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Declining meat consumption and the economics of the French meat industry: seeking win-win solutions

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The wave of discontent in the agricultural sector that erupted in France at the end of 2023 has yet to subside. The difficulties are immense, and the challenges many. Against this backdrop, IDDRI and its partners have taken a closer look at the meat sector, which has been particularly hard hit. Our project on the just transition of these sectors seeks to reconcile the achievement of environmental ambitions, ensuring the long-term resilience of the food system, with the socio-economic viability of those working in the sector. An initial publication (IDDRI, 2024) shows that without intervention, both supply and demand are likely to decline sharply, with significant repercussions for the sector. The second part of this work, the TRAMe2035 scenario, published today (IDDRI, 2025) examines how meat consumption could evolve in both quantitative and qualitative terms, with a vision of “less and better”. In anticipation of the third instalment of this project, due by the end of 2025, this blog post explores the potential economic impacts of the TRAMe2035 scenario

on the French meat industry and outlines the conditions necessary for making “less and better” economically viable.

Growing demand for standardized meat

For over 30 years, *commodification* has been the main driver of change in the meat sector: meat has become an increasingly standardized product, traded on increasingly open markets, making price competitiveness a key determinant of supply-demand dynamics.

By 2035, this commodification will continue to sustain high demand by keeping prices low. As a result, the baseline scenario anticipates a slight increase in overall French meat consumption. At the same time, commodification will accelerate the shift from other meats towards poultry, given its competitive advantage. In this scenario, aggregate consumption is projected to decline by 4.5% for beef and remain stable for pork, while poultry consumption is expected to increase by 10% (primarily reflecting growth in chicken consumption). Finally, commodification weakens the position of French producers in highly standardized market segments, where they face stronger competition from foreign competitors.

In the baseline scenario, the gap between supply and demand widens across all sectors, leading to a decline in the share of domestic consumption met by national production. The overall coverage rate drops from 98% to 88%, with poultry falling from 93% to 84%, pork from 103% to 98%, and beef from 96% to 80%. These shifts in the supply-demand balance have negative economic consequences in terms of employment and value creation in the regions where the meat sector operates. They also result in mixed environmental outcomes, with the loss of grassland and its associated biodiversity, a decline in domestic emissions that is largely offset by an increase in imported emissions, and only a marginal improvement in nutrient recycling due to the limited geographic dispersal of livestock production–meaning that pressure levels, particularly in terms of nitrogen and associated pollution, remain high.

The impact of changing demand on the meat industry: insights from the TRAMe scenario

In contrast to the baseline scenario, the TRAMe2035 scenario projects a decline in consumption across all types of meat, with varying degrees of reduction: beef consumption falls by 18%, pork by 17%, poultry by 8%, and other meats (lamb, game, rabbit, etc.) by 28%. Compared to the baseline scenario and all other factors remaining equal, TRAMe could help narrow the gap between supply and demand by 2035, with the overall coverage rate reaching 100% for all meats (96% for poultry, 111% for pork and 92% for beef). From an environmental perspective, while this improved supply-demand balance could help reduce imported emissions, it would not necessarily address other environmental concerns. Grassland areas would continue to shrink and nutrient recycling would see no significant improvement.

However, a decline in domestic demand without corresponding supply-side measures would likely have a demotivating effect on those working in the French meat industry, which is already under strain–leading to lower investment, fewer farm successions, etc. There is a risk that the reduction in consumption projected in TRAMe2025 would primarily impact French production rather than imports, given the existing price-competitiveness gap in the “standard” market segments.

Making TRAMe a scenario with positive economic and environmental impacts

Three conditions must be met to avoid this outcome. The first is to provide the French meat industry with the support needed to continue the progress already made in terms of environmental sustainability (advancing the sector's transition towards "better"). This includes managing grassland stocking, improving feed efficiency, and optimizing manure management, etc. This support, the details of which have yet to be defined, would help strengthen the development of the "better" approach, while keeping production costs under control, and could even help regain competitiveness in an increasingly challenging market.

The second condition concerns the need to support a partial "decommodification" of the sector wherever possible, particularly by helping the industry promote French-origin products, especially those from its most sustainable models. For decades, industry actors have invested heavily in strengthening the value of French-origin meats and moving towards higher-quality production. They need continued support to maintain leadership in this transition.

The third condition involves strengthening public action to ensure a fair and equitable market–one that applies the same social and environmental standards to all competing operators–both within the single market and in trade with third countries. This is a matter of foreign policy, linked to the position of France towards its trading partners. It requires the development of a unified French position that can be defended at the European and international levels, not only by the public authorities but also by economic and social stakeholders.

The contribution of TRAMe2035 to the overall approach of IDDRI's project on the just transition of the meat industry is based on the credibility of a shift in eating habits driven by concerted action on the food environment. While this is a necessary condition, it is far from sufficient. IDDRI, together with its partners and stakeholders across all sectors, will continue to explore the other conditions needed to align supply and demand and create a real link between "less" and "better". With this in mind, the third and final part of the project will be published in the second half of 2025, presenting comprehensive industry scenarios.

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