News Details

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Still no solution to the milk crisis for north and south!

European Milk Board and development aid organisations demand fair basic conditions in the milk trade

photos press conference

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The European Milk Board (EMB), Oxfam and the UN Millennium Campaign are calling for fair milk prices and an end to the dumping of milk, to safeguard dairy farmers in Germany, Europe and the poor countries against ruin. The dairy farmers' lack of bargaining power in a market environment full of surpluses is preventing dairy farmers here and in the south from dealing with the dairies and supermarket chains on a level footing and representing their interests as equal players.

"Milk prices still don't cover the producers' production costs", criticises Romuald Schaber, President of the European Milk Board. At present dairy farmers are, he says, being paid only 26 cents a litre of milk on average, whereas the costs are about 40 cents. Farms throughout Europe are living on their reserves and financing their milk production from other farming activities. The main cause was overproduction pushed by the EU.

"The damage wreaked by the failed EU agricultural policy doesn't stop at the borders of the European Union", explains Marita Wiggerthale, agriculture expert at Oxfam Germany. Cheap milk powder from the EU was jeopardising the sales markets of dairy farmers in Africa. "It is unfair to give free rein to market forces. We can't compete with cheap milk powder imports", stresses Njakoi, a milk expert with the Heifer International development organisation from Cameroon. "Our government has to protect agricultural production urgently in order to combat hunger and poverty. At the same time Europe has to stop dumping milk." "Cheap milk from the EU flies in the face of achieving the millennium goals", criticises Dr. Renée Ernst from the UN Millennium Campaign Germany. "Our agricultural dumping prevents them from being able to free themselves from poverty."

Sieta van Keimpema, Vice-President of the EMB: "In recent months the approach adopted by the European milk producers' movement has been one of wait-and-see, hoping the EU politicians realise the far-reaching social consequences of low milk prices and create the framework for forward-looking milk production in Europe and worldwide." Willem Smeenk, her colleague on the EMB Board from France, goes on: "The milk producers are watching with a very critical eye whether political measures are actually taken to stabilise milk prices. Otherwise they are prepared to restart their campaigns to make the public aware of the need for regulating the market."

In October 2009, the EU Commission had set up a group of experts on the milk issue to come up with solutions enabling a balance of power among the players in the milk market. Romuald Schaber: "The EMB proposes setting up a European Monitoring Agency in which milk producers, dairies, the retail trade, NGOs, politicians and consumer organisations are represented." In addition, producers would have to be given the opportunity to adjust production volumes to actual demand. "To do so the EU must create the necessary basic conditions. They are essential for sustainable milk production in Europe and fair trade relations worldwide."

The EMB, the UN Millennium Campaign and Oxfam jointly emphasise that the right basic conditions for a balanced milk market are the only way to secure the livelihood of producers in the north and south and thus sustainable regional milk production.

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