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Newsletter December 2009

Dear Dairy Farmers and Interested Parties,

It is an annual ritual we all like to go through at the end of the year. In magazines, on TV, at home – everywhere we cast our gaze back and ponder on everything that happened to us or was achieved in the course of the year. And it also makes sense to pause in the present hustle and bustle and when planning future activities just to take a closer look at our achievements in the last twelve months. We at the EMB have no intention of breaking with this tradition. Especially since the European farmers have done so much in 2009, and the retrospective is impressive.

The movement has become so much stronger and the EU politicians have had to react, as has been evident in the past few months. Extraordinary meetings of Ministers, milk as an issue at every European Ministers of Agriculture Conference, the setting up of an EU Commission High Level Group to come up with measures to combat the milk market crisis – it all shows that the milk producers' concerns are being taken seriously because they have to be taken seriously. The reason is that tens of thousands of farmers throughout Europe have protested intensively and will carry on protesting. There have been countless campaigns of action all over Europe. Once again we report in this Newsletter on examples of direct action taken. Such as the ongoing protests in France and Eastern Europe and the 20th of November, when a huge eye was erected in Brussels outside the building where the European Ministers were meeting, symbolising the close eye the European milk producers are keeping on the politicians. These joint protests and the extremely active inter-communication in general this year have made the milk producers' pan-European movement even livelier.

As yet the political outcome still falls short of expectations, partly because some Commissioners and Ministers still believe that a policy of subsidies can put an end to the milk market problems. And yet the signs of a change in thinking are there. The nomination of a new EU Commissioner of Agriculture, for instance, opens up new possibilities in the political dialogue. Read the brief introduction to the Romanian Dacian Ciolos, who is expected to become Mariann Fischer Boel's successor.

However, positive signs do not mean that we can now rest on our laurels. It is an important start, the proverbial "foot in the door". Now we have to stick at it in 2010, and not just by appealing to the politicians. Strengthening the milk producers' market position is still a vital task for the EMB, for the dairy farmers of Europe themselves. Forces have to be united and milk pooled throughout Europe – flexible supply control on the producer side is what we want.

2009 also made one thing clear: the general public is behind the European farmers. Displays and declarations of solidarity have been made in every social sphere – from environmental protection groups, development organisations, from politics, the Church, dairy farmers from Central America, Africa, from people all over the world. A further key indication that society has become aware is the nomination of an EMB organisation, the DDB (Dutch Dairymen Board), for the European Democracy Award in connection with the milk producer protests. Read more about this in the Newsletter.

In spite of all the EU directives, milk production in Europe also means country-specific differences in certain areas. To give you an overview of what is known as netting we are starting in this issue of the Newsletter with a series on the various netting systems. The first one to be scrutinised is the French system.

We trust you will find the Newsletter an interesting read and wish you a Merry Christmas and all the best for the New Year.

Best regards

Silvia Däberitz (EMB)

France

Protests carry on unwaveringly – milk labs being blockaded

In France the milk producers' protest was still on the agenda in November and December. There was, for instance, a nationwide blockade from late November to 3 December of 12 of the 15 regional supra-sectoral milk laboratories. These milk laboratories carry out analyses for the milk producer collectives (farmers) and conduct tests on dairy produce. The blockades, which are hampering the sale of produce, are an attempt by the EMB milk producer organisation Association des Producteurs de Lait Indépendants Nationale (APLI) to force the sectoral organisation Interprofession to renegotiate the December price already stipulated, to negotiate fair prices for January to March, and to abolish the flexibilities that allow the producer price to be discounted. Representatives of the FNIL (National Federation of the Private Dairy Industry), the FNCL (National Federation of Co-operative Dairies) and the FNPL (National Federation of Milk Producers) are currently in the Interprofession. The 35 milk producer representatives with their President Henry Brichard belong exceptionally to the umbrella organisation, the FNSEA (French National Farmers' Union). "The milk producers' protests were started by organisations like APLI and the Organisation de Producteurs de Lait (OPL), representing the milk producers' interests much more vigorously than the Farmers' Union, which is involved in the Interprofession's negotiations", says an APLI spokesman. These grass-roots organisations must also have a say in decisions on prices.

But the protesting French milk producers do not want to rely on possible Interprofession negotiations. By setting up a milk-pooling institution – known as the OFFICE de LAIT - they aim to take the initiative in strengthening the milk producers' position in the market. Interprofession was all about a few euros; OFFICE de LAIT was fighting for a secure future with a cost-covering milk price. That is why there have been gatherings throughout France since November to explain the work of the OFFICE de LAIT.

Anton Sidler (APLI)

Eastern Europe joining in the wave of protest

Low milk prices are a bitter reality throughout Europe and the world over. Besides the huge protest campaigns conducted by milk producers in Western Europe in recent months, there have also been demonstrations and milk ditching in Eastern Europe, with dairy farmers venting their great dissatisfaction.

The Czech Republic

On 29 and 30 October, protesting dairy farmers in the Czech Republic ditched several hundreds of thousands of litres of milk on their fields. According to the local newspaper "Hospodarske Noviny" this was the first time that farmers resorted to mass action against the difficult situation in the milk market. The Chairman of the Agricultural Commission, Jan Valeba, describes the action taken as drastic, but explains it with the despair that gives the dairy farmers no other option.

Hungary

On Thursday, 5 November, large numbers of Hungarian farmers protested in the cities of Budapest, Győr, Pécs, Miskolc and Szeged. They called for the government to stop the cheap milk imports that are flooding the country. As a sign of the desperate situation forcing the farmers to slaughter their dairy cattle, they laid cow skulls on the street and poured milk over them.

Silvia Däberitz (EMB)

The watchful eye

When the European Ministers of Agriculture met in Brussels on 20 November, the European milk producers were keeping a close eye on the politicians. A gigantic eye was erected outside the Council building to symbolise the dairy farmers' watchfulness. For videos on it and photos of the campaign, go to: www.ddb.nu

Brussels – 20/11/2009: The dairy farmers' watchful eye is firmly focused on the European Ministers of Agriculture's meeting in Brussels. Flags of all the EMB members states flap over the 14 tractors standing in a semi-circle opposite the building in which the EU politicians are meeting. The huge eye stares intensely into the heart of the EU policy-making process.

Inside the building, the sound of tractors arriving, demonstrating farmers, speeches and singing throngs can be heard. The noises are from past demonstrations. Loudspeakers fill the square with them: a clear and sharp reminder to the politicians of the European milk producers' strength and determination in fighting for flexible supply control on the producer side. The police unit, who in their own words "were called back from holiday, because the last time more than 5,000 farmers turned up with 1,500 tractors", was instructed to be prepared for anything. One never knew what the farmers would do this time. After just one hour, the officers are ordered back to base when it is realised that this is a symbolic action organised today by the EMB delegation. They are not at all comforted by that, though. They look around suspiciously, for from the loudspeakers can be heard a speech delivered by Romuald Schaber at one of the past demonstrations. He announces that hundreds more tractors are expected, heading for Brussels city centre.

During the day, there are hundreds of curious citizens, taking photos and expressing to the EMB delegation their sympathy for the farmers' plight.

At the end of the afternoon Sabine Laruelle, the Belgian Minister of Agriculture, speaks to report that the milk issue has been quickly dealt with. One result of the European Ministers of Agriculture's meeting is the extension of the urgency clause to dairy products. This means the EU Commission will be able to react more quickly to the market when prices drop. However, as we have seen in the past, the EU Commission is merely using export subsidies and intervention as mechanisms that do not improve the situation per se. They are only shifting the problems onto other countries or postponing them. In addition, they resolved to alter the system of buying up quotas. The quota bought up by the state that is kept in the national reserve is to be taken out of the calculation of the super-levy for the EU. When imposing the super-levy on the national level, the state can use the part relating to the quotas bought up (and therefore not subject to EU duties) on a national level for restructuring the sector. Were the states to avail themselves of this option across Europe, a restriction on the production volume could be introduced.

Even if the last resolution is a step in the right direction, the Ministers' meeting on 20 November did not bring about the requisite change in the system towards flexible supply control on the producer side.

The EU politicians still have to shoulder responsibility. The European milk producers are keeping a close eye on them and continuing their protests throughout Europe. For example, on 10 December, the EMB's watchful eye will be firmly focused on 22 European Ministers of Agriculture discussing the regulation of the agricultural markets in Paris. But Europe's dairy farmers are not leaving it there. To strengthen their own position in the market, it is not enough to rely on the politicians. The milk producers are joining forces on various levels.

Joke Visser (DDB), Silvia Däberitz (EMB)

Support the EMB

The EMB's activities – making people aware of the problems caused by unfair milk prices and bringing about a rethinking in politics, the dairy industry and the retail trade – are very varied and often highly cost-intensive. Support us with a financial contribution. Help further strengthen the European milk producers' movement.

EMB

Bank sort code: 430 609 67

Account number: 4017 466 200

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Mark your transfer: "Support for the EMB work"

Dacian Ciolos nominated for the post of EU Commissioner for Agriculture

Forty-year-old Dacian Ciolos was the Minister of Agriculture in Romania and has been active in EU agricultural policy for many years now. He lived for some years in France, and key elements in his career have been the Franco-Romanian collaboration in agriculture and rural development along with representing Romania in Brussels. Against this background, it is likely that market regulation and an adequate level of bonuses for farmers are dear to his heart. We have to wait and see exactly what his approach is and what effort he is prepared to put in.

Ciolos has to be voted in first. In January, he will be presenting to the European Parliament his concept of the EU Agricultural Policy as a member of Barroso's EU Commission. In early February, the Parliament strengthened by the Lisbon Treaty is then expected to decide whether Dacian Ciolos succeeds Fischer-Boel.

Sonja Korspeter (EMB)

Dutch EMB organisation DDB nominated for European Democracy Award

As part of the European Movement in the Netherlands' (EBN) Democracy Week, the Dutch Dairymen Board (DDB) was nominated for the European Democracy Award. To quote the nominators: "The Dutch Dairymen Board is drawing the European politicians' attention to the desperate situation of the dairy farmers and their families whose livelihood is under serious threat from the low prices in the EU. What is more, sometimes they work counter to the prevailing opinion. Their protests have caused a stir throughout the EU. Their initiative has really put the problems of the farmers and their families on the European agenda."

For instance, on 14 and 15 April, the DDB organised the "Cowshed in The Hague" campaign, in which some of them spent the night outside the Parliament building with 9 cows to make the politicians and the Dutch public aware of the problem of low milk prices.

During the European Milk Action Weeks in September, in conjunction with the Nederlandse Melkveehouders Vakbond (NMV) organisation and with protesting EMB members, the DDB organised various activities and events in the Netherlands, Brussels and Luxemburg. Not for extra funding, but to make it clear to the European politicians and citizens that a new, fairer milk policy has to be introduced in Europe. They demonstrated, for instance, outside retail distribution centres, organised the handing out of free milk to consumers, and ditched milk onto the fields as a sign of the catastrophic milk market situation. A special campaign was the construction of a straw castle alongside the A32 motorway, with various events informing the general public of the milk problems.

Hennie de Zwaan (DDB)

Belgium

Building a new dairy Europe

After a very hectic September we have now returned to a calmer pace of life. However, although we are no longer front-page news, our campaign continues and the focus is now on long-term work. And this work is possible thanks to the producers' commitment and their mobilisation, which have enabled the MIG and the EMB to now have a say at every level of power.

Our position is now understood and taken into account for the building of tomorrow's dairy Europe. In Belgium we are continuing our political contacts and preparing the work of the Belgian experts in the High Level Group set up by the Commission.

To ensure that the information sent to Europe is from the grassroots level, we are going to set up provincial working groups to enable everyone to have a say. A person responsible has also been designated for each province, creating a true link between the producers and the MIG.

There have been informative meetings all over the country, to keep the producers up-to-date with the milk situation. The general feeling is that we now know that we have the milk and therefore power. But we are also aware that there is still a long way to go. The consumers are behind us and backing us 100%. That is our greatest source of motivation.

FAIRCOOP has also been presented at these meetings. The aim of this co-operative, which is open to every producer, is to market fair milk. We are also responding to consumer demand, and it brings in extra revenue for each producer in the co-operative. The marketing of this milk is planned for the beginning of 2010. A good number of farmers belong to this initiative, giving us hopes of building something big.

On every level and in every way the MIG continues its work towards building a new dairy Europe.

Sébastien Demaille (MIG)

Ireland

Dairy farmers' organisation ICMSA continues to push for EU supply regulation

The Irish Milk and Cream Suppliers Association (ICMSA) is continuing its work at national level on dairy issues. This week, they met with the Minister for Finance on budgetary matters impacting on dairy farmers. The Minister for Agriculture, Fisheries and Food has established a consultative group to advise him regarding proceedings at the EU High Level Group on milk. The ICMSA President, Jackie Cahill, and General Secretary, Ciaran Dolan, represent the ICMSA on this group and attended the first meeting last month. ICMSA continues to push for EU supply regulation and there is growing support amongst farmers. ICMSA has also met with the Prime Minister in recent weeks highlighting the need for changes to EU dairy policy and for greater support for dairy farmers.

On the positive side, milk prices have increased for all farmers in October. However, milk prices still remain below the cost of production and financial pressures are growing on all farms. In light of the ongoing improvement in dairy markets, all Co-op boards must implement an increase in milk price and fully reflect the increased returns from the marketplace, according to Mr. John O'Leary, Deputy President and Chairperson of ICMSA's Dairy Committee.

John Enright (ICMSA)

"We're Europeans"

European farmers becoming increasingly unified

The European milk strike began in Paris on 10 September 2009. That was also the start of greater communication between the dairy farmers – across national borders. The step-up in international exchange was already apparent from the flood of news that flowed through the EMB Office in the days to follow. Every day countless photos, video clips and newspaper articles reporting on the wave of the milk producers' strike arrived at the Office in Hamm and were forwarded from there to the EMB member countries. Farmers from all the EMB nations gradually joined the milk strike. Environment and animal welfare organisations, Oxfam, Bread for the World and organisations from Burkina Faso, Mexico and Taiwan sent messages announcing their solidarity. Finally the Church voiced its opinion. It, too, supports the farmers in their uprising against the politically motivated destruction of agricultural structures in Europe and the world.

Dairy farmers from France, Belgium, Luxembourg, Switzerland, Austria, Italy, the Netherlands and Germany went to each others' countries to support their fellow farmers. For days they travelled to various dairy farmer events. They invariably found interpreters offering their services free to break down the language barriers. The same happened in Spain, where there was little willingness to strike. Meeting fellow striking farmers gave many of them the courage to throw away their precious milk.

Now the farmers are keeping their milk in their tanks again. The "milk-ditching campaign" has been suspended for the time being. But the fight for fair milk prices continues unabated. It is becoming clearer by the day that the farmers see themselves as Europeans, as united, and are not afraid to communicate with people from other countries, despite differing languages. It is a living movement.

Johanna Besier

Exchange between the dairy farmers of Europe

To continue the exchange between the dairy farmers of Europe you have the opportunity to visit dairy farms in other countries. If you are interested, register with the following e-mail addresses and key in "Exchange":

Interested in visiting a farm in the Netherlands: info@ddb.nu

Interested in France: sidler.anton@neuf.fr

If you wish to visit a farm in Germany: jasper@abl-ev.de

Netting – Where, what and how?

Even though EU law applies to the milk sector, certain segments are subject to the individual states and are regulated differently across Europe. The option of making up for milk production in excess of the quota – what is termed "netting" – is a case in point. From this month on we will be publishing in our EMB Newsletter a series entitled "Netting – Where, what and how?", giving an overview of the provisions in the countries of Europe. We begin in this edition with the French system.

Netting in France

Regionally regulated

In France, netting operates on a regional level. Milk producers that supply less than their quota allows make the difference available to producers that produce in excess of their permitted quota. Every year the government stipulates the top limit of what is allowed to be overproduced in the respective region. For instance, in Brittany about 2 per cent is often permitted. In the south-west it is generally 8-10 per cent. For 2009-2010, however, the government set netting at 0 to counter the large volume of milk in the market and thus the milk crisis. And the extra volume, the 1 per cent that was decided on in Brussels last year, was not distributed.

Every year representatives of the dairies, producers, boards of agriculture and the government distribute unused quotas to producers requesting them. This is done in a specific order. First they consider young producers, then investing producers and finally remaining producers. Each département has a milk commission that decides on its distribution. Their decisions are upheld or rejected on a national level by the Agence du lait. In early February, the milk producers are then told how much extra they can produce by the end of March.

If a producer has produced less than 85 per cent of his quota over two years, his quota may be reduced by the volume not produced.

Super-levy

If French production exceeds the quota allocated by the EU, a super-levy has to be paid to Brussels, and it is collected beforehand from the overproducing milk producers. But French legislation allows for France to set its own admissible national production volume that is less than stipulated by Brussels. The French state can, for instance, already demand penalties if 97, 98 or 99 per cent of the Brussels volume is produced. The difference from the super-levy to the EU, which the French state receives, is used for French restructuring measures.

Legal provisions

EU: Article 72 Regulation (EC) no. 1234/2007, adapted Regulation (EC) no. 72/2008

France: Article D654-81

Regionally: regionally binding laws

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Document-URL: <http://www.europeanmilkboard.org/https://www.europeanmilkboard.org/english/newsletter-december-2009.html>