

Milk producers and MEPs united in appeal for an EU-wide reduction in damaging overproduction in the dairy sector

European Commission measures to date have been ineffective - European Parliament must be more involved in the discussion about the dairy sector

Brussels, 21.06.2016: With respect to the dairy sector, the European Union is still implementing a scorched earth policy. Without a tool that allows for capping of milk production volume in times of crises, this policy will continue to harm not only milk producers, but up and downstream sectors as well.

Yesterday, European milk producers engaged in intensive discussions with MEPs and representatives from Slovakia about ways to put the brakes on such developments and the role of the European Parliament in this regard.

All those present agreed that an EU-wide solution must be found to reduce the damaging overproduction. Adam Siekierski, the President of the European Parliament's Committee for Agriculture, declared that: "The EU should provide the necessary financial means for cutting milk volumes."

President of the European Milk Board (EMB) Romuald Schaber highlights the responsibility of the European Commission in this context: "The Commission must show the will and provide the funds to make it possible to implement voluntary production cuts across the EU. Those who produce less should receive a bonus payment." But these voluntary production cuts should not be something that can theoretically be implemented at national level; they should apply to all producers in all 28 Member States. This is the only way for the measures to be enforced and truly effective. The EMB's Market Responsibility Programme (MRP) - a plan for the dairy sector during times of crisis - expressly includes voluntary production cuts at EU level.

As the next country to hold the EU Presidency, Slovakia is also concerned about the situation of the dairy sector. Matej Hudec, Director for agricultural policy in the Permanent Representation of Slovakia to the EU, explained that his country will do its best to find solutions to the crisis. "It is our aim that producers will no longer need to come to Brussels to demonstrate".

As the institution representing European citizens, the European Parliament also has an important role to play in the EU. Especially in recent months, many MEPs have acknowledged the severity of the situation in the dairy sector and are calling for instruments to cap volumes. "The Parliament can gather support and it must also play its part with respect to the milk crisis. It cannot allow itself to be pushed into the background by the European Commission and the Member States," says Schaber, stressing the need for a stronger role for this EU institution in issues related to the dairy sector. "Farmers, rural areas as a whole, and consumers are depending on the will and assertiveness of their European representatives."

After all, the scorched earth policy - which is causing major damage within and outside the EU through pure export promotion and overproduction - must be replaced by a policy that promotes the healthy and sustainable development of rural areas.

Yesterday's meeting in the EU Parliament had been organised jointly by the European Milk Board and MEPs of different political groups. The co-organisers of the event were Maria Heubuch from the Greens/EFA and Marijana Petir from the EEP-Group, as well as Ricardo Serrão Santos from the S&D Group and Lidia Senra Rodríguez from the GUE/NGL group.

Background: Rural areas languishing in the wake of the milk crisis

The staggering 30-billion euro drop in income in 2015 and 2016 for milk producers in the EU is clearly visible in up and downstream sectors as well. Demand from milk producers has noticeably shrunk in a number of areas. Ever fewer machines are brought into workshops, as there is no money for repairs. This very tense state of affairs has led to a drastic drop in producers' readiness to invest. Sale of new machines as well as building contracts have decreased.

The veterinary sector is also suffering due to the developments in the milk sector. Unpaid invoices are piling up; the relationship of trust between dairy cattle farmers and veterinarians has been destroyed. In regions and even entire countries - like Croatia, Sweden and Lithuania - where cattle herds are shrinking, dairy cattle farms, the main clients of veterinarians, are disappearing.

Rural areas are thus languishing in the wake of the milk crisis. The absence of a solution for the miserable state of the dairy market will only lead to more negative restructuring and the loss of many jobs in these sectors as well.

Industrialisation of our food

Without a doubt, agriculture and agricultural production is becoming increasingly industrialised in light of the milk crisis. This is being further driven by the export policy, which is putting local EU milk producers under immense pressure, and is also putting farmers in third countries - especially in developing countries - in grave danger.

But as production and processing methods move further away from their original form, there are consequences for consumers as well. An industrialisation of milk production leads to an industrialisation of milk products and thus implies an industrialisation of the food we eat. Products made from milk powder instead of fresh milk, with added preservatives and flavourings end up replacing natural, regionally produced products. Instead of variety, we are left with uniformly produced foodstuffs and dismal, homogenous food on our plates.

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