

# **PRESS RELEASE**

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Public thematic report

## SUPPORT FOR ORGANIC FARMING

Over the last decade, organic farming has undergone a change of scale, with the share of organic farming in the agricultural area increasing from 3% to 10% between 2010 and 2021 and organic consumption increasing 3.5 times over this period. Now 19% of farmers are organic. In the report published today, the Court of Accounts, after a detailed review of the scientific literature, recalls the benefits of organic farming, particularly in terms of health and the environment, and observes that the development of organic farming is the best way to make the agri-environmental transition successful and lead so-called conventional farms towards more environmentally friendly practices. However, the policy of support for organic farming remains insufficient: since 2010, successive action programmes have failed to achieve the objectives of 15% of agricultural land in organic farming and 20% of organic food in public canteens by 2022. To help achieve the new objectives set by France and the European Union, the Court of Accounts makes 12 recommendations.

#### Organic farming is facing the challenge of scaling up

For the first time, the Court of Accounts, by setting up a new statistical tool, has been able to analyse the comparative economic performance of organic and conventional farming, which, while equivalent overall, varies according to the sector. In 2021, in a context where the total food consumption in France decreased by 2.3%, the consumption of organic products decreased for the first time, by 1.3%. Beyond the situational effect, questions about the sustainability of the economic balance of organic farming have emerged, with the decline in sales more marked in non-specialised supermarkets (52% of organic sales in 2021).

### A support policy that did not achieve its objectives

The Court notes that, in all areas, the action of the Ministry of Agriculture and Food Sovereignty is not able to meet its stated goals. It alerts the public authorities to the lack of communication on the beneficial impacts of organic food and the illegibility of labels, which will contribute to a decline in organic food purchases in 2021 in the face of growing competition from less demanding "green" labels - such as the "high environmental value" (HVE) label. In fact, this label, which is not very demanding in terms of environmental issues, is supported by the Ministry to the same extent as organic farming. Moreover, the aid from the Common Agricultural Policy (CAP) that France devotes to organic farming does not meet the objectives it has set itself. Half of the budget was consumed in the first year of the programme, which started in 2015. In 2017, the aid for maintaining organic farming was abolished, although it paid for the environmental services of these farms. For example, a

quarter of organic farms do not receive CAP support. Similarly, support for the organic food industry and research and development in organic farming is insufficient. This gap between resources and goals cannot be closed in the next CAP starting in 2023 if France maintains the current draft national strategic plan, which is under final discussion with the European Commission. The report also analyses the extent to which public policy contributes to the creation and distribution of value within the organic sector. While there is scattered evidence suggesting that organic producers capture more value than conventional farmers, there are still gaps in the data. Finally, the contribution of organic farming to French agricultural and food autonomy will depend on the evolution of two opposing effects: the greater autonomy of organic farms, which contributes to reducing the trade deficit, and their lower yields. Thus, the development of organic farming will have to go hand in hand with more research (to improve yields), the reduction of food waste and a shift towards diets with less animal protein.

#### Levers to achieve the stated goal

In order to help achieve the new objectives set by France (18% of organic farmland in 2027) and by the European Union (25% of organic farmland in 2030), the Court formulates 12 recommendations divided into 3 areas: to educate citizens and consumers on the environmental and health impact of organic farming, to redirect and amplify public support for organic farming and finally, to encourage the creation of value within the organic farming and food sector. As Pierre Moscovici, First President of the Court of Accounts, points out, "the role of the Court, as a trusted third party and public policy watchdog for citizens, was to provide the objective and impartial insight that was still lacking on this public issue, regarding which many questions have been raised".

Read the report

Emmanuel Kessler - Director of Communications - T 01 42 98 55 62 - 06 62 48 07 81 - emmanuel.kessler@ccomptes.fr Julie Poissier - Head of Press Relations - T 01 42 98 97 43 - 06 87 36 52 21 - julie.poissier@ccomptes.fr

