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France

Agricultural Situation

Dominique Bussereau Remains Agriculture Minister in the New GOF

2005

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Report Highlights:

Dominique Bussereau keeps his position as Minister for Agriculture and Fisheries. He will be responsible for the parliamentary approval of the proposed 2005 agricultural modernization law. Minister Bussereau will also have the difficult task of defending the EU Farm budget against potential cuts sought by some EU parliament members. MinAg task will be complicated by the French rejection of the proposed EU Constitutional Treaty. France is a major beneficiary of EU farm programs. In addition, MinAg Bussereau will work with the new Trade Minister Mrs. Christine Lagarde. She is likely to have a difficult task of defending France's position on agricultural negotiations at the WTO.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Paris [FR1]
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On June 2, 2005, new French Prime Minister Dominique Galouzeau de Villepin named his new Government. Dominique Bussereau keeps his position as Minister for Agriculture and Fisheries. Junior Minister Nicolas Forrissier, who was Secretary of State for Agriculture, Fisheries Food and Rural Affairs, lost his position in line with the Prime Minister's intention to streamline the French Government.

AgMinister Bussereau will continue the implementation of the EU 2003 reform of the CAP, which will be enforced starting 2006. He will also be responsible for the parliamentary approval of the agricultural modernization law, which was unveiled on May 18. The goal of this law is to set a new domestic framework for French agriculture and food industry for the next twenty years. Minister Bussereau had a planned U.S. trip in early June 2005.

Following the rejection of the EU constitutional Treaty on May 29 by French voters, Dominique Bussereau will also have a difficult job of defending the EU Farm budget. With costs of integration of Bulgaria and Romania soaring, there could be attempts by EU officials to tap into the EU farm budget. Some EU parliament members as well as some Member States would be akin to cut it or renationalize it partly, especially since France is a major beneficiary of EU farm programs with close to € 8 billion of agricultural payments received annually. President Chirac used the argument that the EU farm budget was engraved in stone until 2013 as a sweetener to help push the 2003 CAP reform on French farmers. A failure of such a promise would mean hard political time ahead for both French President and French Agricultural Minister.

6-MinAg Bussereau will work with new Trade Minister Christine Lagarde. Mrs. Christine Lagarde, 49, was Chairman of the Executive Committee of The U.S. Law Firm Baker & McKenzie since 1999. She is being considered by several magazines such as Fortune as one of the most influential women in the world. Christine Lagarde will have a difficult task of defending France's position on agricultural negotiations at the WTO. Considering her U.S. background, she is supposed to be more liberal minded than her predecessor François Loos.

On the Biotech issue, Minister Bussereau will work with the new Environment Minister Nelly Olin. Member of the French Senate, she was previously Junior Minister for Integration, Equal Opportunity and the Fight against Poverty. She has no known position on the ongoing "debates" about production of biotech crops. Nor is Renaud Dutreil, whose new ministerial portfolio includes consumer affairs.