

Disappointing vote on the EU Milk Report

Substantial amendments ignored in the Agriculture Committee's vote

(Brussels, 15 June 2015) From the dairy farmers' viewpoint, the 8th of June was a disappointing day. With its vote on the own-initiative report on dairy policy, the European Parliament's Agriculture and Rural Development Committee produced a document with few constructive proposals for solutions. Although in the paper the Northern Irish rapporteur James Nicholson correctly identified the problems of the increasingly volatile milk prices that fail to cover costs and also called for efficient safety measures, no effective instruments for solving the problems were stated.

That is all the more regrettable, as many MEPs had previously submitted numerous positive amendments. In the end, though, they were ignored in the report. The proposed amendments had included a demand for a crisis management programme, the incorporation of production costs in contracts between producers and processors, and opening up producer organisations to members of co-operatives.

In essence the report champions ineffective concepts such as orientation towards exports and the provision of investment loans. "It is irresponsible to propagate *good export opportunities* and the *new markets* as a panacea and to present investment capital as a solution", said Romuald Schaber, President of the European Milk Board. "The MEPs on the Agriculture Committee have blatantly missed an opportunity to implement sustainable solutions for providing a stable framework for the milk market, which is currently in a state of limbo", Schaber went on to say.

What the report clearly lacks is the call for a crisis programme that is applied when there is an impending price collapse and stabilises the market. It is very apparent at the moment how urgent the introduction of a good crisis programme is. Milk prices in many European countries have been in a downward spiral for months already. The gap between the farm-gate price and production costs is becoming greater and greater.

The Parliament still has a chance to make up these severe deficits. The report will be presented to the plenary session in July for it to vote on. The paper must include the demand for crisis management. For only in this way will the Parliament properly assume its responsibility towards consumers and producers in the EU.

Contacts:

EMB President Romuald Schaber (DE): + 49 (0)160 352 4703

EMB Press Officer Regina Reiterer (DE, EN, FR): +32 (0)2 808 1935