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Press Release: Meeting with High Level Group

Grasp the opportunity and strengthen the milk producers' position in the market

The EU governments' High Level Group Milk met today. The European Milk Board is calling for basic conditions to enable the dairy farmers to become equal players in the market

Brussels, 10.11.2009: the European dairy farmers' uprising in recent weeks and months has caused the European Ministers of Agriculture and the European Commission to set up a High Level Group (HLG) Milk, which met in Brussels today. The EU governments have given this group, comprising high-level representatives of the EU states, the remit to come up with concepts for resolving the catastrophic milk market situation. At today's meeting, representatives of the European Milk Board (EMB) voiced the positions of the dairy farmers in Europe.

"The EMB welcomes the fact that the new High Level Group Milk has taken on its task", said EMB President Romuald Schaber shortly after the hearing in the High Level Group. "That is a signal from the EU governments that they recognise the intolerable situation on the dairy farms of Europe. Milk production is a complete waste of the capital invested in it. And that", he continued, "is due to the milk producers being the weakest link in the chain. When the market is oversaturated, supply needs to exceed demand only slightly for the price paid to producers to fall disproportionately. And that is the case at present."

The High Level Group Milk is tackling the issue of contractual relations between milk producers and dairies. "That is a fine choice of words, but no real improvements can be brought about by such contracts", said Sieta van Keimpema, EMB Vice President. "We will only be able to achieve fair prices for the dairy farmers if in the future there is still a universally applicable limit on volumes enabling a balance between supply and demand."

Nor will it be of any help, says the EMB, if this committee intends to draw up concepts for greater transparency in the added value chain. "Transparency on its own does not solve any problem, as long as the milk producers are unable to derive any means of active involvement from market reports by adjusting supply to demand", Schaber explained to the HLG. He added: "That is why one of the EMB's demands is for a legal basis to be created that will allow the milk producers across Europe to pool their milk volumes in producer cooperatives and implement effective measures for a flexible adjustment of the volume to demand."

The High Level Group could do a great deal to help create basic conditions for a milk market in which all the players in the chain have access to a fair reconciliation of interests, i.e. on an equal footing. We should all grasp these opportunities. What this would require would be for the EMB to be allowed to have a say in the High Level Group not just today but in the future as well. The dairy farmers are prepared to take on this responsibility. That is why they will be watching further developments in the next few weeks very closely.

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The European Milk Board's position

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