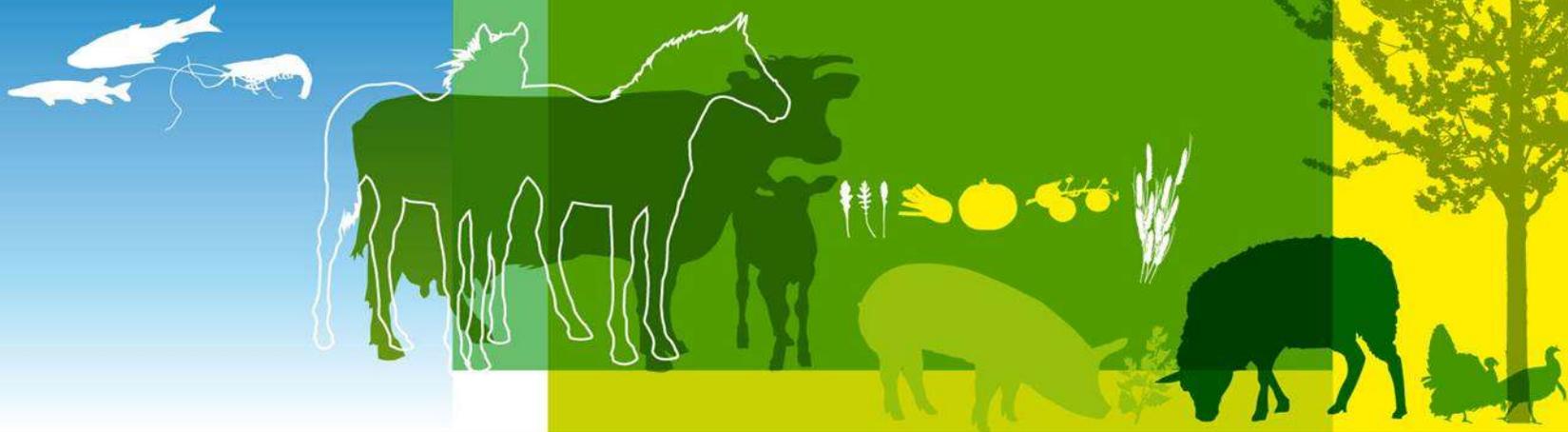


SMO (Sugar Market Observatory)

*French Sugar Information System
Implementation of the common market regulation*



Brussels, on July 2018, 3



Price and Margins Observatory (OfPM)

- The OfPM, hosted by FranceAgriMer, was created in 2010, with **the main mission to analyse prices transmission and margins** in the agricultural and food value chain, from the agricultural product with their own production costs to the consumer prices , with costs and margins of the first transformation (from beet or sugar cane to sugar), the second transformation (from bulk sugar to consumption sugar or incorporation in sweet products, the trade at different steps (wholesale, distribution). The initial aim was indeed to **analyse the transmission of price in front of the increasing volatility troughout the value chain.**
- With the new **Egalim** law, still not definitively voted, the mission of the Observatory is diversified, to an extent which is not totally defined yet.
- **Analyse and establish the agricultural production costs, basis of future contracts about agricultural products between stakeholders.**
- **Maybe certify opposable data troughout the value chain in case of litigation**

Sugar in Price and Margins Observatory

The circuit of sugar in its various uses leaves a small part to the food consumption of the households, either as sugar as such or sweet products. Taking the example of the current forecast balance sheet for the **2017/2018** campaign, **total French production** stands at **6,327 Mt**, of which 231,000 tons of cane sugar is produced in the French overseas territories, while **food consumption** represents **2,9 Mt**, or **46% of total production**, including industrial use. **Sugar is** therefore first and foremost a **commodity**, an **industrial B to B product** whose economic analysis does not come directly under the Price and Margins Observatory. The only case where the role of the Observatory could apply would be the value chain up to the sugar as such sold to the consumer. OFPM does not analyze the sugar sector so far.

Collecting and processing data system in the sugar sector in France

- The **collection of data** is done by FranceAgriMer on a regulatory basis, with the help of the industry
- The change in the regulation of the sugar sector on October 1st 2017 does not hardly change the nature of the data collected except, of course, the data specific to quotas
- The data collected are firstly transmitted to the Commission according to the regulations, but also supplemented by other elements specific to France for carrying out monthly forecasts.

FRANCEAGRIMER AND THE SUGAR SECTOR

Missions of FranceAgriMer

- FranceAgriMer is a **public agency** under the supervision of Agriculture Ministry, in charge of the agricultural economy, agribusiness and sectors, with three main missions :
 - **Inform** on economic and market situation
 - **Help the sectors** to forecast and define their collective strategy
 - **Apply common and national policies** and pay subsidies and incentives.

FAM has 1050 agents including about 105 at the headquarters and 40 in the regions for the first mission above mentioned, that we shall mainly discuss later



Direction générale
 directrice générale : Christine Auelin
 directrice générale adjointe : Véronique Barzatz

- Mission Filières**
Jacques Andrieu
Délégués titulaires : Ludovic Paris (grandes cultures), Marie-Agnès Oberli (fruits et légumes), Isabelle Chibon-Talhan (arboriculture), Olivier Branchard (ail), Jérôme Lafon (miel), Claude Challan (PPM), Maryse Sabotard (viti-vin), Didier Jossa (VHS)
- Mission Affaires européennes et internationales**
Carole Ly
- Déléguée IAA**
Claire Legrain
- Mission Appui au pilotage et à la gouvernance**
- Mission Audit interne**
François Bizard
- Direction de programme déléguée "Expansion2"**
- Délégation Certification de service fait**

Direction Marchés, études et prospective
 directrice : Mylène Testut-Neves

Analyse économique des filières
 Patrick Garnon
 adj. Philippe Piquart

Analyses et fonctions transversales et multifilières
 Patrick Algrain
 adj. Philippe Seyer

Secrétariat général de l'Observatoire de la formation des prix et des marges
 Philippe Boyer

Direction Interventions
 directeur : Pierre-Yves Bellot
 directeur adjoint : Sébastien Courbon
 adj. Hélène Charvatin
 adj. Jean-Claude Graciette

Gestion du potentiel et amélioration des structures vitivinicoles
 Hélène Chevette

Programmes opérationnels et promotion
 Thierry Janvier

Régulation des marchés et programmes sociaux
 Christophe Dassé

Aides nationales, appui aux entreprises et à l'innovation
 Frédéric Douel

Contrôles et normalisation
 Jean-Claude Graciette
 adj. Pascale Dorval

Modernisation des outils applicatifs et conduite du changement

Secrétariat général
 secrétaire générale : Isabelle Cenzato
 adj. Patrick Saker
 adj. Marc Lantinga

Ressources humaines
 Sophie André
 adj. Wilfried Lempereur-Souza

Affaires financières
 Alexandre Censoni
 adj. Martine Picaut

Systèmes d'information
 Sébastien Dulleb
 adj. Eric Pichot

Arborial
 Philippe Le Faucheur
 adj. Arno Jureau

Juridique et coordination communautaire
 Véronique Argentin
 adj. Jean-Pierre Vallée

Inspection générale et appui aux régions
 Pierre Royer

Communication
 Dominique Schnöbele
 adj. Charrel Me

Agence comptable
 agent comptable : Hervé Chazeau
 directeur adjoint : Raphaëlle Jayat-Gardot

Comptabilité
 Danièle Dupont

Finances
 Thierry Italis

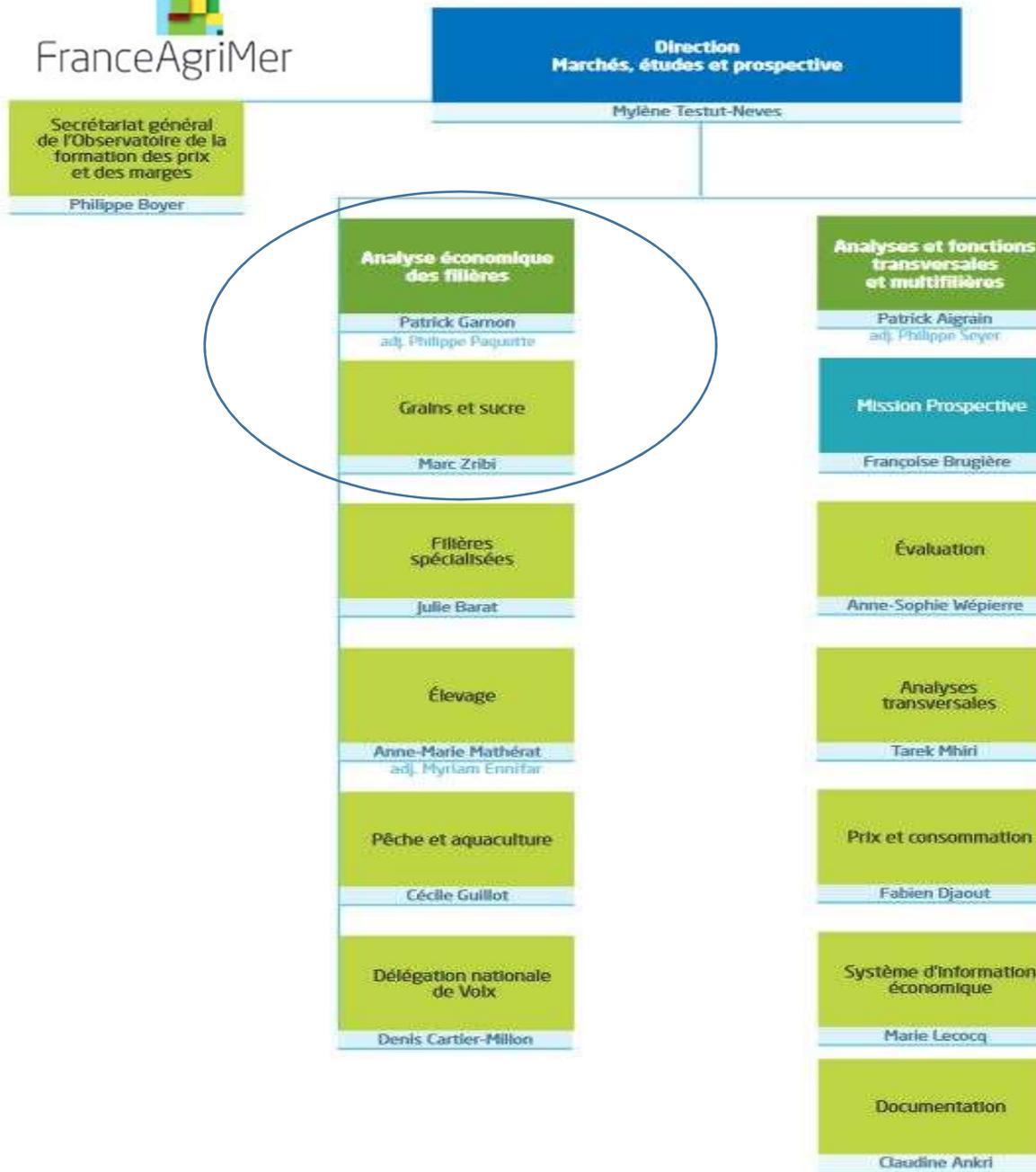
Recouvrement
 Cécile Thilon

Visa des interventions
 Véronique Leblanc
 adj. Christiane Touzé

Cellule Maîtrise des risques
 Marc Diemer

03/07/2018 10:00

É



DECLARATIONS

Declarations

A. Declarations relating to beetroot

- I – Areas
- II – Price

B. Declarations relating to sugar.

- I - Production
- II - Stocks
- III - Price

Declarations

- All the declarations are strictly in accordance with the recently amended Community rules (Reg n° 2017/1185), with the entire co-operation of declarants. It should be noted that this collaboration has for a long time made it possible to define precise technical specifications to guarantee at the same time the homogeneity of declarations, their confidentiality and their compliance with Community rules.
- In the course of the campaign, forward-looking statements are made from estimated areas and yields, followed by provisional declarations (for sugar production in March for metropolitan France and Reunion Island and June for the Caribbean and French Guiana), then definitive notifications.

Declarations

- Everything is not definitive related to the new rules (formats not communicated, price zones very recently defined in 3 European zones, prices of beets to come ...), but France will apply without delay any common precision or decision.
- Then, all data required at community level are communicated to the Commission by ISAMM network.
- Beside the mandatory declarations to the commission, France organized a complementary declarative system related to its specificities, such as the coexistence of a mainland production of sugar beet and an overseas one of cane sugar or estimated yields by technical organisms.

BALANCES

FRENCH BALANCE SHEET

Since 1 October 2017 (end of quotas), the French balance sheet no longer distinguishes deliveries on the domestic market of food sugar, sugar for alcohol / ethanol and sugar for the chemical and pharmaceutical industry.

The French balance sheet is thus built, in terms of **production**, first by relying on the **declared sugar surfaces areas**, using a **sugar yield coefficient**, established by the Technical Institute of Beet (ITB).

Then, this forecast is replaced by the **provisional production declared** by all sugar manufacturers to FranceAgriMer.

FRENCH BALANCE SHEET

Sugar exchange data (foreign trade, import and export) is obtained from French customs. In the balance sheet, **sugar trade** (raw sugar is expressed in white value) and **trade of processed sweet products** containing sugar (400 8-digit items in the Combined Nomenclature) are distinguished.

The quantity of sugar is obtained by applying a coefficient of sugar content to the quantities of products.

Stocks are reported every month by all manufacturers, including specific information about French sugar stored in other Member States.

Thus, **domestic uses are calculated by difference and represent the adjustment variable for our French sugar balance.**

FRENCH BALANCE SHEET

Forecast Sugar Balance (Post Quotas)

(in 1 000 tons, white sugar value)

	2017/18 (October - September) (1) Forecast
	Total
I - Supply	
1 - Stocks October 1st	492
- free	492
<i>(including 2016/17 carry-over)</i>	
- private storage	0
2- Production	6 327
- mainland France	6 096
- overseas territories	231
3 - Pure sugar imports	305
3.1. Imports from EU	210
3.2. Imports from third countries	95
4 - Sugar Imports in processed products	750
Total supply	7 874

03/07/2018

FRENCH BALANCE SHEET

II Uses	
1 – Domestic deliveries <i>(including regulatory sugar for distillation)</i>	2 900
2 –Pure sugar exports	3 610
2.1. Exports to EU	2 200
2.2. Exports to third countries <i>(including French sugar exports from other MS)</i>	1 410
3 – Sugar exports in processed products	900
Total uses	7 410
III – Stocks on 30 September	
- free	464
- private storage	0
Total stocks on 30 September	464

(1) - Differences between different totals are related to rounding differences.

Sources : COMEXT, FranceAgriMer

03/07/2018

SCHEDULE OF COMMUNICATIONS

SCHEDULE OF COMMUNICATIONS

Sugar Communications as of October 1, 2017

MANUFACTURERS TO FRANCEAGRIMER	
SUGAR	
Price :	Until 15th each month (selling price from last month and forecast for the current month)
Stocks :	Until 20th each month for last month
BEET	
Prices :	Before 31 May each year for last campaign
Surfaces :	Before end April each year for current campaign and forecast for the following campaign
Sugar Production : Before end of February- end of May for French Caribbean islands- for current campaign (provisional production) Before end October for the last campaign (final production continental and overseas territories)	

FROM FRANCEAGRIMER TO THE EC	
SUGAR	
Price :	End of month for last month
Stocks :	End of month for last month
BEET	
Price :	Before June 30 each year for last campaign
Surfaces :	Before May 31 each year for current campaign
Sugar Production : Before March 31- June 30 for French Caribbean- for current campaign (provisional production) Before November 30 for last campaign (final production continental and overseas areas)	

03/07/2018

SCHEDULE OF COMMUNICATIONS

Ethyl Alcohol Communications from October 1, 2017

From manufacturers to FranceAgriMer

**Ethyl Alcohol
Production:** Before February 1 for the last civil year

Bioethanol Production Before October 31 for the last campaign
(from sugar or sugar syrups)

From FranceAgriMer to the EC

**Ethyl Alcohol
Production:** Before March 1 for the last civil year

Bioethanol Production: Before November 30 for the last campaign
(from sugar or sugar syrups)

03/07/2018

Thank you for your attention

