

News Details

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"A narrow perspective is something we absolutely cannot afford"

Milk Production Costs Belgium 2016					
Region	Feed Costs	+ Income Rate	+ Total Costs		+ Production Costs
			in Euro per kg		
Flanders	28.79	13.70	42.49	2.36	40.13
Wallonia	29.16	16.93	46.09	2.13	43.96
Belgium	28.93	14.70	43.64	2.27	40.37

The International Pooling Commission of Milk Producers calls on EU policymakers to stop ignoring important aspects of the dairy sector

Paris, Brussels, Göttingen, 30.06.2017: After the change in government in France, even the agricultural sector is waiting to see what the future policy direction will be. The French members of the International Pooling Commission of Milk Producers (IPCMP) - the producer organisations France MilkBoard Greater West, Lower Normandy and South West - had a ministerial interview today to discuss this issue. Agricultural contracts were one of the major topics during this discussion. The FMB drew the agriculture minister's attention to the fact that the French dairy market needs an independent control body that would allow producers to compete with dairies.

Furthermore, they also stressed that creating a simple, equal footing for milk producers, with the same rights and obligations with respect to contracting as producer organisations (POs), was the only viable solution. Cooperatives should not be considered POs because the added value created by processing methods does not reach the producers who are cooperative members.

The FMB POs also asked for strengthening of the SAPIN 2 law on transparency in the sector and on the inclusion of indexing in the price formula, thus ensuring that production costs would be fully covered.

Finally, they reiterated the urgent need to create a regulation instrument at European level so as to avoid future crises, safeguard family farming and make a positive contribution to balancing the budget of the CAP (the EMB's MRP).

For the IPCMP, it is important that the responsible political institutions do everything possible, even at European level, to significantly reduce the major issues affecting the dairy sector.

As an umbrella organisation for different national producer organisations, the International Pooling Commission of Milk Producers has analysed the [European Commission report on the functioning of the Milk Package*](#) in depth. "Considering the turbulent, negative developments in the dairy sector in recent years, a comprehensive evaluation of the effect of the Milk Package is, of course, very important," says Emmanuel Binois from France MilkBoard, one of the members of the Pooling Commission. While the European Commission has de facto come to this conclusion as well, he believes, nonetheless, that it unfortunately does not look at the dairy market situation in its entirety. "While the EU Commission rightly states that producer organisations, which are promoted by the Milk Package, will not be enough to bring stability to the dairy market, the report, for example, fails to mention the role of cooperatives, who greatly influence what happens on the dairy market," explains Binois. Furthermore, the information about the functioning of producer organisations is not backed up by any significant market data.

The Pooling Commission has included its comments in an [evaluation paper](#) that is made available to the European Commission and to the public.

"Let us assume that policymakers and producers are interested in correcting the market imbalance, which is to the detriment of producers," comments Alain Minet from the Belgian producer organisation WAFAB. "This would mean that in the future, the real conditions in the dairy sector must be fully analysed as well. This is what is done in Germany, for example, by its anti-trust authority, the Bundeskartellamt." Otherwise, it becomes close to impossible for political instruments to be effective. Axel Walterschen from the German MEG Milk Board adds: "In light of the major difficulties plaguing the dairy sector, a narrow perspective is something we absolutely cannot afford."

[Evaluation of the report \(DE\)](#)

[Evaluation of the report \(FR\)](#)

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