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Dear Farmers, Consumers and Representatives of the Media,

On 29 April 2009 more than 25,000 milk producers across Europe protested outside their countries' institutions of agricultural policy; the EMB demand they all shared was writ clear on their banners: "Flexible supply control for fair milk prices".

In many countries the prices paid to milk producers have plunged to a level that not only holds out no prospects but also threatens the very existence of the farms. The "existence of the farms" sounds so matter-of-fact. It is about the livelihood of many farming families with men, women and children! What is at stake here is pan-European milk production supplying consumers locally with fresh dairy products!

Talks with the Commission

That the political representatives have still not grasped this impact of their political mistakes last year (including the increase in the milk quota) was evident yet again in talks with Commissioner Fischer-Boel in Brussels on 30.4.2009. Romuald Schaber, Sieta van Keimpema and Kjartan Poulsen from the EMB Executive Committee and I from the EMB management presented the milk producers' situation and their demand for regulating supply in line with market capacity. The possibility of leasing out quotas with compensation was also discussed. When asked how the EU Commission saw the milk market, the Commissioner expressed her deep regret about the low prices but made it clear that creating basic political conditions for regulating volumes on an EU level was not an option. The individual nations could of course set the extra 1% quota this year aside in the national reserve. No country was obliged, she said, to share it out. She added that on an EU level they were also striving to ease the pressure on the market through export refunds, by increasing intervention and with the school milk scheme. However, during these talks in Brussels she was unable to tell us anything about the further development of the market and the development of production costs. It was clear that the EU Commission had no intention of interfering with the phasing out of the quota as in deregulating the milk markets.

What this stance means for milk producers is that they have to step up the pressure on the national politicians. Only they can bring the Commission to switch the direction of the milk policy in favour of the milk producers and consumers.

New campaign of action on 25.5.

That is why during the EU Ministers of Agriculture Conference in Brussels on 25.2009 there will be a "Mobile Cowshed" campaign involving 1,000 milk producers from the EMB countries converging on the political centre of Europe. Demonstrations are also planned for the subsequent informal gathering of the ministers in Prague. Once again it is very important that large numbers of milk producers turn up to show their solidarity.

During these campaigns in Brussels and Brno the brand-new EMB website www.europeanmilkboard.org will be constantly updated with texts and photos. Press reports from all over Europe can now be found all the time on the EMB website.

Developments in Switzerland

In Switzerland the state milk volume quota system was abolished on 1 May 2009. Many dairy farmers were in favour of

producers controlling milk volumes, but as yet there is no organisation to harness this co-operation. The dairies have already come out with the first howlers (see article below). That is why the next EMB Members Meeting in July will be held in Switzerland, to study developments following the abolition of the state milk volume control system on the spot and to show support for our Swiss colleagues.

I hope you enjoy this very lively Newsletter with plenty of examples from all over Europe.

Kind regards,

Sonja Korspeter.

A day of action and more action – the 29 April – examples from around the countries

Action everywhere and pinpointed action: France - OPL and APLI

On 29 April France was covered with a grid of delegations dispatched by the OPL (Organisation des Producteurs de Lait) and the APLI (Association des Producteurs de Lait Indépendants) to the regional political representatives – the prefects. More than 60 prefectures were targeted and over 4,000 letters handed over stating the dairy farmers' demands. One of the delegations, representing roughly 1,000 milk producers, spoke with the French Ministry of Agriculture, vehemently underlining the necessity for political measures on regulating volumes: "The time for the laissez-faire deregulated market is over. We need a fair milk price - NOW!"

Silvia Däberitz

Follow-up: Spain - Prolec

As early as 16 April more than 5,000 farmers took to the street in the Spanish capital of Madrid to protest vociferously against the dire conditions in agriculture. This was reported by European television and radio stations and in the daily press beyond the borders of Spain. Just under a fortnight later the Federación Española de Empresarios Productores de Leche (PROLEC) milk producers' organisation followed up with a campaign for working openly and constructively on solutions with all parties concerned in the milk sector. On 29 April, 400 dairy farmers took up the invitation to hold talks with political and industrial representatives as well as consumers in the northern Spanish town of Lleida. Rosa Cubel, the Director-General of the Catalan Regional Administration's Department of Agriculture and Livestock Production, promised the farmers her support in overcoming the milk price crisis.

Esther Lopera, Silvia Däberitz

13,000 milk producers put the pressure on - Germany - BDM

The Federation of German Dairy Farmers (BDM) chose one city in northern Germany, Hanover, and another in southern Germany, Stuttgart, to protest outside the Ministries of Agriculture. In front of a crowd of 3,000 milk producers in Hanover the President of the BDM, Romuald Schaber, explained that only when supply was adjusted flexibly to supply could cost-covering milk prices be achieved in the long term. He was followed by Martin Haab from the Swiss Farmers' Lobby for Price and Market Action (BIG-M), who spoke on the abolition of the state milk quota system and the progress of a sectoral organisation of milk producers in his country (see article below). Some 10,000 farmers turned up in Stuttgart with 150 tractors to demonstrate outside the Ministry of Agriculture in Kernerplatz.

Katharina Aurich

No chance for blinkers!: Luxembourg - LDB

"It's just beyond belief." Alain Schuh from the Luxembourg Dairy Board (LDB) simply cannot understand the stubbornness of the Luxemburg Minister of Agriculture Fernand Boden, who is still all for a deregulated market and against the quota. "Even now it's crystal clear that with the current milk volume, prices are too low and the livelihood of many milk producers is at stake." So it is hardly surprising that Boden took a lot of flak in the press conference at which the Day of Action kicked off in Luxemburg on 29 April. The main bone of contention was the risk of an unregulated market, as already made more than apparent by the financial crisis.

"The milk market needs flexible control of volumes", says Fredy de Martines, Member of the Board of the LDB. This point was hammered home to both the Minister of Agriculture and the representatives of the major parties in Luxemburg. The

parties were also called upon to show which side they were on in the milk debate by 15 May. "We have national elections on 7 June, and we will name and shame on posters anyone who has not stated their position on the milk market by mid May" – was Fredy de Martines' statement of the ultimatum whose outcome is being very closely followed by the Luxemburg media.

Silvia Däberitz

Growing commitment: Denmark - LDM

At a large gathering on 29 April, Danish milk producers held talks with EU parliamentary candidates and political organisations to discuss the possibilities of introducing control of volumes. 125 farmers wanted to know to what extent they could count on the support of politicians. The candidates for the EU parliament said they were fully conversant with the problems in the milk sector and did not refuse the milk producers the right to come up with their own system of regulating volumes. However, they expressed doubts as to whether the EU would contribute to setting up such a system.

Christen Sievertsen

Calves meet politicians: Scotland - DFOS

What the Scottish parliamentarians in Edinburgh saw out of the window on 29 April was rather different from usual. In conjunction with the National Farmers Union of Scotland (NFUS), the Dairy Farmers of Scotland (DFOS) had assembled outside parliament in the capital city of Scotland with milk producers and its blue-and-white Faironikas. They were seeking talks with the politicians, who soon came outside and joined in the debate. The large numbers of journalists there watched as over 30 parliamentarians of all political parties and 80 milk producers engaged in a lively exchange of opinions on the milk price situation. Since the beginning of the year the price paid to Scottish producers has fallen by nearly 20 per cent and is currently around the 23-24 pence a litre mark (4.0% fat, 3.3% protein), i.e. about 26 cents. The parliamentarians promised to stand up for a better milk price. The demonstration by the DFOS and the NFUS also produced concrete results: not just the numerous photos with the highly popular slogan "Calves meet politicians", but also the definitive agreement on a Milk Summit, due to take place on 27 May. *Doris Robertson, Silvia Däberitz*

Large media backing and clear instruction to the politicians: Austria - IG Milch

Tractors had already set off early in the morning of 28 April from the most outlying districts of Austria to arrive on time for the Milk Action Day on 29 April in the capital city of Vienna, 500 kilometres away. A total of over 300 tractors and more than 1,500 farmers caused quite a stir in the centre of Vienna and made a big impression outside parliament on the politicians. The EMB's common European raft of demands was handed over to the President of the Parliament and to the parliamentary parties' spokesmen for agriculture. Afterwards the convoy of tractors moved on to the Ministry of Agriculture to press home the dairy farmers' concerns there as well.

The farmers that took part in the Milk Action Day went home proud of the campaign of action and their convictions reinforced. Before and after the day of action there were countless newspaper reports and television features, as well as dozens of video films and thousands of photos posted on the Internet. The focus of the picture reporting was invariably the Faironika, the symbol of European co-operation for a fair milk price.

Walter Stadlober

Open dialogue with politicians: Belgium - MIG

The representatives of the Milk Producers' Lobby (MIG) in Belgium can be well satisfied with their day of action on 29 April. The silent protest march followed by a demonstration in the Belgian city of Namur involved not only just under 1,000 farmers with 60 tractors – a very decent turn-out in relation to Belgium; the talks with the Walloon Minister of Agriculture Benolt Lutgen and the national Minister of Agriculture Sabine Larulle also produced understanding for the MIG position on regulating volumes. The plan is now to study these demands at the Walloon Regional Ministry. The MIG was invited to a meeting on 12 May for further talks. The problem, though, is the attitude of the Flemish Ministry of Agriculture, which has a sceptical view of controlling supply. Unless that changes, not even Larulle can do very much on

a nationwide level.

Erwin Schöpges, Silvia Däberitz

Heidi and the beautiful flowers?: Switzerland - Uniterre

Several hundred producers from all over Switzerland had gathered on the building site of the new "Château d'Ependes" milk production plant to denounce the wholesalers' strategy. This new production plant is soon to be churning out hundreds of thousands of litres of extra milk a year. As the milk market cannot expand and is already saturated, these extra volumes will exacerbate the situation. Prices are in free fall and the imminent phasing out of the milk quota system holds out no hope of improvement.

"Produce as much milk as you want – we'll take care of the rest". Milk purchasers are now reviving this highly symbolic doctrine from the post-war years. Nowadays decisions in the milk market are no longer taken in Bern – they are taken in Estavayer-le-Lac, Villars sur Glâne, Lucerne, Hochdorf, Zurich or Basel. Just when will new private milk collectives come in? Given the building site in Ependes, that might be very soon.

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Switzerland: state regulation of supply abolished

In Switzerland the state milk quota system was abolished on 1 May. As ever it is still not clear how milk volumes are controlled. So far the milk producers have made declarations of intent, but as yet they do not have their own sectoral organisation. The milk processors are taking advantage of this situation to position their Swiss Milk Association. Dairies and milk retail organisations are represented in this organisation.

The milk market and the milk price are out of control. For May and July every producer has to supply 5% of his milk at a price of 23 centimes (15 cents). This milk is then disposed of on the world market in the form of powdered milk. Moreover, May sees an absolute delivery peak. The producers' organisation ZMP, which is also the majority shareholder in the largest dairy "Emmi", has just told the suppliers that as of now there is only a monthly delivery entitlement. That means the annual quota as before divided by twelve. A price of just 22 centimes (14.5 cents) is being paid for milk supplied in excess of the monthly volume. This decision comes as a surprise to the ZMP producers. All the same, the suppliers of Nordostmilch knew almost a year ago that from 1 May the monthly volume system would be applied. Nearly 30% of the milk in these two organisations is now being settled in excess of the monthly volume. What impact this change will have remains to be seen. At any rate the prices of slaughtered cows have plummeted. In the next few weeks we will be giving the EMB organisations more detailed reports on developments here in Switzerland.

Werner Locher, BIG-M