



On 13 January, the French Minister of Food, Agriculture and Fisheries presented in front of the Council of Ministers, the draft Law on the modernization of agriculture and fisheries that should be discussed in Parliament next spring.

As stated in the explanatory memorandum to the draft, it aims not only to respond to food, environmental and land use issues, but also to prepare (*French*) agriculture to the Common Agricultural Policy (CAP) reform of 2013 and to the future conclusion of the Doha Round at the WTO.

Create a public food policy, stabilize farmers' incomes, enhance the competitiveness of French agriculture and reduce the rate of consumption of agricultural lands are the main objectives of this bill (*draft*).

The project foresees the establishment of a public food policy, set in a national food programme, and the creation of an observatory on pricing and margins for food products.

Among the new proposed regulatory instruments, tools concerning contracting and hedging risks deserve special attention.

The strengthening of the contracting is one of the main tools of the rebalancing of relations between operators. The conclusion of written contracts, of a minimum of 1 to 5 years, should become mandatory between producers and buyers; these contracts, concluded under state control, should include a number of compulsory clauses relating to volume, price or conditions of collection and delivery.

In addition, inter-professional organizations see their role expanded "concerning the development of contractual relations, including the designation of good-practice guidelines and typical contracts".

Another notable innovation can be noticed: the creation of a national fund of risk management in agriculture – to replace the national fund of guarantee for agricultural disasters. This risk's cover is thus extended to SPS and environmental hazards.

Only those who "conduct their farm in respect of sustainable agriculture and take measures to limit the risks inherent in farming" will benefit the future status of *agriculteur-entrepreneur* (*farmer-undertaker*) – whose content is still very vague and should be defined by ordinance.

Will this law take more into account the specificity of agriculture and the challenges of internationalization and liberalization of trade? We must of course wait for the outcome of parliamentary debates to decide. But whatever the outcome, taking into account the specificity

Lascaux – February 2010

Catherine Del Cont

of agriculture cannot be made only at national level but depends also - and above all, of Brussels and Geneva.

