

News Details

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French Antitrust authority doubts the new modell of French Interprofession

The institution announced that there are legal concerns about the system of price recommendation the french interprofessional organisation CNIEL performs. It expresses mayor doubts about arrangements such as agreed on in June 2009, when with the participation of the agricultural ministry target prices and certain market conditions were negotiated. This could interfere with EU-competition legislation. Additionally the authority said that price recommandations are not the right way to exit the dairy crisis. They are not working due to the international competition, that has its impact on prices.

The institution recommands rather the formation of producer alliances, which can strengthen the position of producers in contract negotiations with the dairy industry.

The French minister of Agriculture Le Maire has announced his support for long term delivery contracts between farmers and the dairy industry. Many French dairy farmers are against such contracts, because they weaken their position dramatically. The French dairy association APLI notes, that these contracts only give the industry more strength while paralizing the dairy farmers even more than to the present day. To overcome the dairy crisis a volume regulation on European level be the only solution to the problem.

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