

European Union FP6  
MULTAGRI Specific Support Action  
Work Package 2: Consumer and societal demand for multifunctionality

**Consumer and Societal Demand  
for Multifunctional Agriculture in France**

**Synthesis report for MULTAGRI WP2**

*Denis Sautier (Cirad)  
Astrid Gerz*

*February, 2005*

## Table of contents

<b>1</b>	<b>INTRODUCTION.....</b>	<b>2</b>
1.1.	Initial methodological considerations.....	2
1.2	Statistical tools for a new perception of rural areas and agricultural dynamics	4
<b>2</b>	<b>ASSESSMENTS OF CONSUMER AND SOCIETAL DEMAND.....</b>	<b>4</b>
2.1	Demand for environmental, ecological and landscape values.....	4
2.1.1	Water quality.....	4
2.1.2	Landscape creation and maintenance.....	6
2.1.3	Biodiversity preservation .....	7
2.2	Social cultural demand for MFA .....	9
2.2.1	Rural tourism.....	9
2.2.2	Agrotourism.....	10
2.2.3	Cultural heritage .....	11
2.3	Consumer attitudes on food products.....	13
2.3.1	Food crisis and the increasing demand on food traceability .....	13
2.3.2	PGI and PDO market linkages for multifunctional agriculture .....	13
2.3.3	Organic and "Fair-Trade" market .....	16
2.3.4	On farm processing activities.....	17
2.3.5	Gourmet Routes .....	18
2.3.6	Direct Producer – consumer linkage schemes .....	19
<b>3.</b>	<b>TOWARDS MORE GLOBAL METHODS AND DATA.....</b>	<b>20</b>
3.1	The "basket of goods" hypothesis.....	20
3.2	Community or region-based contractual approaches.....	21
	References .....	23

# 1 INTRODUCTION

This report is a component of MULTAGRI Work Package 2 effort to produce an overview of the empirical evidence for society and consumer demand for multifunctional agriculture (MFA) in Europe, as an input for further Work Packages.

We refer to multifunctional agriculture as to the set of products, services and externalities which are created by agricultural activity and have a direct or indirect impact on economy and society as a whole. In WP2, MFA is scrutinized through three aspects of societal demand:

- new consumer attitudes on food products
- demand for environmental, ecological and landscape values
- social-cultural demand for MFA

This report has a double focus:

- first, on data from France, wider evidence and data from other parts of Europe being included whenever possible;
- second, on consumer attitudes on food products.

## 1.1. INITIAL METHODOLOGICAL CONSIDERATIONS

Before entering into details from literature review, it is important to stress that methods and tools chosen for assessment of social demand regarding multifunctional agriculture obviously depend on the definition adopted for MFA. Different definitions and assessment tools may lead to significantly different policy options.

Two clearly distinctive interpretations of the notion of multifunctionality can be sorted out. They have been coined by OECD (2001) as the "positive" conception and the "normative" conception.

- In the first, "positive" approach, agriculture is described as being multifunctional by nature. MFA is analyzed through the concept of externality<sup>1</sup>. Externalities boil down to positive or negative side-effects (frequently linked to public goods such as environment, social welfare, cultural heritage..) that are neither remunerated nor fined. This "joint production" is interpreted as leading to market distortions, which must be corrected in order to ensure efficient policies.

In this "positive" approach, multi-functionality is considered a basic and objective characteristic of the production process. Its existence does not depend on the particular societal context. The important issue is to assess the nature and value of joint production and to regulate it in order to avoid its distortion effects.

*This "positive" definition of MFA tends to set forward assessment methodologies focused on the economic impact, through direct or indirect measurement of positive and negative externalities.*

The most frequently used method is the contingent method which tries to assess the hypothetical monetary value of goods which are not on the market. This is a *direct method* since it simulates a fictitious choice in order to reveal *ex-ante* the consumer's willingness to pay for the preferred scenario. This method requires from the consumer a non-obvious capacity to estimate the costs of the hypothetical scenarios. Moreover, it is under severe criticism by Weber (2003) who notes that (i) it relies on the questionable hypothesis that the market be a perfect

---

<sup>1</sup> Externality refers to a situation in which " consumption or production decisions taken by an agent directly affect other agents' welfare or profit, though this interaction is neither assessed nor remunerated by the market" (Picard, 1998)

and robust revelator of human preferences, whichever they be; and that (ii) the very definition of the proposed scenarios and of the sample to be interviewed is subject to numerous manipulations by the researchers. *"Contingent evaluation tends to create the values which it is supposed to measure"* (ibid.).

Other, *indirect methods* rely on the *ex-post* observation of desired characteristics. One frequently used indirect method refers to hedonist prices. It draws a relation between the observed price of a marketable good and some external characteristics and tries to deduce from this relation a monetary estimation for these attractive characteristics (i.e., room with a view, vs. no view). The main difficulty relates to the choice and the number of variables: a limited number of variables does not give a good representation, whereas too many variables induce correlation biases.

Good examples of *policy options* derived from these "positive" definitions and tools are for instance, the establishment of markets for pollution rights.

- The second, so-called "normative" approach defines multi-functionality as the set of contributions which agriculture conveys to the economic and social development of a society considered as a whole. This requires a global approach within a given society. Multi-functionality of agriculture does not merely relate to economic externalities. It is an expression of societal values, which cannot be entirely revealed by monetary evaluations. The essential difference away from the positive approach is that non-market considerations, such as symbolic aspects (of land, of food practices), solidarity, cultural heritage, etc., are to be taken into account. Values are society-specific and reflect the vision of the world within that society; *"values are not sold, nor given, nor borrowed; they are shared"* (Weber, 2003).

The theoretical basis for this approach is not found in standard economy but rather in institutional economics, political economy or economic sociology. The methods and tools implemented tend to give recognition to three types of functions namely economic, social and environmental which are simultaneously attributed to agriculture.

*Because the expectation is to ground policy options on shared values and collective needs (not just on estimated costs and individual preferences) and to incorporate non-market factors, this "normative" definition of MFA leads to the choice of assessment methodologies based on consensus and negotiations.*

Citizens' consensus conferences (such as those initiated by Northern Europe countries about GMO's), linking agriculture with environmental and health issues, are an example of these participatory methodologies. A representative group of citizens is offered a set of contradictory arguments presented by a set of pro and con stakeholders and must come to a common statement on the subject (Joly P.B, 2001).

*Public policies derived from this "normative" definition and these tools give priority to contractual arrangements. The role of the State is underlined, and seeks to conciliate the individual interest of the farmer with the collective interest of society.*

Agricultural policies in Germany and France are inspired by this normative approach. In France, the 1999 Agriculture Orientation Bill puts on equal footing the economic, social and environmental dimensions of agriculture. As a result, a contractual approach was implemented between the individual producer and the State to reach multifunctional objectives for agriculture<sup>2</sup>. In Germany, priority has been given to rural development as a whole, of which agriculture is one component. Regulatory tools are privileged (Delorme, 2003).

As a closing remark for this methodological introduction, we can deduce from the two conceptions of multi-functionality summarized above, that MFA related demand cannot be assessed strictly

---

<sup>2</sup> The 1999 Agricultural Bill in France created the Land-based Production unit Contract (contrat territorial d'exploitation, CTE) which was substituted in 2003 by the Sustainable agriculture Contract (Contrat d'agriculture durable, CAD).

from an individual consumer's point of view. Therefore Multagri WP2 option to conduct a review of "Consumer and societal demand for MFA" and not just "Consumer demand for MFA", appears fully justified.

## **1.2 STATISTICAL TOOLS FOR A NEW PERCEPTION OF RURAL AREAS AND AGRICULTURAL DYNAMICS**

Assessment of societal demand for MFA does not necessarily require forging new data. It can also be derived from innovative treatment given to conventional statistical database. A landmark study to that respect was published in France in 1998, under the title "The countryside and their cities" (Inra/Insee, 1998). The French National Institute for Statistics (INSEE) adopted in 1996 a new classification for urban and rural areas. By crossing three population variables (namely: municipality of residence, municipality of professional activity, and size of residence municipality population), INSEE manages to cast a new image. Instead of "cities" on one side and "countrysides" on the other, this study shows contrasts between "predominantly urban" areas (including rural peripheries) and "predominantly rural" spaces (including rural poles).

Within the latter, 4 very different settings are defined: rural poles (with more jobs than active residents); rural area under urban influence (with 20% or more active residents working in urban areas nearby); periphery of rural poles; and isolated rural areas.

This « predominantly rural" space accounts for a little less than 25% of the total population, living in about 21000 villages and a less than 1000 urban units. From the 13 million persons living in the « predominantly rural" space, 5 million people live in a rural area under urban influence, 3 millions in the rural poles and their periphery and 5 millions in the isolated rural areas. These 3 groups cover respectively 24 %, 10 % and 37 % of the national territory.

This innovative typology of rural areas, used for mapping usual statistics on employment and attractiveness, shades a new light on multifunctional aspects of agriculture. Concerning rural employment for instance, it appears that the "periphery of rural poles" shelters a higher density of agricultural activities (32,2% of total employment) than the "isolated rural areas" (25,2%). On the other hand, trade and non-trade services occupy a higher proportion of manpower in the isolated rural areas (34,6 %) than in the periphery of rural poles (27,2 %).

Innovative management of existing data can thus reveal strong evidence of different uses of rural spaces by society within one given country. These uses presumably are related with and reflect different demands and trade-offs between the productive, social and environmental components of agriculture, according to the micro-regional contexts.

## **2 ASSESSMENTS OF CONSUMER AND SOCIETAL DEMAND**

For each topic we present data and/or databases, first on individual demand, then on societal demand, and finally on the potential for further assessments.

### **2.1 DEMAND FOR ENVIRONMENTAL, ECOLOGICAL AND LANDSCAPE VALUES**

#### **2.1.1 Water quality**

Water quality is an increasingly sensible public good for which both public and private demand are high. Because water quality degradation is easily and clearly perceived by the consumers and by

political bodies alike, it represents a particularly interesting model of how multifunctional aspects of agriculture are detected, measured, monitored and negotiated.

A first proxy for the demand for quality water is given by the size of the French market for bottled waters (number 3 in Europe with a total amount of 6 billion liters sold in 1994, i.e. 105 l/person/yr), with a strong growth rate. Though spring water advertising relies mostly on the concept of "natural water" (frequently appealing to symbolic images of age-old landscapes untouched by man and agriculture)<sup>3</sup>, sources of bottled waters obviously include agricultural activities within their watershed captation areas.

A land-mark study to that respect is known as the "Vittel study". It was conducted over 15 years (1989-1996) by a consortium between public research, private partners and farmers (Deffontaines & Brossier, 1997) – anticipating, in many aspects, current debates on MFA.

#### Box 1. The "Vittel" study

In 1987, the "Eaux Minerales de Vittel" bottled water company –leader on the French market with nearly 1 billion bottles/ year and 30% market share – observed a slow but steady increase in nitrate contents in waters belonging to the captation areas of the source. The company then decided to promote preventive action in a 5000 ha wide perimeter (being 3500 ha dedicated to agriculture). Farmers, agricultural unions, extension and research bodies and the "Vittel" water company, designed, monitored and implemented jointly an action plan based on two premises: i/ cost-sharing and ii/ keeping with the local production tradition of milk cattle and cereals.

This research-action proved it possible to avoid the mandatory shift to a "pasture only" soil use, which had initially been predicated by the environmental regulation body. Nitrates contents decreased, milk-cereal production and local employment were maintained through :

- technical innovations (reduction of maize areas and increase of alfalfa meadows, thanks to the introduction of artificial drying; new dung compost facilities and monitoring dung use as a substitute for chemical inputs) ;
- organizational innovations (creation of a specific extension service; individual contracts between the company and the farmers)
- social innovations (young farmers with long-term land-rents; new perception of farmer activities..)

As an end result of this "action-research", agricultural producers became convinced that they are "co-producers" of water quality. Farmers currently incorporate this objective into their practices, and they are being remunerated for that function. The total cost for ensuring this participation of agriculture in co-producing drinking water has been estimated to 500 €/ha/year during 7 years (up to 1000 €/ha/year, if the purchase cost of 1500 ha of land is also taken into account). This figure may seem high but i/ it was afforded by the company ; ii/ it must be compared to the fact that on average, 3000 m<sup>3</sup> of water flow each year through 1 ha of meadow. Thus, a remuneration of 0,15 to 0,30 Euro /m<sup>3</sup> meets the target.

Source: E. Chia, INRA/SAD; Deffontaines & Brossier (1997)

Other research programs, similar to that of "Vittel", have since been launched in other parts of Europe, for instance in Augsburg (Germany).

But of course, water quality issues extend beyond bottled waters. It includes the protection of natural sources of common, tap waters. Public networks of drinking water are also increasingly

<sup>3</sup> The massive generation of plastic packaging refuses, (even though partly recycled), is another contradiction in the rise of this "natural" market.

investing on quality analysis and monitoring. These monitoring costs are charged on the consumers. They could be assessed as a proxy for consumer demand on high quality tap water. Water delivery companies also invest increasingly on prevention measures which interact with agriculture: either by buying preservation areas, or by buying agricultural land and renting it to farmers under conditions of an environmental code of practices (as is the case in the drinking water catchment area of Rennes and of other major French cities). This data could be identified without major difficulty by surveying Europe's major water network companies; it would give a proxy for measuring the impact of consumers' tap water quality demand on agricultural practices.

### **2.1.2 Landscape creation and maintenance**

Agriculture is a tool of organization and management of the space : production of green and entertaining spaces between urbanized zones, protection of the natural and domestic patrimony, etc.. Indeed, according to investigations of SOFRES<sup>4</sup> the majority of French people (66% of a sample of 1000 persons) estimates that agriculture plays a positive role in creation and maintenance of landscape. This judgment is dominant in all categories of the population, but young people (55%) and ecologist voters (55%) are more sensible on this topic, thus more skeptic and reticent. For 50% of the sample, the main stake of contemporary agriculture is its contribution to the preservation of landscape and environment, an opinion which ranks on second position slightly behind the "creation of quality foodstuff" (53%). Thus, French people are attaching a large importance to the non market functions of agriculture: the maintenance of landscape as a public good and symbolic value. (SOFRES, 2001)

Moreover, landscape is considered as a good which affects the satisfaction of individuals (tourists or residents) of a given place. It is thus possible to estimate its economic value. In the « Monts d'Arée » area (Britanny/France), 350 residents and 350 tourists were interviewed about their willingness to financially support conservation programs aiming at the creation of various alternate landscapes. In four French departments (Drôme, Aveyron, Cantal, Lozère), hedonist prices and econometric regression methods were used to link the rental prices of rural guesthouses with different environmental characteristics, among others with the soil use.

The first results of these studies (Rambonilaza, 2004) show that people have a willingness to pay for landscape actions aiming to preserve their favorite landscapes. Some methodological points have still to be clarified ; a mere economic reasoning doesn't allow to fully understand the social demand.

Besides individual preferences, the motivation and willingness to safeguard landscapes can also be measured through the initiatives undertaken and the amounts spent by EU, by national government and local public and private organizations. Financial assistance for agro-environmental measures in France is important, covering measures included in the CTE contract (see chapter 3.2) but also measures apart from it. In 2002 the amount mobilized by government and territorial collectivities was about 36,4 millions € for agro-environmental measures beyond CTE and about 372 millions integrated in the CTE (CNASEA, 2002).

### ***Protected natural areas as a tool of landscape and natural heritage management and their link to agriculture***

---

<sup>4</sup> Sondages, opinions, etudes: France's leading opinion pool company

Among the increasing number of various protected natural areas and sites (national parks, natural reserves, biotopes,...), stand the regional natural parks<sup>5</sup> (RNP), experimented and developed in France since 1967. The concept focuses on axes that include significant agricultural activities. It stipulates the obligation of preserving a share of “natural heritage”, which means making natural objects part of heritage in order to facilitate the implementation of effective environmental protection policies. Local communities undertake a contractual policy that combines protection of heritage and local development. The RNP'S are linked to a territory and based on a charter, developing conservation programs as well as biological and cultural programs by promoting regional specialties (“produits de terroir”) and traditional techniques. It is also a trademark<sup>6</sup> representing a label that makes it possible to enhance the status of an area's productive activities (Chouvin E. et al, 2004).

In 2000, there are 38 regional parks in metropolitan France, Corsica and the overseas region Martinique, with a total surface of 66.399 km<sup>2</sup> (about 10% of the French territory) and covering 2000 rural villages and around 100 small cities (Chouvin E. et al, 2004). These parks are organized into a nation-wide Federation of regional nature parks, which detains coordination, information, negotiation and representation functions and is financially supported by the French government and the EU. The federation maintains relationships with numerous countries and has created an international service for facilitating exchanges. For the public it represents an important information source, offering different products and services related to the French regional parks (lodging facilities such as “Panda guest-houses” and hotels, journeys, assortment of products carrying the mark “Parcs naturels régionaux”, etc.) (source: Fédération des parcs naturels régionaux de France: [www.parc-naturels-regionaux](http://www.parc-naturels-regionaux.fr)).

In addition to the RNP's, seven national parks also exist, which aim to maintain along the park outskirts traditional activities which contributed to the creation of landscape and to support agricultural and pastoral activities which are compatible with the preservation of biodiversity. Specific approaches are developed by some parks, such as the Ecrins National park (Alps) which has signed agreements with farmers (territorial farming contracts) in partnership with the Houses of agriculture in “Hautes Alpes” and “Isère”, (Chouvin E. et al, 2004).

The role of these national and regional parks for the safeguard of landscape, biodiversity, cultural heritage (local know-how and traditions,...) and the economic development of the region (tourism flows,..) is well documented. Information (especially qualitative) about these aspects are available in different documents (reports, research programs, conferences, etc<sup>7</sup>.). Therefore, it would be interesting to draw from these data some general aggregated statistical data and indicators related to agricultural aspects, such as number and profile of farmers involved, type of agricultural services and products in these areas, land use and distribution... The contribution of agriculture to the viability of these parks and the maintenance of landscape and rural communities could be better synthesized.

### 2.1.3 Biodiversity preservation

---

<sup>5</sup> A regional natural park is defined as “a rural area which has a strong identity, natural heritage and rich culture, but with fragile and threatened balance. Its actions meet four criteria: origin, authenticity, craft, industry and nature (Morvan regional Nature Park, in Chouvin E. et al, 2004). Regional parks consider and value human activities such as agriculture, husbandry and forestry. In contrast, national natural parks focus essentially on environmental preservation.

<sup>6</sup> “The « Regional Natural Park » trademark is a collective trademark registered with the INPI, the national institute of industrial property, by the ministry in charge of the environment, which is the owner” (Morvan regional Nature Park, in Chouvin E. et al, 2004)

<sup>7</sup> examples: UNESCO, different ministries in charge of sustainable development, environment, heritage, biodiversity,....



The international convention on biological diversity (CBD), signed ten years ago, has three main objectives:

- the conservation of biological diversity
- the sustainable use of its components
- the fair and equitable sharing of the benefits arising out of utilization of genetic resources.

In France the integration of biodiversity protection in agricultural practices and policies has been recognized from the 1970's and has led to various initiatives and measures: institutional and public policy innovations, concrete measures on the field such as the creation of the already mentioned protected natural areas, the reintroduction of threatened species (lynx, bear...), the creation of conservatories ; actions which aim to maintain or reconstitute the biodiversity and take into account local-knowledge (Chouvin E. et al, 2004). The ethnology mission ("Mission à l'Ethnologie"<sup>8</sup>) is a very interesting French experience in the field of biodiversity linked to the protection of local cultural identities.

The conservation of genetic resources relies on a multi-scale action promoting biodiversity preservation at different levels: in national conservatories, in farm networks and in family gardens; in living collections as well as in regional genetic conservatories<sup>9</sup>.

The price attached by society to the preservation of endangered species is indicated and can be measured on one hand by the amount of public investment into genetic preservation schemes such as –in the case of France- the French governmental organization, "Bureau des ressources génétiques" (Genetic Resources Board)<sup>10</sup>, which develops and implements national strategy and cooperates directly with the French association of plant species conservatories.

On the other hand, the price attached to biodiversity by society can also be indicated by the quantity of individuals and civil society associations (particularly active in promoting resources conservation) who engage into voluntary preservation of rare species of fruit trees and poultry. Some of these activities may involve monetary rewards but are generally not profitable, and rather express social and cultural valuation of local know-how and specific local breeds (Iddri, forthcoming).

Agricultural heritage also relies on the biological diversity of farm animals, especially ruminants. Today, from 41 traditional cattle species which are being bred in France, 13 (for instance "Casta", la Mirandaise, l'Aubrac) are threatened to disappear because of their inadaptation to intensive farming methods. The heritage value is largely due to their endemism. A conservatory of local species has been created within a network of farmers, named "réseau biodiversité animale". Other networks are linked to specific animal races and vegetal varieties (conservatory of vineyards, conservatory of chestnut trees,...) (Chouvin E. et al, 2004).

However, we did not succeed to find detailed information about certain topics, such as: number of farmers involved in genetic resources conservation measures, amount of recompense, supervision tools and the amount of public investments. These data exist but are difficult to access, due to their dispersion.

As with other topics reviewed in this paper, the conciliation of agricultural production and biodiversity preservation is not just a matter of remuneration or compensation issues alone. It deals with values and identity, as exemplified by the very strong controversy and conflicts between shepherds and nature conservationists about the rehabilitation of the wolf in the French mountains

---

<sup>8</sup> Created in 1980 and placed under the supervision of the Ministry of Culture. It intervenes in the field of ethnoscience research and participates in coordinating ethnological research policies in France (Chouvin E., et al, 2004).

<sup>9</sup> such as conservatoire des races animales des Pays de Loire, conservatoire des Midi-Pyrénées,...

<sup>10</sup> Structure created for developing public policies on animal, plant and micro organism genetic resources, for bringing stakeholders together, and for making expertise available.

(Alps, Pyrenees). Indeed, the wolf population increased considerably since its reintroduction in 1992, and so have the attacks on the sheep (800 in 1996 in the national park of Mercantour: Region Provence Alpes). This is an example of conflict between the preservation of biodiversity and the sustainability of agropastoralism. (CERPAM, 1997).

Mountain shepherds do not complain about the amount of indemnisation price received in case of animal loss due to wolves. They object more fundamentally to the presence of wolves as a threat to their professional identity, to their working conditions and to their animals' welfare. They resent the interference created on their professional activities by "urban ecologists" acting on behalf of biodiversity preservation. Unlike farmers in the Vittel water area (cf. supra, 2.1.1.), they just do not want to "co-produce" the public good desired by society ("wolf biodiversity"), whatever the premium be.

## **2.2 SOCIAL CULTURAL DEMAND FOR MFA**

### **2.2.1 Rural tourism<sup>11</sup>**

Tourism is a sensitive sector to assess the demand for material and immaterial assets arising from living countryside.

The high demand for nature and authenticity boosts rural tourism. Rural tourism seems to benefit from a positive image within the population, the media and the structures of local development (Perret J., Marcelpoil E., 2002).

Rural tourism includes a range of tourism products and activities, such as leisure activities, different forms of accommodations and catering. It does not take place primarily at farm level. But it takes advantage of landscape and other amenities created or maintained through agricultural activities. Today in France, rural tourism is one of the highest growth rate tourism markets, with a cash-flow estimated in 10,7 billion Euros in 2000 (www.afit.fr, data 2002).

In 2002, the countryside was the most frequented tourist space by French people as far as number of stays are concerned (36,1%), and arriving second after the seashore littoral according to the numbers of night spent (32%). These percentages have been stable over a number of years. The countryside is first of all a destination for short stays: 61,5% of sojourns in 2001 were short stays (less than 4 nights spent), against 52% in average for all spaces mixed. Only 16,3% of the stays in the countryside were longer than 8 days.

Concerning foreign clientele, rural tourism is also gaining impetus. In 8 years the number of nights spent in the countryside doubled, from 42 millions in 1990, to 84 millions in 1998. Moreover, compared to the other spaces (seashore littoral, mountain, urban), the countryside benefits from a better distribution of the tourist flux during the year.

However, these data are linked to the fact that rural tourism has an important part of accommodations in the non-merchant sector. Indeed, *the non-merchant sector amounts for about*

---

<sup>11</sup> Definition of rural tourism in the field of global economics : "la valorisation touristique des espaces agrestes, des ressources naturelles, du patrimoine culturel, du bâti rural, des traditions villageoises, des produits du terroir, par des produits labellisés, illustratifs des identités régionales, couvrant les besoins des consommateurs en hébergement, restauration, activités de loisirs, animations et services divers, à des fins de développement local durable et de réponse adéquate aux besoins de loisirs dans la société moderne, dans une nouvelle solidarité sociale ville-campagne "(Source, 1992).

*75% of nights spent by French nationals in the countryside in 2002*, compared to 60% only for the country as a whole. This data gives further evidence that non-market considerations are important to take into account, in order to correctly understand and monitor societal demand towards agriculture.

Moreover, as far as commercial lodging and French consumers are concerned, significant evolutions can be observed since 1992:

- The share of camping decreased thirty percent between 1992 and 2002, settling down to about 6,6% of nights spent in 2002.
- The "gîtes" and rooms (guesthouses, B&B) increase and sum up for more than 5% of the total number of nights spent in the countryside during the 2002 campaign.
- The nights spent in hotels represent 3,4% in 2002 ([www.tourisme.gouv.fr](http://www.tourisme.gouv.fr), 2004).

Data on rural tourism in France is available and monitored by a number of institutions such as the "conférence permanente du tourisme rural", the "centre national de ressources du tourisme et du patrimoine rural" (SOURCE), CREDOC, SOFRES, etc.. Deeper insights into the linkages of multifunctional agricultural with rural tourism could probably be easily obtained, building on available data (motivation for choosing the countryside as a holiday destination; socio-economic profile of the rural tourism clientele ...).

### 2.2.2 Agrotourism

Agro-tourism is defined in multiple ways, according to the type of actors involved and the activities (products and services) proposed. In a general sense agrotourism may be defined as services linked to the agricultural production unit, or as: « reception, accommodation, catering and leisure activities in an agricultural environment" ([www.source.asso.fr](http://www.source.asso.fr)).

This activity takes place at farm level, but it does not necessarily concern the farmer, or the farmer alone. Other members of the family, as well as pluri-active or retired farmers, participate. Farmers' associations are also generally very active. Since agrotourism in France does not form a unified sector, information regarding this activity is dispersed; but it can be obtained through a network of services and associations <sup>12</sup>.

The most striking result is as follows: *On the contrary of what can be observed on rural tourism, agrotourism or on-farm tourism maintains a marginal status.* According to the 2000 Agricultural census, less than 2% of production units in France propose lodging facilities and only 0,48% catering services (source: RGA 2000, in Agreste 2000).

In 2000 they were 18543 farms practicing a tourism activity against 16.473 in 1988, i.e. a 12,5% increase. However, these farms represent only 2,8% of the total number of farms registered (Agreste, 2000).

This contrasting data raises the following question: is the weak expansion of agrotourism a reality, or a consequence of an underestimation bias ? Several hypothesis may explain this phenomena of weak emergence and evolution of agrotourism:

- a problem of declaration and census: many agrotourism activities are not declared by the farmers. Neither are all these activities registered by national agricultural censuses. This is due to reasons such as: lack of clear definition of agrotourism activities and agricultural

---

<sup>12</sup> such as: Gîtes de France, Bienvenue à la ferme, Agriculture et Tourisme, Accueil Paysan, association des Fermiers Aubergistes, etc.

- exploitation, discretion, non consideration of collective actions of valorization such as “maisons de pays” or farm visits organized by regional operators,...;
- weakness of incitation (for instance subsidy for the creation of a guesthouse) and of compensation (for instance tax reduction for investment costs) from the local, regional and national governments;
  - a problem of categorization and status: upon reaching a certain level of reception capacity and number of customers, the farm becomes considered as a restaurant, and the sanitary norms and the taxes category change. Many farmers are not willing to take these risks and charges, without adapted compensation measures ( Bourlet I., 2003);
  - a problem of competencies and responsibilities: assuming qualitative and professional excellence in agrotourism services and products demands a lot of work and labor force, in summer when labor is very busy on the farms;
  - from a consumer's point of view, agrotourism represents a particular demand: agrotourism demand is a matter of ethical (ideological, politic) commitment towards environment, valorization of rural landscape and cultural heritage. That's why it does not concern the majority but a fringe of the population, especially average and superior social classes (cadres), grasping for cultural knowledge <sup>13</sup>.

Farms having developed agrotourism activities are spread all over the country, but not in a homogenous way. A higher concentration of lodging-farms can be found in the South of France (Agreste, 2000). In certain mountain<sup>14</sup> departments, agrotourism has achieved the same economic and labor importance as the original production function of the farm (Perret, Marcelpoil, 2001). Accommodation and catering services are more frequent in organic farming systems than in traditional farming systems, but still concern no more than 7% of the total number of organic farmers, (Agreste, 2000).

Agrotourism considers a wide range of products and services. For instance, one among a network of agrotourism associations, the trademark “Bienvenue à la ferme” included in 2003 nine activities (products and services): on farm lodging and catering (nearly 450 farmers), farm products (about 2400 products proposed for direct sale), snacks/plates on the farm (180 farms agreed), horse riding farms (210), hunting farms (8), discovery farms (450), pedagogic farms (300), lodging farms (340 gîtes and rooms) and farm camping (462).

Every structure / network / organization (see footnote 12) has his own system of monitoring and evaluation relating to the tourist frequentation / occupation, the type of clientele, etc.. But these sources are not shared. A global interpretation is thus difficult. Other data sources include public entities <sup>15</sup>. These information resources have a high potential for studies on linkages between agricultural practices and touristic activities and could be better explored.

### 2.2.3 Cultural heritage

Cultural heritage provides a sense of identity and allows cultural communities to discover and understand one another and, at the same time, constitutes a development asset. Cultural heritage is seen as a source of constructive democratic commitment and sustainable development and, therefore, as a source of prosperity and unity for Europe's diverse communities ([www.coe.int](http://www.coe.int)).

---

<sup>13</sup> See also the hypothesis of Perret J. and Marcelpoil E., 2001 “L'agrotourisme en 2001. La diversité des territoires et des acteurs : entre témoignage et commerce », a document we recommend in a general way as a recent analysis of agrotourism in France.

<sup>14</sup> l'Ardèche, la Dordogne, l'Isère et la Savoie

<sup>15</sup> such as : Observatoire du tourisme, conférence permanente du tourisme rural, Ministère de l'agriculture, Ministère chargé du tourisme, AFIT, offices de tourisme, centre national de ressources du tourisme en espace rural.

Cultural heritage actually permeates many other dimensions of MFA and is hardly separable from its concrete material expressions such as landscape shaping, maintenance of specific environments and species (biodiversity) or food produces and practices. It thus concerns a multitude of actors and institutions (private and public), is linked to various disciplines (anthropology, ethnology, geography, tourism,...). and occupies a special position in research programs. Its strong link to biodiversity is reminded in article 8 of the CBD, which advocates "taking into account the knowledge, innovations, practices of indigenous and local communities". The upholding of cultural diversity is recognized as an essential dimension of the protection of nature and biodiversity (see also chapters 2.1.2 and 2.1.3)

In France, cultural heritage plays a very important role in society. To which extent this is also true for other European countries remains to be assessed. French consumer and societal sensibility to this heritage dimension is shown for instance by the value given to traditional food (for instance "AOC" food label<sup>16</sup>) and in general a positive valorization of the rural dimension by society. Every region and area has its typical festivities all over the year related to agricultural events and products ("fête du battage, fêtes et foires aux produits,...") and to patrimony ("journées du patrimoine"), including ecomuseums.

The concept of "journées du patrimoine" (heritage days) exists since 1984, when the first "Historic Monuments Open Day" were organized in order to allow the general public to visit monuments and sites free of charge, especially those which are not usually open to the public. This idea was taken up by other countries and in 1991 the Council of Europe officially instituted the "European Heritage days ». Under the aegis of the European council and the UE, 48 countries are participating in the initiative of European heritage days in September 2004. Every country develops his specificities by choosing a national thematic.

The success of heritage days with the public in France is significant: in 2003, 11,5 million of people visited the various sites (nearly 14000) and assisted to multiple animations (19000): civil and religious monuments, parks and gardens, expositions .... Local agriculture and food is frequently associated with these events. (Ministère de la culture et de la communication: [www.culture.gouv.fr](http://www.culture.gouv.fr), [www.journeesdupatrimoine.culture.fr](http://www.journeesdupatrimoine.culture.fr)).

The experience of eco-museums is another interesting tool to maintain cultural heritage. Different from most of the countries of Central and Eastern Europe, France did not create an open air museum, but put the emphasis on regional eco-museums. They are established at the initiative of local governments included in RNP (see footnote 5) exhibition centers aim to conserve the most characteristic components of local cultural heritage and to stimulate their reappropriation by the population. (Chouvin E. et al, 2004).

Agriculture plays an important part: as less than 25 ecomuseums are related to agriculture spread all over the country such as the museum dedicated to Comté cheese ("Maison du Comté") in the region of Jura. Every museum has its specific theme and products: foodstuff, vegetal and animal species, agricultural equipments and buildings, gardens, .... As active partners of the local governments, they receipt millions of visitors each year and frequently contribute to wards regional development (FEMS<sup>17</sup>, 2004). A study realized by SOFRES in 2001 reveals that the visits of monuments and cultural events occupies the second position of practiced activities by tourists on the countryside: 14%, after hiking (31,6%), and before water sports (10%)<sup>18</sup>. (Source: Direction of French tourism, SOFRES, 2001).

Data on frequency are not centralized yet, but could certainly be available at local level.

---

<sup>16</sup> AOC=Appellation d'origine contrôlée = Protected Denomination of Origin (PDO) label

<sup>17</sup> Fédération des écomusées et des musées de société

<sup>18</sup> NB : The rest of the sample (33,7%) does not practice any particular activity.

## **2.3 CONSUMER ATTITUDES ON FOOD PRODUCTS**

In France the consumer demand for differentiated food products linked to specific agricultural practices is not for organic food products only, but also for other types of quality products. Quality and region (origin of product; "local" and "traditional" food, certified or not by the PGI/PDO labels<sup>19</sup>) quality and safety (traceability, transparency of food production and processing), quality and ethic values (environmental and socio-cultural preservation), are the main issues which characterize consumers attitudes in France.

### **2.3.1 Food crisis and the increasing demand on food traceability**

In recent years, a context of recurring food crises and the massive diffusion of correlative information contributed to change profoundly the relations which the French people maintain towards their food. In this period, their attitude towards food security has changed: from a certain indifference to a state of anxiety, distrust and precaution.

The French center of research for study and observation of the conditions of life (CREDOC)<sup>20</sup> offers interesting data regarding to consumers' behaviour and perception related to food-safety and quality, food styles, willingness to pay an extra price for quality products, etc.. It analyzed for instance, the dimension of anxiety spread in the population and the repercussions on their food behaviour. Several inquiries realized in 2000 and 2001 show that the consumers are in fact more anxious and destabilized: in 2000 seventy percent of consumers (7 of 10 persons) considered that foodstuffs present important or light risks for the health, while in 1995 they were only 55,5 %. Nevertheless they do not focalize on the problematic of "risk" only, but continue to find pleasure in eating and savouring the "taste". In fact, French people are very faithful to their food culture. The notion of pleasure keeps being very present in the food sector. In 2000, 46 % of the persons interrogated about their representation of "good food" advanced in the first place the "good taste, the savour, the pleasure, the feast ". Concerning nutritional considerations, 27% mentioned « equilibration », 5% "organic and bio products". Finally for 23%, good food is synonymous of intrinsic quality criteria (fresh products,..). (CREDOC, 2001).

Another inquiry by CREDOC in 2002, demonstrated that consumers are ready to spend more money for quality products if their traceability is guaranteed. To identify a quality product the consumer relies in the first place on trademarks and on labels (Geographical indications, "Red Label", etc.).

Recognition of labels and willingness to pay for it very largely according to the product, the category, of consumers and the label. But they do reflect a strong and overall consumer tendency to search for product attributes.

Altogether, surveys realized by CREDOC and other institutes demonstrate a large range of growing consumer interest in the transparency of food products characteristics and an increasing willingness and consumption of quality products, especially for PDO and PGI.

### **2.3.2 PGI and PDO market linkages for multifunctional agriculture**

---

<sup>19</sup> PGI/PDO : Protected Geographical Indications, Protected Domination of Origin

<sup>20</sup> Centre de Recherche pour l'Etude et l'Observation des Conditions de vie

Food fears, the importance of taste and pleasure and the attachment to cultural heritage are factors which can explain the success of PDO in France.

Together with Italy and Spain, France is one of the European countries where the market of products linked to origin, notably PDO<sup>21</sup> et PGI<sup>22</sup> products, is the most developed. The data of national institute for origin appellations (INAO) reveals the following situation in 2004:

1. **77 PGI products** (meat-, poultry, milk and vegetable products) relating to 25000 producers and a turn-over of 1 milliard of euro per year
2. **550 PDO products**, composite as follows:
  - 470 for the wine and spirits sector, that is 52% of the global production of the sector. 80000 producers are involved, 483 687 ha (57 % of the total surface) and the annual turnover it estimated in € 14 billion for wine and € 1,6 billions for spirits (total: € 15,5 billions), that represents 82% of the value of the French wine sector.
  - 48 for dairy products (especially cheese), 30000 producers and a turn-over of € 2 billions. The PDO milk products in 2003 represented around 20% of the value of total cheese production (INAO, 2004)
  - 29 for other products (notably olives and olive-oil, meat and honey), involving 9500 producers and a turn-over of € 150 millions per year  
(source: www.inao.fr)

Linkages of PGI/PDO products and markets with multifunctionality of agriculture can be shown through a review of their impacts on economic development, cultural heritage, landscape and employment.

### ***Impacts of the geographical indications on the rural development***

Geographical indications have proved to impact strongly on rural development. This impact is due on one hand to the recognition of the specificity of the product which brings it a privileged position on the market. On the other hand it is due to the necessary collective mobilization for defining, implementing and monitoring the geographical indication.

The effects of geographic indications on rural development are various and depend on the specific context (product, market, actors,...). Illustrations can be given as follows:

#### **A) Economic impact**

- On the micro-economic level ( agricultural producers): GIs provide added value to the producers:
  - French GI cheeses are sold at a premium of 2 euro. While the milk sold by the breeders is paid at 0,30 € the liter (national average), the milk utilized for PDO "Beaufort" cheese production is sold at 0,57 € the liter; the milk intended for the production of PDO "Reblochon" cheese is paid 0, 40 € the liter. Milk for cheese with GI "Comté" is paid at 14% extra than average French milk.
  - Toscane's olive oil (Italy) is sold at a premium of 20% since it has been registered as a GI in 1998. ( Berenguer, 2004).

---

<sup>21</sup> P.D.O. involves : a relationship between the product and its origin, marked by many specifically established natural and human factors. The product cannot be reproduced outside its area of origin. Production, processing and preparation phases are carried out in the same geographical area in which the natural and human factors are located.

<sup>22</sup> P.G.I. involves : a relationship between the product and its origin that is not as strong but is still sufficient to justify the reputation of a geographical area, in which only certain phases of production, processing and preparation must take place.

- On the méso-economic level ( rural territories):  
Geographical indications have often been developed in difficult regions, where the producers could not count on low production costs. They were thus induced to base their strategy on the valorization of the quality and the know-how.  
*For instance, Champagne (France) was a poor region, situated at the Northern limit of the climatic zone of vineyard production, with often acid grapes. The "champagne method" of wine making, well adapted to the constraints of this raw material, was the basis for the world-wide success of this product.*  
The recognition of the link between place and product enables the sustainable localization of the product in its territory.
- On the macroeconomic level:
  - The European Communities have registered some 379 PDO and 247 PGI, (without taking into account wine appellations, which are very numerous: about 4200).
  - In France, PDO and PGI represent 15% of the global turn-over generated by agro-industries, but 30% of their export turn-over. (source: European commission, 2003).
- On the marketing level:  
Geographical indications are recognized by the European consumers as distinctive products which incorporate "pleasure", "safety" and/or "cultural" differentials.
  - *More than 20% of EU consumers in 1999 (from 11% in 1996) buy GI products "often" whereas only 8% (from 11% in 1996) "never" do so. 60% of such consumers purchase GI product "sometimes".*
  - *43% of EU consumers (representing approximately 159 millions) are ready to pay an extra 10% for GI products; 8% of EU consumers (approximately some 29.6 millions) even an extra 20% and 3% of such EU consumer (approximately 11 millions) up to a 30% for GI products.*  
(Source: 2 opinion polls made in 1996 and 1999 by an independent consultant to more than 16000 EU consumers, Berenguer 2004)
  - Geographical indications can also improve negotiations with the retailing networks.  
*The comparison of French "Comté" (GI) and "Emmental" (industrial cheese) shows that the "Comté" resists better to the pressure of the supermarkets networks. The price of "Comté" increases at the rate of 2,5% per year at consumer level, and at 1,5% for wholesale price; one percent of the added value is retained by the retailers. For the "Emmental" the situation is different: the price increase is of 0,5% per year at the consumer level but does not change at wholesale price. All the added value is generated by the retailing channel.*

## **B) Impact on heritage and landscape preservation**

- Geographical indications express the recognition of an agricultural, gastronomic, craft and/or cultural heritage and contribute to preserve this heritage and to make it well known. It is an instrument to preserve traditional methods of production and to maintain threatened systems of production.  
*Example of Toscano" olive oil: traditionally made with hand-picked olives grown in trees on the slopes and terraces of the Toscana mountains, it was threatened by industrial production. The creation of the "Toscano" GI generated additional rents and ensured the survival of this traditional mountain culture.*
- GIs make economically viable cultures that form integral part of the landscape of a region.
- It contributes to the conservation of biodiversity and the maintenance of landscape  
*Examples: In the mountains of Pyrenees (France), the cheese of ewe-milk " Ossau-Iraty " (PDO) comes exclusively from local races of ewes ("Manech", and "basco-béarnaise").*



*In the AOC zone of "Nyons's olive oil" (Provence, France), the preservation of olive trees contributes to the beauty of a rural landscape very appreciated by tourists. It was demonstrated to it that the prices of the rural services linked to tourism are higher in the zone AOC than outside this zone.*

### **C) Impact on the employment**

- Globally today 21 % of the French farmers produce at least one product under territorial quality sign (PDO or label linked to a PGI).
- The number of the producers of GI products in France has grown at the rate of 27 % between 1987 and 2001, whereas the total number of farmers in France decreased by 4 %.
- The number of direct employments (transformation, refining of the cheese) generated by one million collected liters is 5 times more important in the "Comté" supply chain than in the "Emmental" supply chain, which is characterized by big factories.
- The migratory flows from the countryside in the zone of PDO "Comté" is twice less important than in the non-PDO zone. (sources: Dupont F.,2003, Berenguer, 2004).

All these data and examples express the effective demand for GI products and their positive effects on rural development and sustainable agriculture. The link between GIs and the multifunctionality of agriculture mainly relies on the fact that both concepts consider the side-effects of agro-food productions, including factors such as environment, the immaterial dimension of tradition and heritage, the status and perennialisation of local know-how, practical techniques and cultural bio-diversity. Valorization by socio-economic means and valorization through heritage and environment are considered as two ways of achieving added value (Bérard L., Marchenay P., 1998).

### **2.3.3 Organic and "Fair-Trade" market**

The market of organic and fair-trade products is growing significantly over the last years in France.

The market for organic foodstuff on European level, has increased at the rate of 70% in the last five years (2,3% annual average). The French market has grown significantly at the rate of 25% per year since 1994. Fresh products generate 73% of the turn-over of the organic sector. French consumption of organic food is still modest: 1,5% of total food expenses (Eurostaf, 2002).

A study realized by INRA and GRET in 2002 and 2003 about "consumers of organic food and their purchases in France" reveals, that 40 – 60%<sup>23</sup> of French people consume at least occasionally organic foodstuff. 23,1 % of the persons interviewed in January 2003 bought one or several organic products during the last week. 79% of the organic foodstuff consumers bought at least some of these products in supermarkets. The most purchased products are fresh dairy products (cheese, yogurts, butter), bought by 39% of the organic food consumers (INRA, GRET; 2004).

In 2000, there were 7000 organic farms in France, that is to say 1% of the total number of existing farms. The development seems weak, but the rate of evolution is significant between 1995 and 2000: the number has doubled (National Observatory of organic farming, in Agreste 2001).

Interest in "fair-trade" products, related to better life conditions for small-scale producers, is rapidly increasing in the French society. In 2000, only 9% of the population knew about "fair-trade" and "fair-trade products; today (2004) they are 51%. In 2003, 11% of the French population bought fair-trade products (Ipsos 2001 and 2003, in Max HAVELAAR, 2003) This

---

<sup>23</sup> The investigation concerned a sample of 2.000 persons

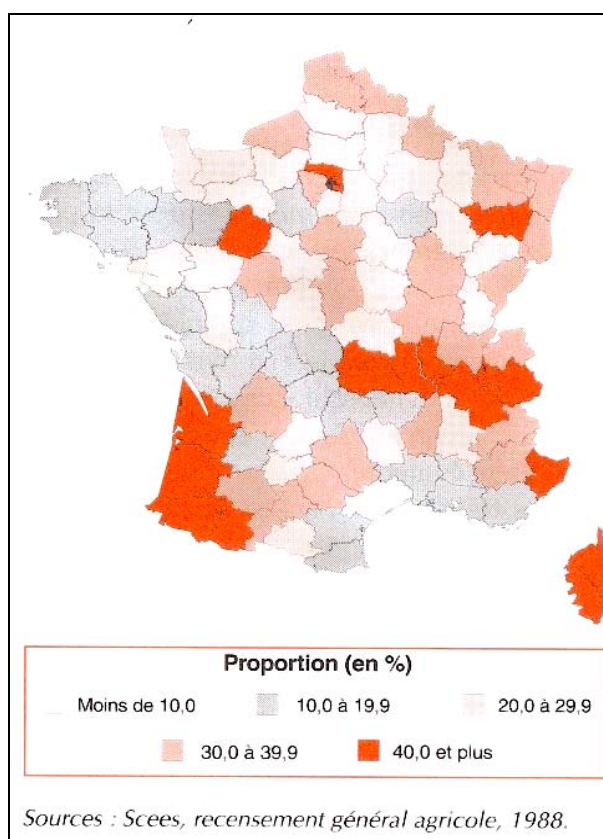
evolution is probably due to the reasons already mentioned in chapter 2.3.1 (massive information, fears, conscience), but also to the multiplication of information and awareness manifestations organized by specialized organizations, such as Max Havelaar association and the French platform for fair trade (educational campaigns, food tasting, exhibitions, fair-trade "fortnight", etc.. The trade and labeling association Max-Havelaar France is present in about 10000 points of sale (supermarkets, bio-shops, fair-trade shops, automat machines ...) with more than 280 products. In 2003, bananas and coffee are worldwide the most commercialized products via the label Max Havelaar: respectively 49702 tones and 18757. In France coffee is the most commercialized product: 2369 t followed by bananas (829 t) and fruit juices (349 t). Market share is small (1,6% in 2003) but its increase is significant: € 37 millions in 2003, versus 21 millions in 2002. (Max Havelaar France, 2003).

### 2.3.4 On farm processing activities

On farm processing activities concern in the first place meat products (paté, sausages, etc.), milk products (especially cheese) and fruit products (wine, juices, marmalades, etc ).

The following map (Figure 1), based on the national agricultural census, shows the proportion of foods processing farms in the different departments of France in 1988. The localization of agri-touristic farms deviates rather sharply from that of food processing farms. It tends to reflect the localization of higher tourism density. These units are numerous in Southern France and along the Atlantic and English Channel coasts, and in mountainous Eastern departments (Vosges, Alsace), INSEE (1998).

Figure 1: **Proportion of foodstuff processing farms for each department in 1988**



### 2.3.5 Gourmet Routes

#### *The tight link between gourmet-routes and rural- tourism*

A number of "routes" based on quality food products have been created in France (wine, cheese Comté), as in Spain and Italy. These routes which are based on the image of tradition and quality of GI product, attract "gourmet" tourists – for example, wine routes in the Narbonne region and cheese routes in the PDO Comté region (Jura mountains) –, have also contributed to the stabilisation of migratory flows.

The PDO "Comté" cheese may be produced solely in the Jura mountains. It plays a main role in attracting tourists and contributes thus in the development of catering and lodging services in the region. The data of 2002 illustrates the positive impact of "Comté" cheese routes on local tourism development: 2.190.000 nights spent, 115.000 visits to cheese dairies, 30.000 visits to cheese maturing cellars. On such occasions, most visitors buy "Comté" cheese.

In the wine sector, prompted by changes in consumption and in international trade, mass wine production is changing into a quality wine system. Improving the wine quality and establishing its reputation is based in particular on the valorization of territorial resources, either geographic (« terroir », landscape) or human (know-how, culture). This process can be assessed through the construction of wines routes. Indeed the emerging « Wine Routes » observed in the viti-viniculture systems in the transitional period of Languedoc-Roussillon (France) for instance are contributing to collective marketing and direct cellar sales. These routes organize an itinerary within the delimited production area of the PDO, where the discovery of specific quality wines is associated to their landscapes and production practices. Wine routes and other associated oenotouristic projects<sup>24</sup> permit the consolidation of the collective reputation of a territory, especially for the export (Vandecandelaere E., 2002).

In France, wine growers and actors from the tourist industry have constructed a real cooperation during the last years. The evolution is far from being finished and the rapidity of the evolution is very different according to the regions. In 2003, the list of AFIT (Agence Française d'Ingénierie Touristique) counts 5000 cellars, domains or castles opened for visiting. AFIT notices 9 categories of services which constitute the offer of the viti-wine-producing tourism in France: wine-routes, paths and roads for rides along the vineyards, circuits or stays organized in the vineyard, training of initiation into the production of grapes and wine-processing, visits of wine exploitations, museums, eco-museums and houses of wine (source: [www.afit.fr](http://www.afit.fr)).

France counts currently with no less than seventy wine routes in fourteen regions: Alsace (5), Champagne (5), Jura (2), Bourgogne (6), Beaujolais (4), Diois (1), Savoie (1), Vallée du Rhône (19), Provence (2), Languedoc (1), Midi-Pyrénées (6), Aquitaine (15), Poitou-Charentes (1) and Valée de la Loire (3). (source: [www.arev.org](http://www.arev.org)<sup>25</sup>)

A wine-route represents an local organization of producers and a "composite, geographical offer" (Pecqueur 2001). It permits to connect different points of an area (cellars, wine-houses, museums,...) and in this way to offer a group or range of goods and services to the visitors. The

---

<sup>24</sup> For instance: "séjours vigneron", a brand mark, established in Saint Chinian/France

<sup>25</sup> AREV= "Assemblée des Régions Européennes Viticoles", an association for promoting the common interests of wine regions in the European and worldwide economy.

wine-routes rely on a local organization of producers and on their cooperation with other sectors, especially the tourism.

A study of CIVL (Comité interprofessionnel des vins du Languedoc in the region of Languedoc-Roussillon) showed that the existence of wine-routes have positive effects on the practice of "direct sales" in the cellars which increased significantly. In the region of Camargue (France) the wine-route of "Sables" was an instrument to incite the producers for increasing the quality of their wines throughout the direct marketing to the consumer, the bottling of wines and stimulation of direct cellar sales through advertising. (Vandecandelaere E.).

Studies relating to wine routes are emerging in different countries and could be synthesized at EU-level. But we could not find any information and statistics about their frequentation (number and profile of visitors) and business volume. These data are not available for the French wines routes.

### 2.3.6 Direct Producer – consumer linkage schemes

- Direct sales by the farmers to the consumers are traditionally significant in the North of France (Paris region, Lorraine, Alsace and in most of the departments of the Rhône-Alpes region) It expanded in most of these areas between 1977 and 1988. This agricultural practice is also spread in other areas, especially in the South-West.
- An expansion of a number of new direct producer-linkages schemes can currently be observed in France, as in other European countries.
- However, this should not occult the basic fact and overwhelming trend, that food distribution channels have quickly turned away from existing open-air fairs, where producers are more likely to sell directly their products. An unprecedented -- percentage of French people's food expenditure is being nowadays bought in retailing stores whose buying decisions are often centralized.

The repartition of families' food expenditure according to marketing channels is monitored through several consumers' panels and INSEE - data base.

Direct producer/consumer distribution schemes belong to different types, which do share poor statistical information.

The first, deeper-rooted mechanism is producers' participation in open-air markets (statistical evidence scarce). More recently, specific producers' markets ("marchés paysans") developed under stimulus of local governments and consumers' organizations, being generally located in big cities or in touristic areas.

Another scheme is direct on-farm sales (with direct linkage with touristic activities) which often combines with or expands into direct from-the-farm sales (through postal parcels) (*to be completed with statistical source and data*). These sales are highly seasonal and express a strong linkage with social and cultural values (especially festive consumption patterns of quality products with a high cultural identity density).

Finally, new schemes are being settled under influence of CSA (consumer supported agriculture), where consumers engage in a personalized relation with specific producers and benefit from a total transparence on traceability and sustainable production patterns. These schemes range from low to high level of commitments. The AMAP networks for instance imply based on advance payments or annual subscriptions by the consumers to the producers; started in 2001, AMAP now counts 50 producers/consumers networks, in 8 out of France's 26 regions.

### 3. TOWARDS MORE GLOBAL METHODS AND DATA

There is a clear challenge, and in some degree a contradiction in terms, in trying to assess evidence multifunctional agriculture merely through single-factor analysis.

- On one hand, interactions and correlations between the above-reviewed factors or characteristics are frequent. Cultural heritage for instance, permeates many dimensions: It is hardly separable from its concrete material expressions such as landscape shaping, maintenance of specific environments, or food produces and practices.
- On the other hand, granted that a societal and consumer demand for MFA exists in Europe – and the data above gives sufficient empirical evidence to verify this assumption -, then this demand is likely to be itself of multidimensional nature, rather than directed to exclusively one dimension of MFA.

More global approaches to assess and monitor MFA demand are thus required. This chapter deals with such attempts, understanding that one expected result of Multagri SSA may be to suggest methodological innovations, recommending either the use of new data sets or of new analytical frameworks for existing data sets.

#### **3.1 THE "BASKET OF GOODS" HYPOTHESIS**

Recently two French researchers (Mollard and Pecqueur, 2000) have proposed the "basket of goods" model, in order to better understand and explain the purchasing motivations for products and services linked between them and to the territory.

The « basket of goods » is neither the « bundle of goods<sup>26</sup> », nor the quality product PDO, but it borrows from both models. This model clarifies especially the question of product quality throughout the strategy of territorial anchorage (Pecqueur, 2001).

Mollard, Pecqueur et Lacroix (1998) illustrated the "basket of goods" hypothesis during an empiric case study in Baronnies region (Drôme, France). This survey showed that the demand of local PDO olive oil (AOC de Nyons) has drifted towards the purchase of other products (table wine, essential oils, aromatic plants, lavender) but also towards the discovery of landscape (olive trees terraces, protected sites financed by public money) and the use of associated tourist services (Mollard, Pecqueur, Lacroix, 1998). The leader product (olive oil from Nyons) attracts the consumer who appreciates also the quality of other products of the basket. This synergy strengthens the image of the global quality of the territory. The "basket of goods" is constituted by products and/or services from different producers and places within the same territory. Their consumption is not necessarily simultaneous. The additional value of the "basket of goods" is due to the fact that the consumer buys the product in its territorial context. For example, rural guesthouses in the olive oil PDO area had a renting price in average \_ % higher than outside the PDO zone (Pecqueur, 2001 et 2003).

Pecqueur (2001), defines the characteristics of "the basket of goods" as follows:

- a group of complementary goods and services with strengthen each other on the local markets;
- a combination of private and public goods which contribute to the enhancement of the image and reputation of the territory quality;

---

<sup>26</sup> The English terms « package » or « bundle » describe groups of products/services, which are offered on the market inseparably from each other (Mollard, 2000).

- an interactive coordination between the producers of the basket ("club" of producers who aim to internalize the territorial rent for quality<sup>27</sup>).

In another region (Aubrac, Massif Central/France) a research-survey about « behaviors and expectations from tourists in rural areas » confirms the existence of a specific « basket of goods » linked to the territory. The investigations with owners and guests of tourist accommodations revealed that 60% of the tourists purchase between 3 and 5 local products (foodstuff and handicraft), which constitute the « basket of goods » (the « fouace » cake, the PDO Laguiole cheese, the « aligot » specialty, beef and veal meats and the Laguiole knife. (Gabriac A., 2003).

The "basket of goods" model is an important component for the territorial valuation of patrimony (Pecqueur 2003). In the case of quality products, this model of composite offer ("basket of goods" type) could be the best way to enhance the value of patrimonial products while strengthening the reputation of the locality.

### **3.2 COMMUNITY OR REGION-BASED CONTRACTUAL APPROACHES**

The "CTE" (Contrat territorial d'exploitation) is a specific instrument elaborated in France and focused on multifunctional agriculture, which was introduced in 1999 with the adoption of the agricultural law "loi d'orientation agricole"(LOA). It was conceived to accompany the farmers engaged in production systems furnishing collective services which cannot be completely paid by the market. A financial participation is contracted in compensation of the agri-environmental commitments taken. Its objective is to encourage the development of quality productions and services linked to environmental requests of the society. It is an individual contract of 5 years between the farmer and the government, inserted into a collective approach. It contains two parts: an economic and social part, and an environmental and territorial part. Thus the farmer commits to a certain number of actions related on one hand to environmental and territorial objectives such as the preservation of biodiversity, the maintenance of landscape and the improvement of water quality; and on the other hand to economic and social objectives: quality of products, creation of employment, diversification of activities,... The actions proposed by the farmer (or by a group of farmers such as "GAEC, CIVAM<sup>28</sup>,...) are selected according to the local socio-economic, environmental and territorial specificities and priorities, and the "type-measures" defined by the department commission of agricultural orientation. (Rémy J., 1999; INRA, 2000).

Local committees involving different stakeholders, among which farmers unions, are in charge of reviewing the individual proposals in their own region. Moreover, collective contracts can be issued. For example, the first collective CTE was attached to the "Vignerons d'Enserune" cooperative in Languedoc, which engaged in agricultural practices aiming at the protection of one specific bird.

Hence, the CTE is an instrument to anchor agricultural policy into the territory by fostering negotiation between local actors, as well as a global approach of the farm and its environment (INRA, 2000).

---

<sup>27</sup> "Territorial rent for quality": Rent combining the intrinsic quality of a product and its geographical and cultural anchorage (know-how, history) (Pecqueur, 2001). The research surveys in the region of Baronnières revealed that the prices of certain quality products and services, anchored territorially, were durably higher compared to those stemming from a similar offer but with other geographic origin ; a phenomena which the authors qualified «territorial rent for quality» (Mollard, 2000).

<sup>28</sup> GAEC=Groupement agricole d'exploitation en commun ; CIVAM=Centre d'Initiatives pour valoriser l'agriculture et le milieu rural

According to statistical data of CNASEA (2002 et 2003) the situation of CTE is as follows:

- 49368 CTE have been signed since 1999 of which 24 629 in 2003 representing 49,8% of the total number and a very important progression
- the exploitations engaged in CTE cover more than 3,8 millions ha of the agricultural area, that is to say about 12% of the national agricultural area.
- the financial aid for agri-environmental measures represent 75% of the average amount for a CTE
- 8,8% of the CTE are related to the conversion to organic farming
- cattle breeding farms represent more than 50% of the CTE beneficiaries (CNASEA, 2003).
- one employment is created for 15 CTE signed.
- 55% of the CTE contribute to the recuperation of water quality.

This experimental tentative has been replaced by the "sustainable agriculture contract" during year 2003. It comports the same parts as the CTE but is more focused on environmental issues. Other differences are the top-grading of financial compensation and a simplifications of procedures. In 2003, 235 CAD have been signed and 6 millions of euros betrothed (CNASEA, 2003). 2004 figures are not yet available.

Finally, we suggest more intensive studies be conducted regarding local governments' expenditures. Indeed regional governments implement some differentiated agricultural policy tools. For instance, many regions in France, but not all, have invested public money on the development of quality signs for their specific regional products: IRQA (Midi-Pyrénées, Languedoc-Roussillon, Nord Pas de Calais). These policy choices reflect a specific perception of local contexts and local assets for agriculture. They deserve to be better scrutinized as indicators of regional demand as to the roles of agriculture.

## LITERATURE REFERENCES FRANCE

- Agreste (2000): Recensement agricole générale (RGA) 2000. *General agriculture census in 2000*. 6 pages
- Agreste (2001): 7000 exploitations en activité au recensement agricole 2000; Profession: agriculteur bio. *7000 active farms in 2000; Profession: organic farmer*. Agreste primeur no. 101, 6 pages
- Bérard L, Marchenay P. (1998): Local agricultural products and foodstuffs in Southern Europe. Anthropological, sensorial and socio-economical characterization of their typicity. Value-adding strategies. Summary. EC Air program, 3 pages
- Berenguer A. (2004): Quels enjeux, quelles stratégies et quels intérêts pour les pays méditerranéens autour des indications géographiques? Etat des discussions à l'OMC. *Which stakes, strategies and interests for the Mediterranean countries around geographical indications? Discussion state at WTO*. Communication à l'atelier sur « Geographical indication of agricultural products », Montpellier/France, juin 2004
- Bonnet C., Simioni M. (2001): Assessing consumer response to protected designation of origin labelling : a mixed multinomial logit approach. *European Review of Agricultural Economics*, volume 28, issue 4, pp 433-449
- Bourlet I. (2003): L'agritourisme, bilan et approche par les fermes-auberges. *Agrotourism, result and approach of lodging-farms*. Séminaire de thèse du 7 avril 2003, Université de Provence, 28 pages
- CERPAM (1997): Loup et Pastoralisme. *Wolf and pastoralism*. Publication mise en ligne sur [www.loup.org](http://www.loup.org), 2 pages
- Chouvin E. et al (2004): Taking into account knowledge and know-how about nature: the French experience. Les documents de travail no. 2, Iddri, 28 pages
- CNASEA (2002 et 2003): Rapport d'activité 2002. *Activity report 2002*. 38 pages. Rapport d'activité 2003. *Activity report 2003*. 12 pages
- CREDOC (2001): Les français, la qualité de l'alimentation et l'information. *The French, food quality and information*. Journée du droit des consommateurs du 15 mars 2001, Loisel J.-P., Couvreur A. (département consommation), 15 pages
- CREDOC (2002): Les consommateurs se disent prêts à payer le prix de la qualité. *Consumers are willed to pay the price for quality*. Lettre "consommation et modes de vie" no. 157, avril 2002, 1 page
- Deffontaines JP, Brossier J (dir) (1997): Agriculture et qualité de l'eau: l'exemple de Vittel. *Agriculture and water quality: the example of Vittel*. Dossier de l'environnement de l'INRA n°14, Paris, 78 pp.
- Delorme H. (2003) : Ambiguïté et richesse de la multifonctionnalité. *Ambiguousness and richness of multifunctionality*. Paris: CERI/FNSP, [www.ceri-sicences-po.org](http://www.ceri-sicences-po.org)



Dupont F. (2003): Impact de l'utilisation d'une indication géographique sur l'agriculture et le développement rural. *The impact of geographical indications on agriculture and rural development*. Paris : MAAPAR. 27 pages

EUROSTAF (2002): Les produits biologiques. Comment et jusqu'où développer le marché sans dénaturer les fondements de la filière? *Organic products. How and until which level can the market be developed without denaturing the fundamentals of the sector?* Etude publiée en avril 2002, 5 pages, [www.eurostaf.fr](http://www.eurostaf.fr)

European Commission (2003): Why do geographical indications matter to us? Brussels, 30 July 2003, 5 pages

Gabriac A. (2003): Comportement et attentes des touristes en espace rural: application aux locations de vacances sur l'Aubrac. *Attitude and demand of tourists in rural space: application on holiday rented accommodations in Aubrac*. CEMAGREF Clermont Ferrand DCFC. DESS, 112 pages

Iddri, (forthcoming): Biodiversité, pratique et savoirs locaux: l'expérience française. *Biodiversity, practice and local-knowledge: the French experience. Draft*.

INAO (2004): L'institut national des appellations d'origine (INAO) et le système AOC. *The French institute of origin appellations and the system of AOC*. Communication de Paloc J. à l'atelier sur « Geographical indication of agricultural products », Montpellier/France, juin 2004

INRA/GRET (2004): Les consommateurs de produits biologiques en France et leurs achats. *The consumers of organic food products in France and their purchases*. 2 pages

INRA/INSEE (1998). Les campagnes et leurs villes. *The countryside and their cities*. Insee, Paris, collection 'Contours et caractères', 204 p.

INRA (2000): La mise en place des CTE dans le Puy-de-Dôme, la Haute Loire et la Lozère. *The setting up of « CTE » in the French departments of « Puy-de-Dôme, Haute Loire » and « Lozère »*. In : Le courrier de l'environnement no. 41, novembre 2000, 7 pages

Joly P.-B.(2001): Les OGM entre la science et le public: quatre modèles pour la gouvernance de l'innovation et des risques. *The « OGM » in between science and public: four models for the governance of innovation and risks*. Economie Rurale, 2666, pages 11-29

Lacroix A.J., Mollard A., Pecqueur B. (1998): Politiques de développement et rente de qualité territoriale des produits alimentaires. *Development policies and territorial quality rent of food products*. Colloque « Gestion des territoires ruraux sensibles », CEMAGREF-ENGREF, 27-28 avril, Clermont-Ferrand, 15 pages

Max Havellar (2003): Le commerce équitable en chiffres. *Data about fair trade*. 4 pages. [www.maxhavelaarfrance.org](http://www.maxhavelaarfrance.org)

Mollard A., Pecqueur B. (2000): Qualité et développement territorial: (I) Un outil d'analyse: la rente. *Quality and territorial development: (I) An analyze tool: the rent*. Actes du symposium INRA-DADP « Recherches pour et sur le développement régional », Montpellier (FRA), 11-12 janvier 2000.- Grenoble : INRA-R&A, tome 1, pages 55-69

Pecqueur B. (2001): Qualité et développement territorial: l'hypothèse du panier de biens et de services territorialisés. *Quality and territorial development: the « basket of goods and territorialized services » hypothesis*. Revue Economie Rurale no. 261, janvier-février, pp. 37-49

Pecqueur B. (2003): Dans quelles conditions les objectifs patrimoniaux peuvent t-ils être support d'activité?. *Under which conditions the patrimonial objectives can they be support of activity?* XIII ème conférence internationale du RESER, Mons, 9 et 10 octobre 2003, Ateliers de la FUCAN, 6 pages

Perret J., Marcelpoil E. (2001): L'agritourisme en 2001. La diversité des territoires et des acteurs : entre témoignage et commerce. *Agrotourism in 2001. The diversity of territories and actors: in between testimony and trade*. CEMAGREF, 111 pages

Perret J., Marcelpoil E. (2002): La richesse des pratiques de tourisme à la ferme. *The richness of on farm tourism practices*. In Ingénieries-EAT, no. spécial Aménités rurales: une nouvelle lecture des enjeux territoriaux, 2002, p. 43-52

Picard P. (1998) : Eléments de micro-économie. *Elements of micro-economy*. I. Théorie et applications. 5è édition, Montchrestien, Paris, 587 p.

Rambonilaza M. (2004): La valeur économique des paysages "ordinaires". *The economic value of ordinary landscape*. Bordeaux, CEMAGREF.

Rémy J. (1999): Les contrats territoriaux d'exploitation. Un outil de la multifonctionnalité. *The « CTE » : a tool of multifunctionality*. In revue Pouvoirs Locaux no. 43 IV/1999 (décembre), pp 88-91

Sondages, Opinion, Etudes (SOFRES), 2001: Les français et l'agriculture. *The French and agriculture*. 3 pages. [www.tns-sofres.com](http://www.tns-sofres.com)

Vandecandelaere E. (2002): Des réseaux territoriaux comme outil de promotion de produits de qualité: l'analyse des « routes de vins » en Languedoc Roussillon, Mendoza et Western Cape.. *Territorial networks as a tool for the promotion of quality products: analyze of wine routes in Languedoc-Roussillon, Mendoza and Western Cape*. INRA-SAD Montpellier, 26 pages

Weber J. (2003). L'évaluation contingente: les valeurs ont-elles un prix? *The contingent evaluation : do values have a price ?* Compte-rendus de l'Académie d'agriculture de France. Juillet/Aout 2003. <http://www.ceri-sciences.po-org>

#### **OTHER SOURCES USED: Various www pages related to topics**

[www.afit.fr](http://www.afit.fr): *web-site of the French agency of touristic engineer*

[www.arev.org](http://www.arev.org): *web-site of the assembly of European wine regions*. Assemblée des Régions Européennes Viticoles

[www.coe.int](http://www.coe.int): *web-site of the European Commission*

[www.culture.gouv.fr](http://www.culture.gouv.fr), [www.journeesdupatrimoine.culture.fr](http://www.journeesdupatrimoine.culture.fr): *web-site of the French ministry of culture and communication; special web-site about cultural heritage days*

[www.fems.asso.fr](http://www.fems.asso.fr): *web-site of the federation of ecomuseums and public museums*. Fédération des écomusées et des musées de société.

[www.inao.fr](http://www.inao.fr): *web-site of the French Institute for PGI and PDO*

[www.parcs-naturels-régionaux.fr](http://www.parcs-naturels-régionaux.fr): *web-site of the French Federation of natural regional parks*

[www.solidaroad.org](http://www.solidaroad.org): *web-site of Alter Eco Pwc Conseil, page of the French Platform of fair trade*

[www.source.asso.fr](http://www.source.asso.fr): *web-site of the national center of rural tourism resources*

[www.tourisme.gouv.fr](http://www.tourisme.gouv.fr): *web-site of the ministry of tourism*