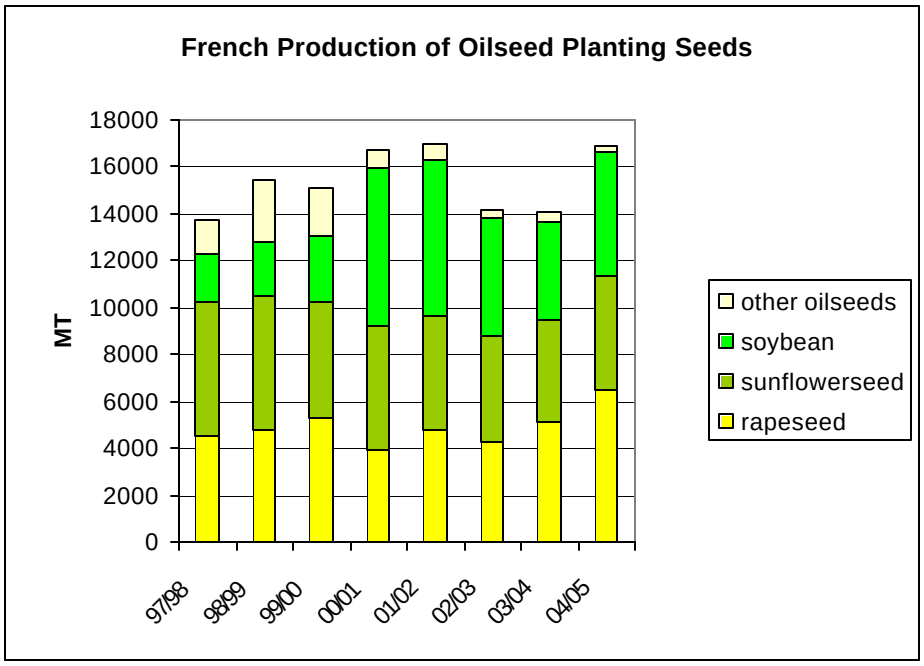
Production

France is the largest seed producer in the European Union. According to the chart below, total French production of planting seeds has been relatively stable at approximately 1.3 million MT since 1997/98 with wheat and potato planting seeds prominent in French production. Seed corn also continues to be produced in major quantities in France.



Source: French Seed Industry Organization (GNIS)

In general, production of oilseed seeds in France is marginal compared to the other planting seeds, but domestic production of certified rapeseed seeds increased significantly between 2003 and 2005 following implementation of domestic financial incentives for biodiesel production from rapeseed. (For more information, please see FR6005 dated January 20, 2006)



On the other hand, French corn seed producers believe the government's 2004 decision suspending authorization of two insecticides to treat pests in seeds, Bayer's Gaucho and BASF's Regent, has had a negative impact for them relative to their counterparts in EU countries where the chemicals are still authorized for use.

Seed Certification – Variety Approval

The French and EU seed registration systems are fully integrated, therefore, seeds registered in any EU Member State are also registered in France.

The French seed sector is regulated by three main organizations. First, the "Permanent Technical Committee for Seed Selection" (Comite Technique Permanent de la Selection, or CTPS) sets the technical rules for registering seed varieties in the French seed catalogue. All new seed variety petitions must be submitted to the CTPS.

Second, new seed varieties must pass agronomic and technical tests to qualify for inclusion in the French seed catalogue. The Study and Control Group for Varieties and Seeds ("Groupe d'Etudes et de Controle des Varietes et des Semences," or GEVES) conducts these studies on test plots across France. GEVES is comprised of representatives from the French MinAg, the National Institute of Agricultural Research (INRA), and the French seed industry organization ("Groupement National Interprofessionnel des Semences," or GNIS). Please see GEVES website for more information: http://www.geves.fr (in French). Varieties registered in the European seed catalogue are listed on the GNIS website, which also contains information in French and in English on seed certification: http://www.gnis.fr

Third, certified seed production is controlled by the "Service Officiel de Controle et de Certification" (SOC), which is the joint responsibility of GNIS and MinAg. The MinAg establishes the official criteria for certification. Random tests in the field and at processing plants verify the sanitary status of the seeds, the germination capacity and the moisture level. The SOC has the power to levy administrative and economic penalties, including fines and plant closures.

Intellectual Property Rights

In France, the framework protecting new seed varieties is the 1961 UPOV (Union pour la Protection des Obtentions Vegetales) Convention, which was strengthened by the 1991 Act (UPOV 1991). In contrast to the patent process used in the United States, these Conventions allow the use of a Plant Variety Protection (PVP) to develop another variety without having to pay a fee. The UPOV system is designed to protect the work of breeders, to accommodate users' needs, and to specifically reserve rights for further variety development. The production and sale of a protected variety is subject to the approval of the variety breeder.

The Community Plant Variety Office (CPVO), based in Angers, France, is the European authority implementing the European system for the protection of plant variety rights. CPVO works with the French GEVES and the other seed evaluation groups in EU Member States. http://www.cpvo.eu.int

France put its national law into compliance with Directive 98/44 (regulating intellectual property rights on plant varieties) in the law 2004-1338 of December 8, 2004 available at http://www.legifrance.gouv.fr/WAspad/UnTexteDeJorf?numjo=ECOX0100118L
The French law allows plant breeders making varietal selections to freely use (copyrighted) plant varieties to create new varieties.

Biotechnology

Pending EU Regulation on Biotech in Planting Seeds

The French planting seed industry believes that the lack of European biotech regulation setting thresholds for adventitious presence of biotech planting seeds is counter to the interests of the European industry and farmers. In late 2003, the European Scientific Committee proposed the following thresholds for adventitious biotech presence in planting seeds: 0.3% for rapeseed, 0.5% for corn, and 0.7% for soybeans. Organic farmers favor the lower threshold of 0.1%. The French planting seed industry believes the European Scientific Committee thresholds are too low and that the proposed organic threshold is untenable.

Open Field Test Plots and Production in 2006

Due to the agronomic and economic benefits experienced in 2005, French farmers are estimated to have expanded their biotech corn plantings from 500 ha in 2005 to 5,000 ha in 2006. The MON810 event is the only one present in biotech corn varieties grown in France, providing resistance against the European corn borer (see FR6037). In 2007, the acreage planted to biotech corn in France is estimated to continue to increase, to 10,000 to 50,000 ha, depending on sources.

In the summer of 2006, activists destroyed about two thirds of biotech open-field test plots, an increase from previous years, and also destroyed commercial biotech corn. The French Ministry of Agriculture reacted strongly and quickly to condemn such actions.

Testing for Biotech in Planting Seeds in 2005

French MinAg Tests:

The Food Directorate of the French Ministry of Agriculture (DGAL) conducts GM content tests on plantings seeds imported into France. In 2005, of 168 samples of corn seeds, DGAL found 6 which contained biotech corn seeds with the MON810 event and were labeled accordingly. DGAL concluded the 6 biotech labeled samples had been labeled in conformity with the EU biotech traceability and labeling regulation.

Of the remaining 162 conventional samples tested, DGAL reports that it identified the adventitious presence of biotech in 24 percent of the samples (down from 35 percent in 2004). In 90 percent of the cases, the reported adventitious presence rate for biotech was below 0.1 percent. On the remaining 10 percent, the adventitious presence rate was reportedly below 0.25 percent. DGAL tested 76 corn seed samples of U.S. origin out of the total 162 conventional corn seed samples tested, and 35 percent of the U.S. corn seed samples reportedly contained adventitious presence of biotech. The other origins tested were Chile, Romania, Turkey, Croatia, Bulgaria and Australia.

DGAL identified the following biotech events adventitiously present in corn seeds from all origins: MON810 was reportedly present in 69 percent of the samples tested, MON863 (38 percent), NK603 (20 percent), Bt11 (10 percent), T25 (8 percent), TC1507 (8 percent), GA21 (2 percent), and Bt176 (2 percent).

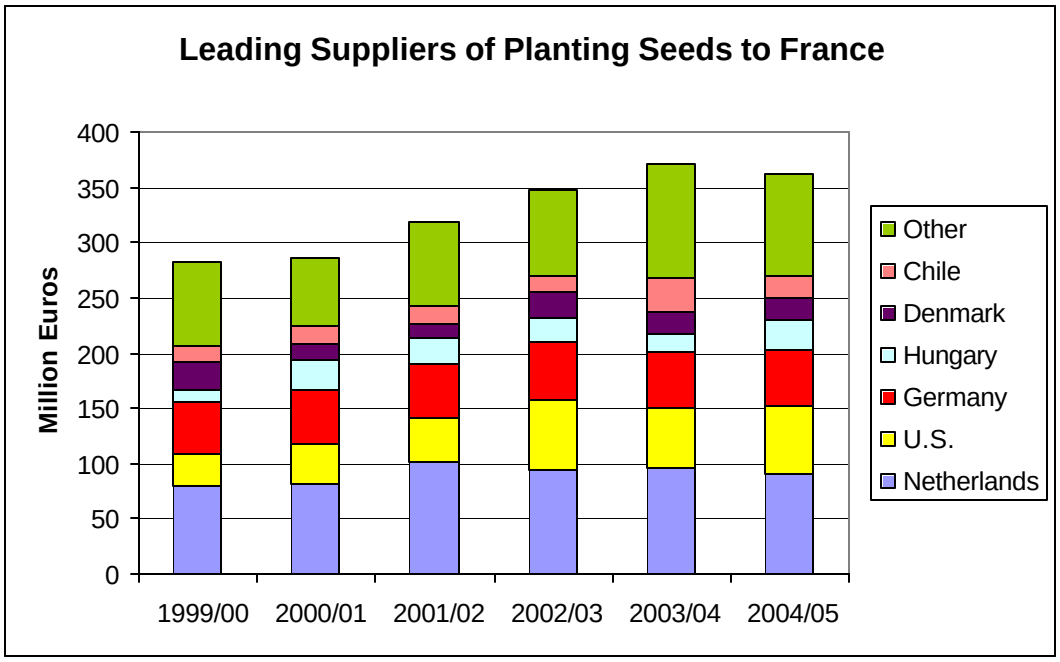
French Fraud Control Office Tests:

The Fraud Control Office of the French Ministry of Economy, Finance and Industry (DGCCRF) conducts tests on planting seeds on the French market (at the level of importers, producers and distributors across France) for biotech content. A majority of these tests are conducted on seeds produced in France and a minority on imported seeds. In 2005, DGCCRF tested 106 samples of planting seeds including 39 samples of rapeseed, 52 samples of corn, and 18 samples of soybeans. The analyses reportedly revealed the presence of traces of RoundUp Ready (RR) soybean at 0.1 percent in one sample. The lot where this sample was taken was removed from the market, as RR soybean is not authorized for cultivation in France.

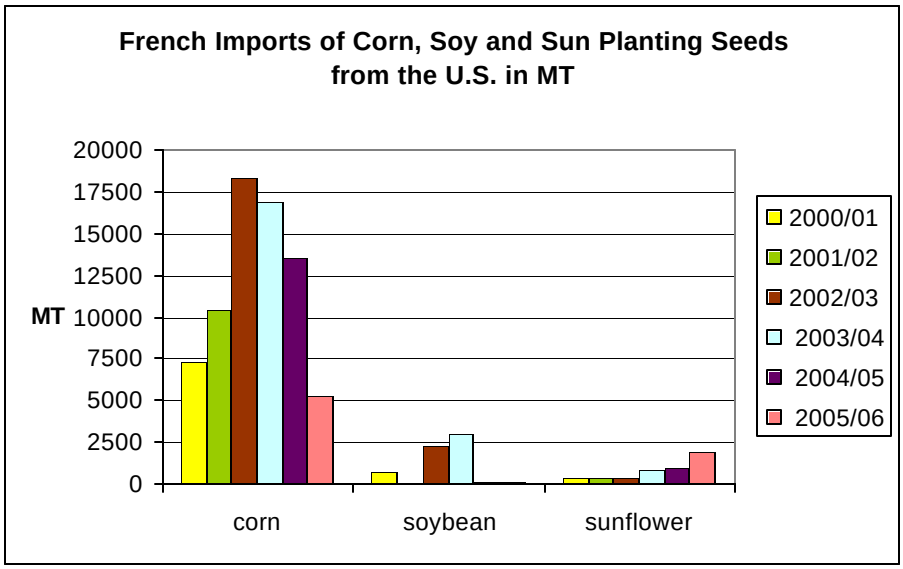
Trade

France is the world's second largest exporter of planting seeds with exports valued at 617 million euros in 2004/05. At the same time, France imported seeds worth 362 million euros. As indicated in the graph below, exports have gradually increased in the past few years, while imports have stagnated.

The United States is France's second largest supplier of planting seeds after the Netherlands, as indicated in the graph below.



Although France is a net exporter of total planting seeds, it has a deficit with the United States, particularly in corn, soybean and sunflower seeds. The graph below indicates that corn seeds are, by far, the leading category of France's imports of U.S. seeds.



While the U.S. has been a leading supplier of corn seeds to France, this market has declined significantly in the past four years. The graph below indicates that most of the lost market share for the United States has gone to Chile.