

News Details

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- Position at the Green Week in Berlin -

Pragmatic and constructive: European Milk Board calls for urgent reforms in the agricultural sector

This year, the European Milk Board (EMB) is also present at the Green Week and is providing information about developments in the dairy sector, together with colleagues from the German dairy farmers' association BDM and Fair Milk.

As an umbrella organisation that represents over 20 member associations from many European countries and cooperates with other international organisations, the EMB has come to this international fair in Berlin to call for the important reforms needed in the dairy sector. "Europe is at a turning point when it comes to agriculture," says EMB President Kjartan Poulsen. He enumerates the following as clear signs:

1. The resilience of agricultural farms is rapidly declining. Many farmers have already left the sector and many more will follow. The necessary generational renewal is not taking place because the sector presents no prospects. Jobs in rural areas are disappearing.
2. The EU is in the process of implementing the Green Deal without the necessary market framework - this is highly evident for farmers given the stricter requirements and higher costs. This exacerbates the dynamic in point 1 and endangers value creation in rural areas.
3. It has not been possible to stop the cycle of recurring crises. As a result, we find ourselves in a significant price decrease since the beginning of 2023, which hits dairy farms where it hurts and further hampers their resilience. And this is the case:
 - despite the existence of voluntary production reduction as a crisis instrument that has, however, not been activated,
 - despite the possibility for producer pooling, which has nonetheless not led to sufficiently-high pooled volumes, and
 - despite the articles on contracts in the CMO, which still have too many loopholes.
4. The political will to bring stability to the European agricultural sector and to set important market rules is either non-existent or weak among important European stakeholders like the European Commission and national governments.

Do we have a stable agricultural sector in Europe? and Is our food security and sovereignty safeguarded? Based on points 1 to 4, the answer here is NO.

Europe's producers: pragmatic and constructive

But Europe's farmers are not idly looking on. They have been active for years, trying to steer the agricultural sector in the right direction, drawing up practical ideas to structure policy, and bringing projects like [Fair Milk](#) directly to the market. Poulsen goes through the solutions proposed by producers for the problems mentioned above:

1. Strengthen the resilience of farms through cost-covering producer prices that make milk production profitable again and make it possible for the next generation to enter the sector. "In addition to the necessary legal provisions, it is also important to support and expand key producer projects like Fair Milk, which are already contributing significantly to creating a fairer agricultural sector," underlines Poulsen.
2. Create a legislative framework to accompany the Green Deal that will ensure stable market prices and will allow producers to meet environmental requirements. This includes elements like:
 - Specific EU contract provisions on, inter alia, volume and cost-covering prices before milk delivery for all market actors including cooperatives.
 - An EU-wide legislative act that makes cost-covering prices compulsory.
 - Strict mirror clauses for imports and reliable compliance checks.
 - Measures to increase producer pooling in order to effectively compensate for power imbalances on the market.

3. Avoid crises by not allowing the voluntary production reduction in the Common Market Organisation (CMO) to gather dust but rather by building on it with a mechanism that is automatically triggered. The [Market Responsibility Programme](#) provides a blueprint for the further development of voluntary production reduction.

4. Work up significant political will to implement reforms. As the voice of producers, the EMB is in regular contact with policy-makers across Europe and provides updated information about the situation in the sector and the urgently-needed reforms. “We caution policy-makers against neglecting the agricultural sector and its reform and not treating it as a priority. They must tune in to signs from the sector and take lasting, effective action.”

Against the backdrop of the upcoming European elections, it must be made clear to political representatives that such socially-relevant issues must finally be taken up. “If this is not done, Eurosceptics will gain more ground among voters and the destabilising trend of recent years will continue,” says Poulsen. As the EMB has emphasised at the Green Week, its producers are pragmatic and constructive representatives of the sector, and are always open to exchanges with policy-makers in order to pave the way for the necessary reforms.

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