How to engage the consumer?
EPP Congress 2024

Pig and pork production in France

Christine Roguet

ifip — Institut du porc

Pig and pork production in France : characteristics, changes and challenges

Christine Roguet

Pig and pork production in France: characteristics, changes and challenges

Dr. Christine Roguet
Economic team, IFIP-institut du porc

EPP 2024, Nantes, 29/05/0024

Presentation structure

- France in a few key facts
- French pork balance sheet
- Organization of the pig sector
- Pig farms characteristics
- Prospects

France in a few figures

France has the largest amount of agricultural land in the EU

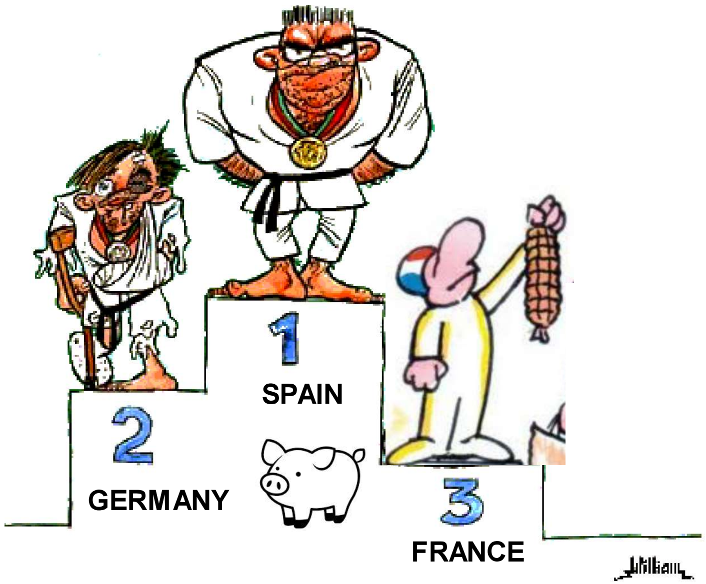
- 27.4 million ha 2020

The second most populous country in EU

- 67.9 million inhabitants 2021

A leading agricultural player in EU

- **Top** producer for **Grains, Eggs, Beef**
- **Second** largest producer for **Milk**
- **Third** largest producer for **Pork**



Pork = 5% of Agricultural Production in value in France in 2023

vs 29% in DK, 18% in SP, 12% in DE, 10% in NL

ifip
Institut du porc

French pork balance sheet

PORK BALANCE SHEET	2023
Slaughter (x 1,000 pigs)	22,550
1,000 tonnes of carcass equivalent	
Production (GDP)	2,218
Imports	508
Exports	488
Consumption (GDC)	2,166
Self supply (%)	102
Consumption per capita (kg)	31.9

GDP Gross Domestic Production,
GDC: Gross Domestic Consumption, including own consumption Metropolitan France and overseas departments,
Carcasses with head excluding flare fat, kidneys, diaphragm.

Source: IFIP from Agreste-SSP

Meat consumption (2022)

Total

84.2 kg (-5% over 2002 - 2022)

Pork: number one meat consumed

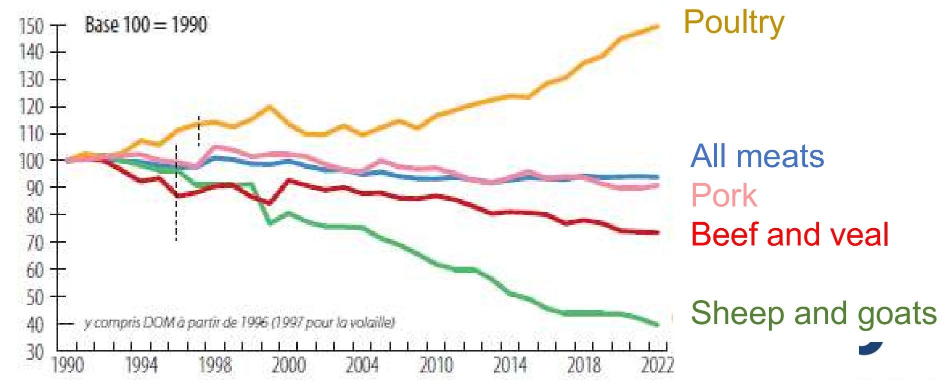
31.1 kg (-10% over 2002 - 2022)

25% only consumed as fresh meat

Poultry: second most popular meat

27.9 kg (+26% over 2002 - 2022)

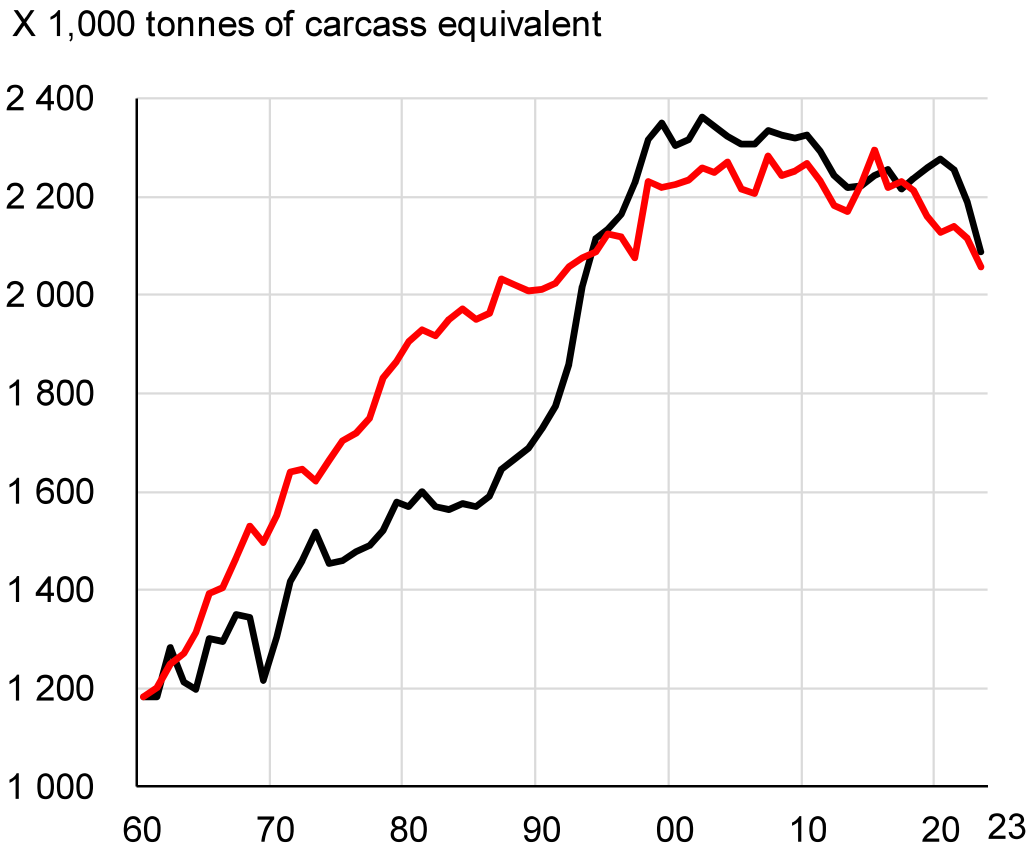
Evolution of meat consumption per inhabitant (basis 100 in 1990)



t du porc

Production and consumption

Evolution of the production and consumption of pork in France from 1960 to 2023



Source: IFIP from Agreste-SSP

Three key periods

Périod	Prod.	Consu.
1970-1985	+20.4 %	**+25.6 %**
1985-2000	**+46.7 %**	+14.2 %
2000-2023	**-9.4 %**	**-7.5 %**

1970-1985: the domestic deficit has increased. Self-sufficiency fell to 80%

➔ ***general mobilization***

1985-2000: strong growth, self sufficiency = 107%

➔ ***success***

Since 2000: decrease in production and consumption

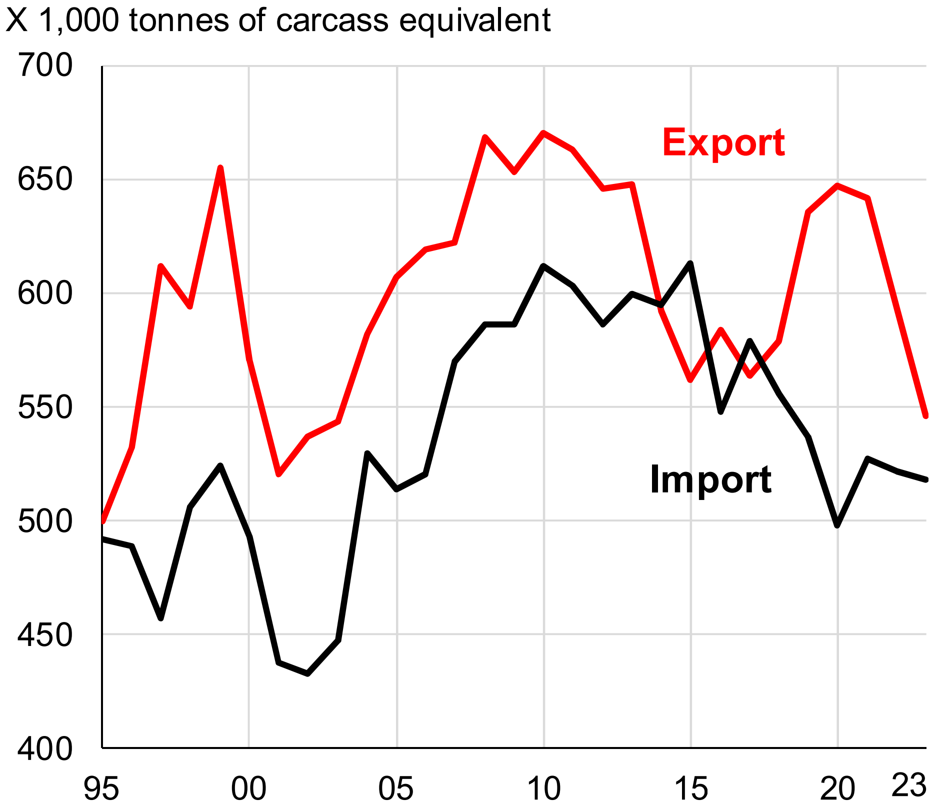
➔ ***challenge: to maintain our selfsufficiency***

Technical progress, origin labelling,
EU harmonization and mirror clauses

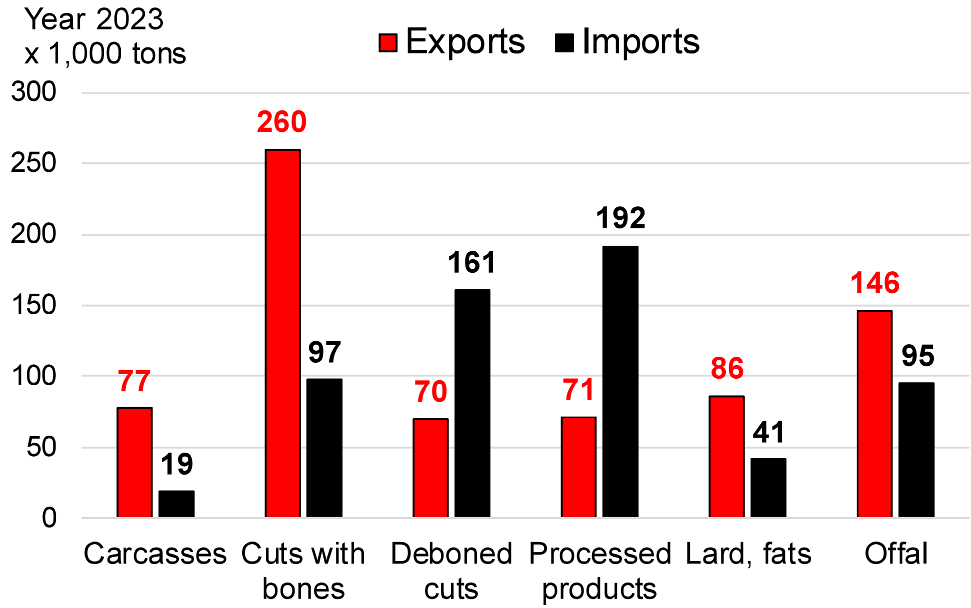
-

Imports and exports

Evolution of French pork imports and exports from 1995 to 2023



Imports and exports by product



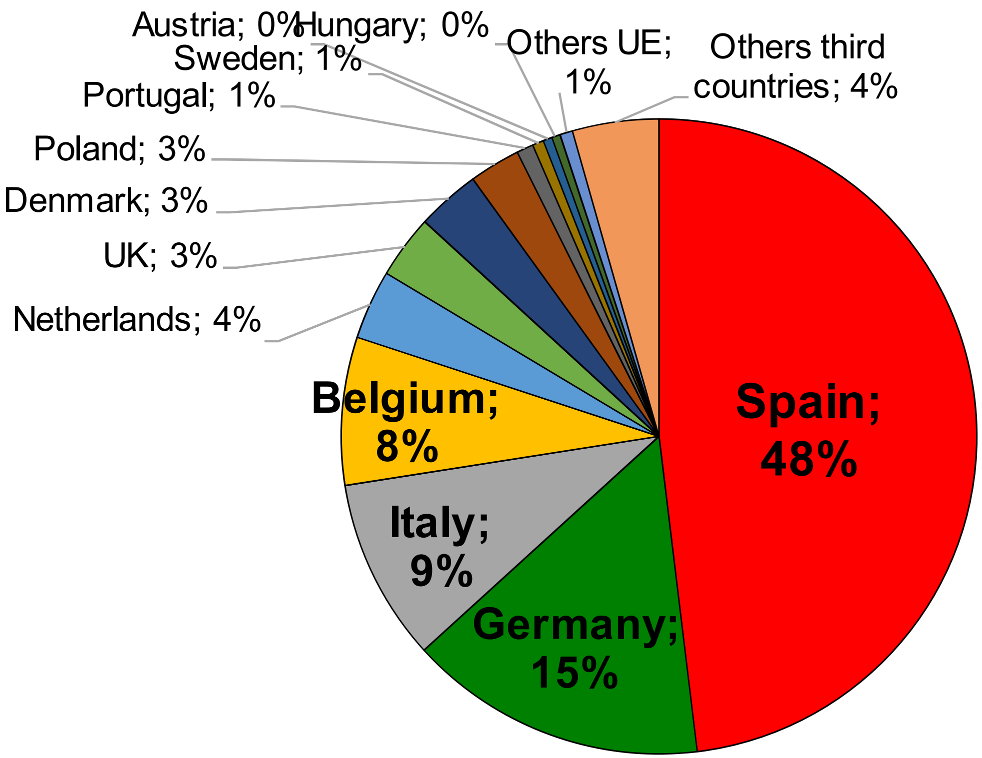
		2000	2022	2023
Trade balance	Volume (x 1000 tones)	88	170	90
	Value (x million €)	**113**	**-273**	**-566**
Volumes	imported from EU-27	97%	95%	92%
	exported to EU-27	59%	62%	64%

Source: IFIP from Eurostat and customs

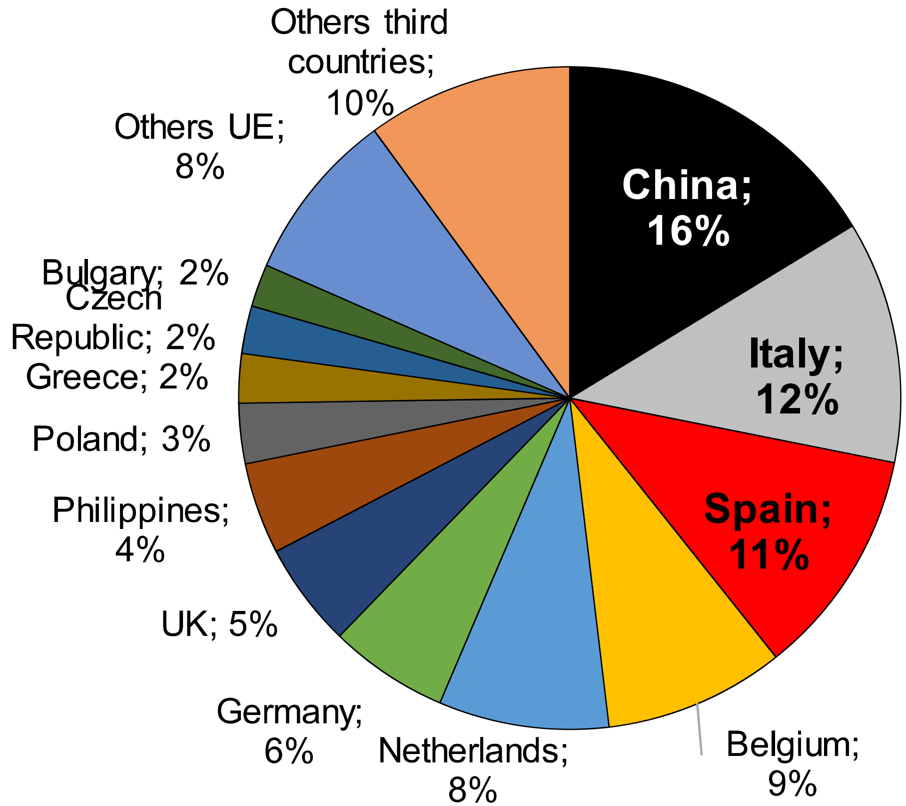
ifip Institut du porc

Pork suppliers and customers of France in 2023

Suppliers



Customers



Source: IFIP from Eurostat and customs, year 2023

Institut du porc

Presentation structure

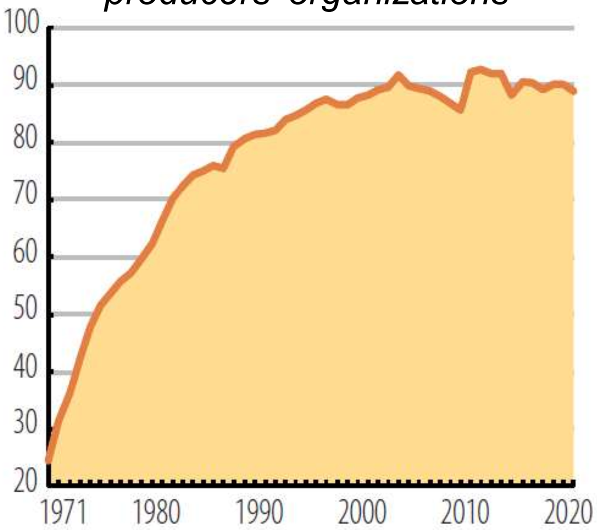
- France in a few figures
- French pork balance sheet
- **Organization of the sector**
- **Pig farms characteristics**
- Prospects

ifip Institut du porc

Organization of pig farmers into producer groups: a strong characteristic of the French pork industry

- **Encouraged by the public authorities**:
public aid from the 1970 pig production rationalization plan was granted to farmer members of a producer group

Evolution of the share of pig production organized by producers' organizations



- In 2022, **89% of French production** was carried out by breeder members of one of the **32 groups of producers.**

- **Primary functions**
  - To ensure the **marketing of the pigs** of their members, to strengthen negotiating power
  - To disseminate **technical and genetic progress** to improve the competitiveness and better meet the needs of the downstream industry

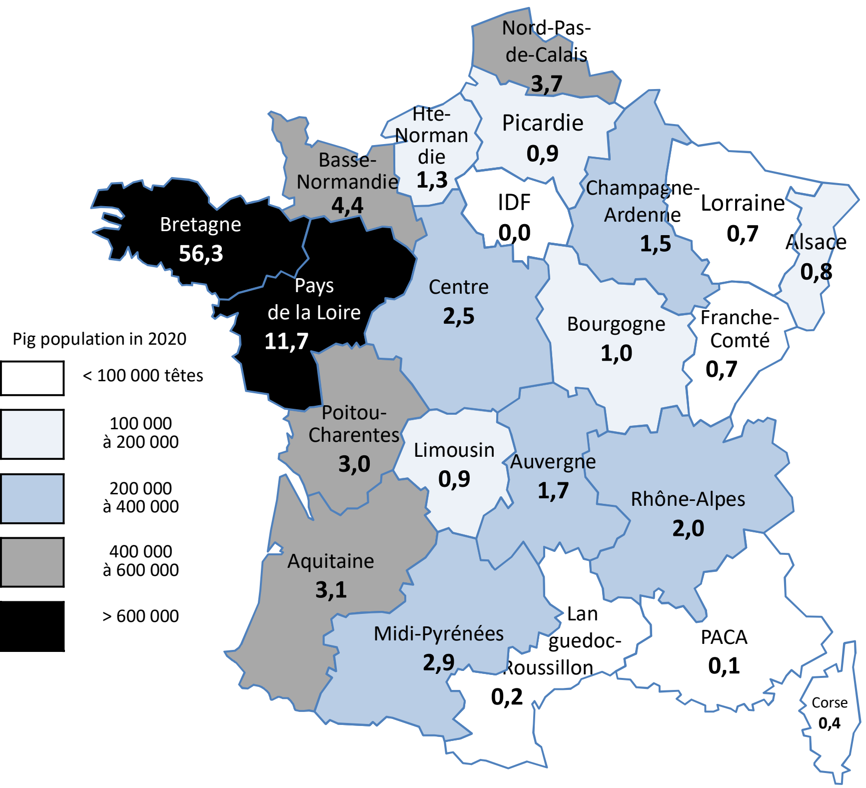
- **Strategic or lucrative activities**
  - Animal feed
  - Genetics
  - Veterinary medecine

- **To ensure outlets**
  - Slaughter and cutting
  - or processing

ifip Institut du porc

Spatial concentration: 56% of pig population in Brittany

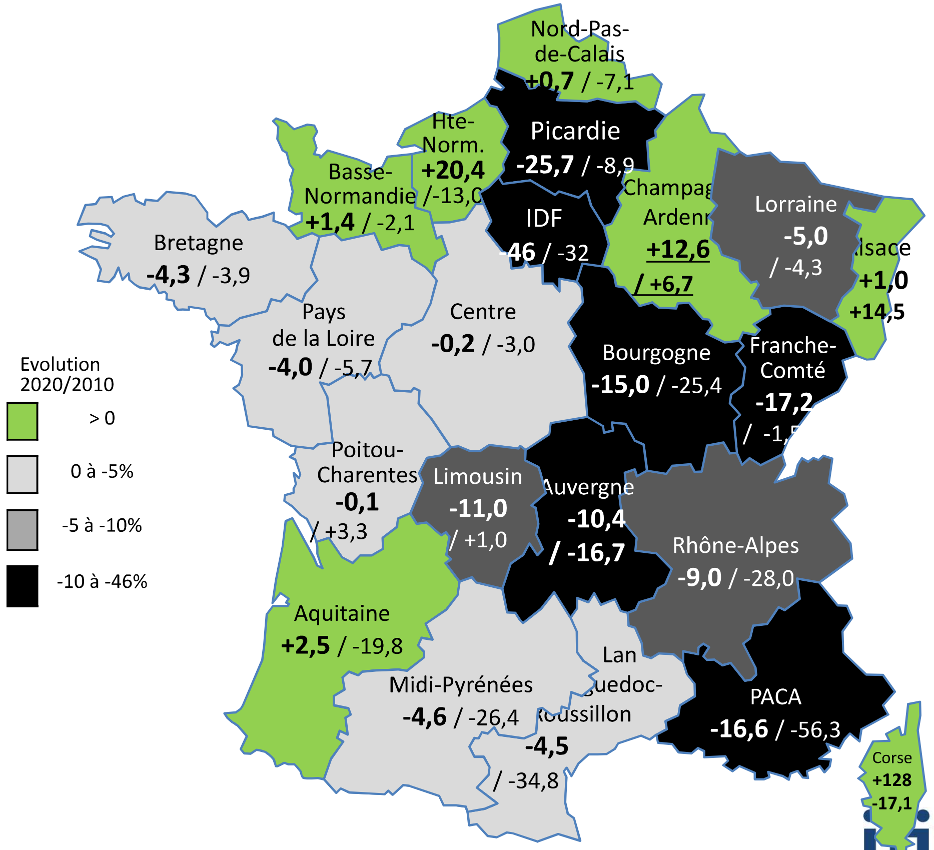
Distribution of pig population by region (%)



13.3 M. pigs including 0.956 M. sows in 2020

Change in pig population (%)

Over 2010 – 2020 (bold) / over 2000-2010



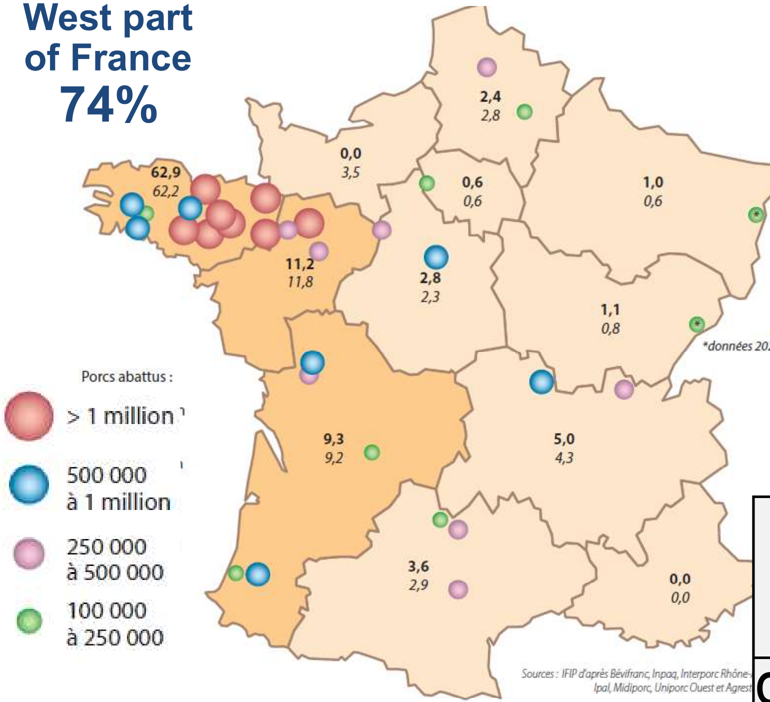
Source : IFIP from Agreste - SSP, Agricultural census of 2020, 2010 and 2000

ifip Institut du porc

Brittany: 63% of pig slaughtering and 70% of compound feed industry

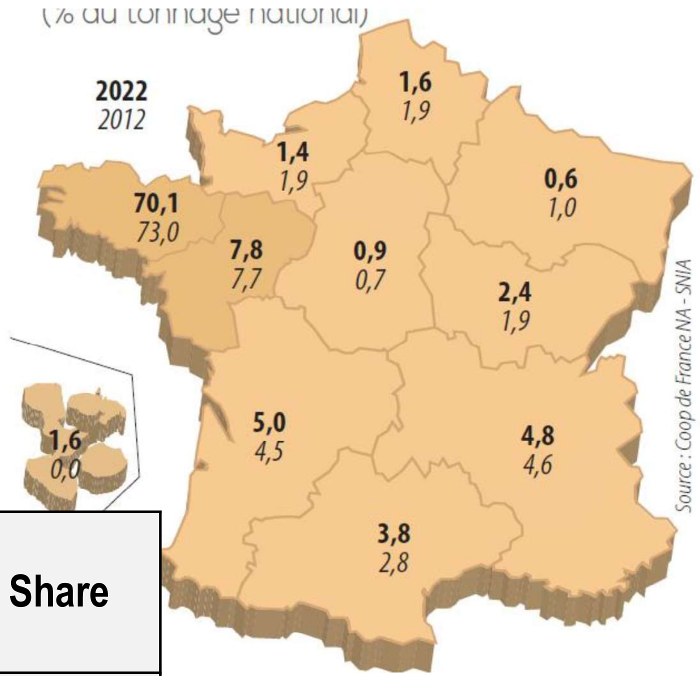
% of national slaughtering in 2022 *(and 2012)*

West part of France
74%



% of national pig feed compound manufacturing

West part of France
79%



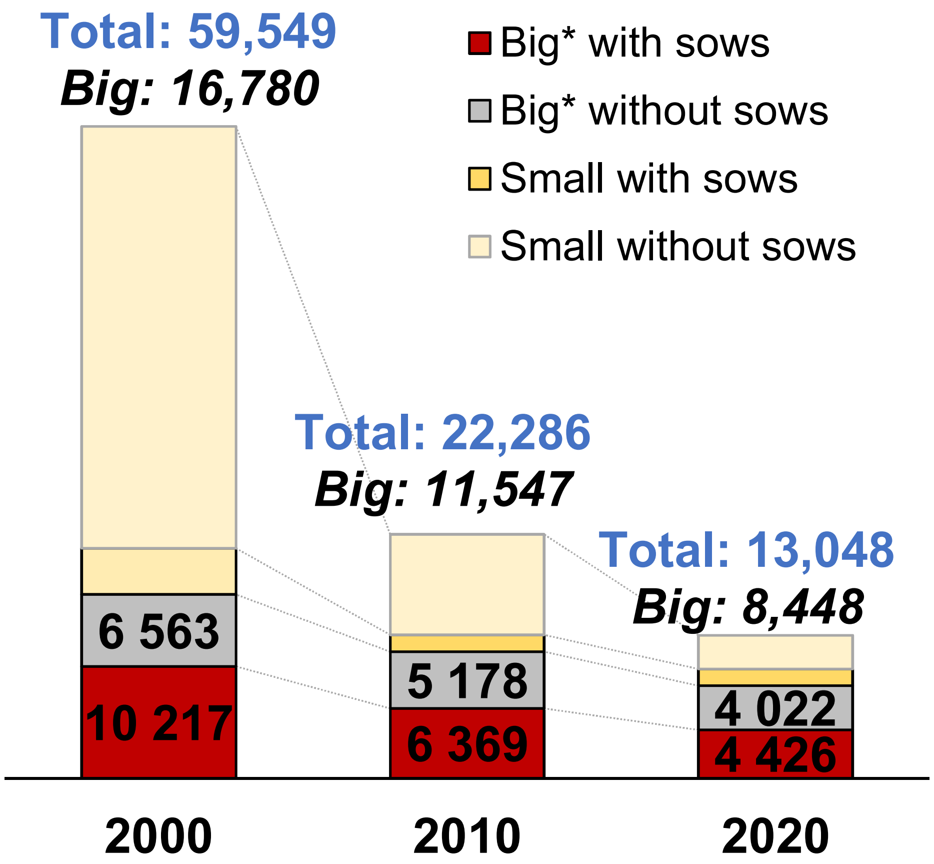
Firms, year 2022	Pig slaughtered (millions)	Share
Groupe Bigard	5.59	24%
Cooperl	4.65	20%
Agromousquetaire	2.54	11%
Top 3	12.77	55%
Top 10	20.28	88%

Source : IFIP d'après Uniporc Ouest, BDPORC

ifip
Institut du porc

Structural concentration of pig farms

Number of pig farms in France



Big: farm with more than 100 total pigs or more than 20 sows = 99,3% of pig population and 99,2% of sow population

According to agricultural census of 2020

- **13,000 farms with pigs, divided by 4.5 over 20 years**
  Backyard breeding has disappeared

- Out of this total, **8,450 pig farms held 99% of pigs** in 2020 compared to double in 2000

- **The concentration of farrowing is strong: 4,400 farms** in 2020 *vs* 10,200 farms in 2000

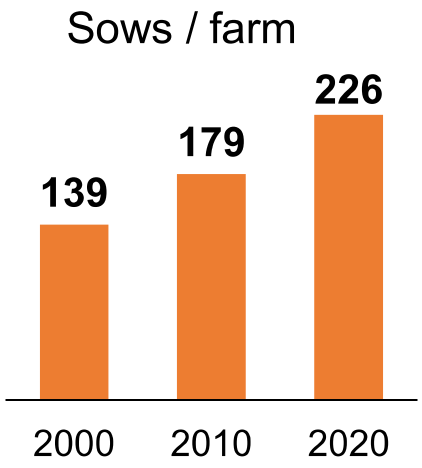
- If the decline in the pig herd slowed between 2010 and 2020 (-3.5%) compared to 2000-2010 (-7.1%), **France lost 1 sow out of 3 over 20 years (-460,000)**

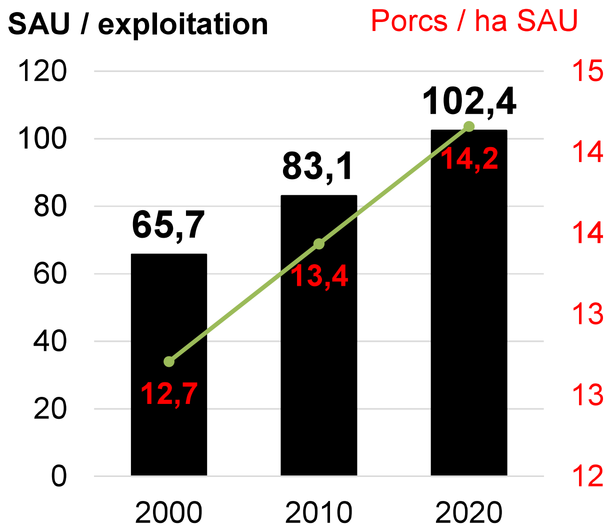
Source : IFIP d'après SSP, Agricultural census

ifip Institut du porc

Main structural characteristics of French pig farms in 2020

- **Family farms**
  - Size: **230 sows / farm**
    72% of the farrowing farms have less than 200 sows (30% of sow herd)
  - Labour: **2,42 equivalent full time** (31% hired)
  - Capital
- **Farrow-to-finish system: 80% of sows and 62% of fattening pigs**
  - A proportion of the piglets they produce is fattened by contracted finishers
- **102 ha UAA per pig farm**
- **Demography**
  - **48.8 years**: average age weighted by number of pigs
  - A third of pigs are owned by a chief older than 55



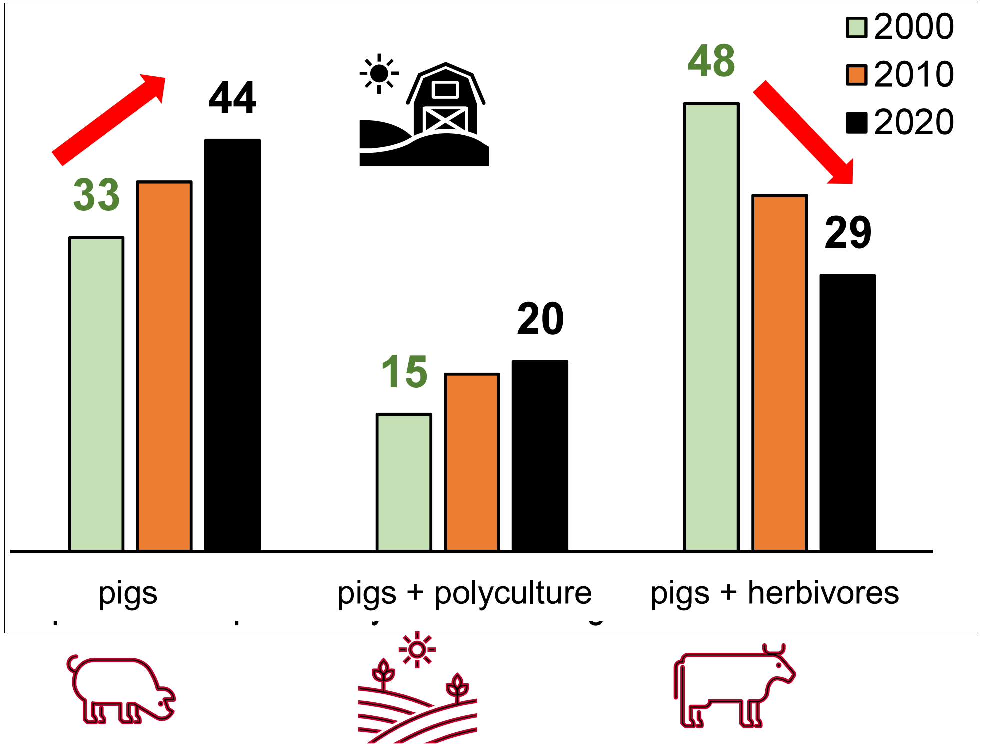


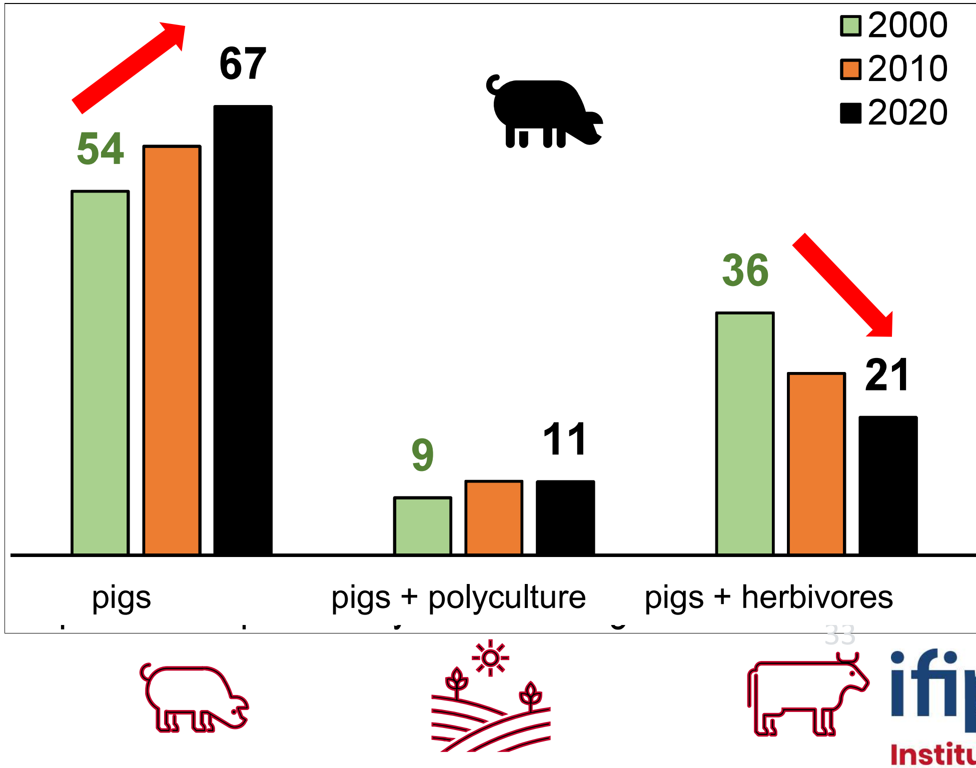
The typical French pig farm: specialized, farrow-to-finish with 260 sows, 80 ha UAA, 3.07 equivalent full-time (55% hired)

Specialized but also mixed farms

44% of pig farms are **specialized in pig** production, 29% **mix pigs and herbivores** and 20% **combine pigs and polyculture**. Decline of mixed and increase of specialized farms.

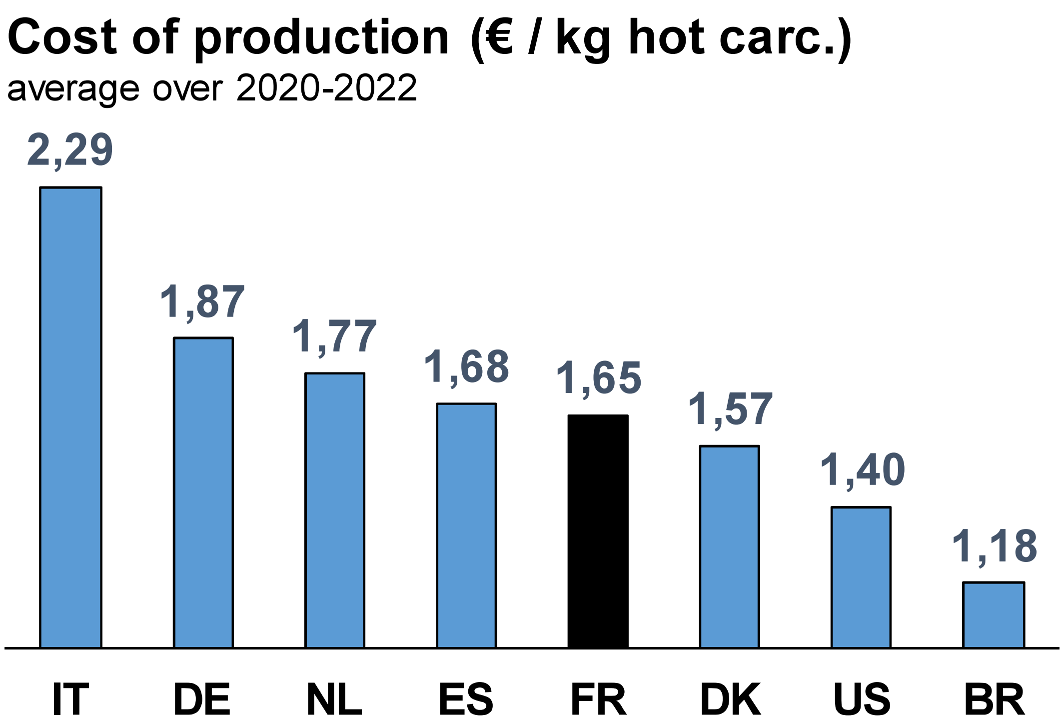
Evolution of the distribution by type of farms and pigs

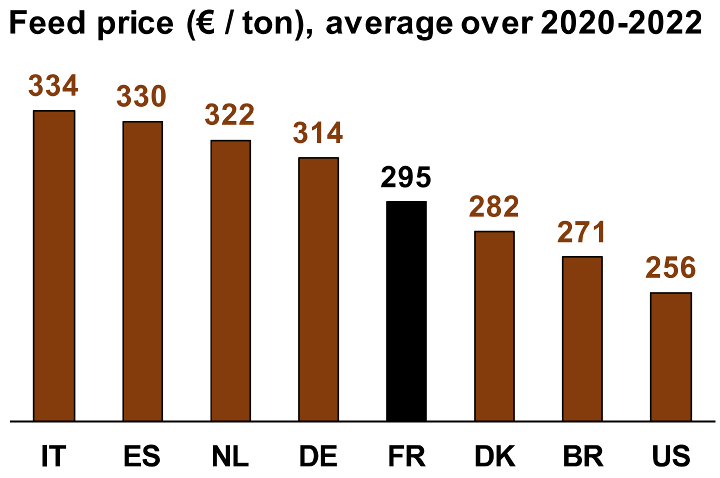


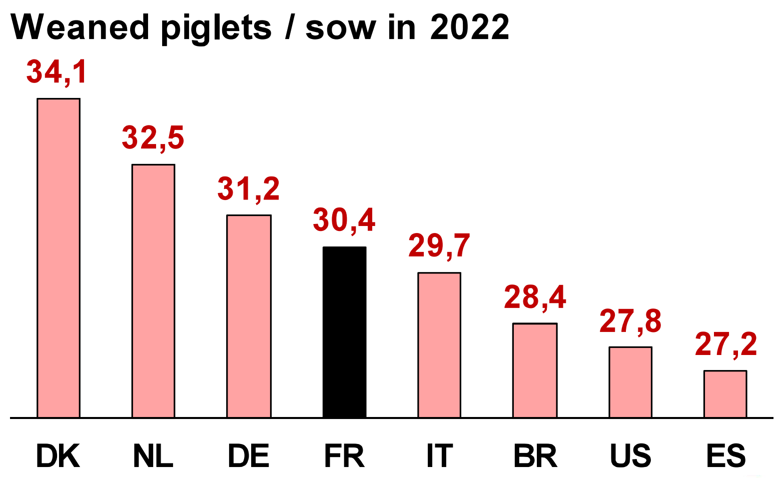


ifip
Institut du porc

France remains competitive for feed prices and production costs compared to other European countries







Source: IFIP from interpig

Presentation structure

- France in a few figures
- French pork balance sheet
- Organization of the sector
- Pig farms characteristics
- **Prospects**

French pig breeders develop and upgrade their farms for the following reasons

To improve performance, income and valuation

- Modernization, expansion and upgrading

To increase farm autonomy in feed, fattening, energy, marketing

- **Increase their land**
- **Stop selling piglets** even if it means reducing the number of sows

To optimize workforce and labour

- by modernization, automation. Some of them stop farrowing because of lack of labor or fatigue

To prepare – or not – the handover

- Some invest to keep an attractive farm when others gradually stop farrowing then fattening

Prospects – pig farms in France

- **An efficient and resilient farming model that has the potential to be accepted by society**

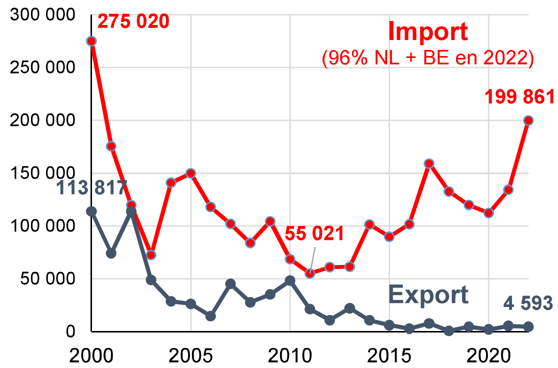
- **Diversity of pig farms is expected to continue, contributing to the attractiveness**

  There is no ideal pig farm model, "*the important thing is consistency in fattening, land and labor*".

  There is no single model of farming, "*everyone can find a model that suits them*"

- **Young farmers are viewing the profession differently and are aspiring to have**
  - more **free time** → association
  - more **security** → contractualization or even integration
  - more **societal acceptance** → differentiation schemes

Import export of piglets by France (heads)



- **Issues:** handover, generational renewal, attractiveness, acceptance

- **Risks**
  - Supply of piglets / decline of sow number (labour shortage, search for autonomy, end of cages)

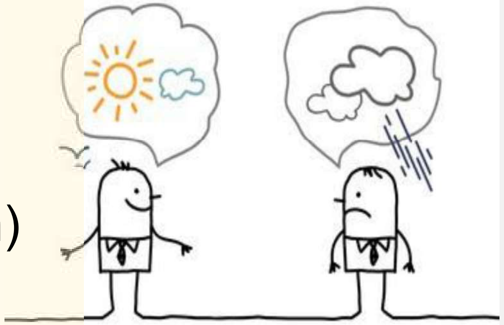
    ➔ **development of collective farrowing units. Import of piglets?**
  - Supply of slaughter pigs

ifip Institut du porc

Prospects – Pig production in France is at a crossroads

The positive elements

- **A solid pig farming model**
- **Motivated breeders** who invest in volume (expansion) or value (processing, direct sales, alternative breeding methods, renewable energies, etc.)



The negative elements of an acceleration in the decline in volumes

- Retirements and lack of buyers
- Search for autonomy of farms
- Limits to compensation through productivity gains
- Environmental limits in Brittany
- Competition from crop and poultry production in low-density regions

Polarization could increase in

- The **production methods**: conventional and differentiated
- The **marketing modes**: long and short chains
- The **providers of capital**: breeders or others

Prospects – French pork market

Domestic

Segmentation

private specifications (antibiotic-free pork, welfare pork, etc.),

- **Improved standard: mass market**
- **Alternatif (bio, Label rouge…): niche market**

Contractualization

to secure supplies and outlets

Integration driven by

- the lack of buyers for strategic pig farms or in certain regions
- the demand of certain producers for secure additional income like poultry

Alternatives to vertical integration

- On-farm processing and sales
- Creation of the Association of Producer Organizations of the Great West

External

Optimistic scenario

- Imports are limited: origin labeling is effective; the French demonstrate economic patriotism.
- Exports remain limited by declining supplies and the time needed to develop new opportunities.

Pessimistic scenario

- Imports increase, in particular from Spain and Germany, because price is the only purchasing criterion for French consumers
- Exports face increasing competition.

ifip Institut du porc

Take-home messages

- Production and consumption are **decreasing** in France.
  The challenge is to maintain a **100% self-sufficiency rate**

- France imports and exports the equivalent of a quarter of its production.
  Its trade balance is in **deficit in value**.

- Compared to other countries, pig production in France has **two particularities**:
  - **Farrowing-to-finishing** at the scale of the country (few imports and exports of piglets) and farms
  The typical French pig farm is farrow-to-finish unit with 260 sows, 80 ha, 3.07 full-time equivalent
  - **Group of producers:** nearly 90% of production is carried out by breeder members

- Despite an efficient farming model and sector organization, and good economic results in 2023, the pig herd still fell by 2% in 2023 after -6.3% in 2022.

- The future of pig farms largely depends on the sector's **capacity to attract young farmers.**

ifip Institut du porc

Thanks for your attention !

christine.roguet@ifip.asso.fr

Tel : +33 (0)7 62 53 40 77