

## EU-UK future relationship pragmatism & preparations

Officially, the UK is no longer part of the Union since 31<sup>st</sup> January 2020. The transitional agreements are set to end on 31<sup>st</sup> December 2020, which is 119 days away. In parallel to [our call for an unprecedented level of pragmatism in the ongoing EU-UK negotiations](#), EDA started the final preparations for our dairy preparedness workshop that will be organised in the first half of October 2020. We still fully support a deal that includes close cooperation with zero tariffs on dairy trade and as little border administration/costs as possible. But the clock is ticking! Our workshop will help the interlinked 'lactopshère' and administrations on both sides of the Channel to best manage this extraordinary situation for the dairy sector.



## EU-NZ FTA: Wellington, a very hungry caterpillar

The 8<sup>th</sup> round of the Free Trade Negotiations between the EU and New Zealand took place in June 2020. Market access was one of the topics that was discussed, but New Zealand's expressed disappointment regarding the leaked EU offer might reflect the unrealistic expectations the country has. The upcoming general elections in New Zealand as well as the appointment of a new EU Trade Commissioner might be a good opportunity for both parties to go back to the drawing board or for the EU

to focus on trade negotiations with countries that have a real market (access) potential, like China and other markets in South-East Asia.

## Phil Hogan: "Big Phil leaving, big shoes to fill"

We thank **Phil Hogan** for his extraordinary work as European Commissioner for Trade between 2019 and 2020, and previously as European Commissioner for Agriculture and Rural Development between 2014 and 2019. Phil Hogan has proven to be a true European and an apostle for the agricultural and rural communities by closing multiple effective trade deals for the Union. *"Phil Hogan was an outstanding Commissioner. In the past years, his crisis management capacities were more needed than anyone could have wished. A man of conviction, strength and diplomacy, always ready to listen and to discuss – that's where his excellent record of successes as Agricultural and Trade Commissioner stems from. Merci, Monsieur le Commissaire, merci Phil!"*, stated **EDA chair Michel Nalet**. We are confident that the Irish government will present a list of outstanding candidates for his succession, but it is very clear: she or he is left with big shoes to fill!



**This photo of EU Commissioner Phil Hogan with Thierry Roquefeuil, president of the French Dairy Farmers, at our EDA Convention in Nice 2016 shows that Phil Hogan has gained -for very good reasons- the respect and trust of the whole European lactopshère. Thank you for your great support!**



## Roughage remains the biggest source of feed protein in Europe

This summer, the European Commission published the ► [2019/20 EU Protein Balance Sheet](#), presenting the feed supply and demand of various protein sources in the EU. Roughage remains the main source of feed protein, representing 45% of total EU feed use, an increase of 2% compared to last year, contributing to an improvement of the EU self-sufficiency in protein supply.

Roughage is a fundamental source of protein especially for dairy, representing 70% (EU average) of the protein input in dairy and being almost entirely grown on farm, which plays a key role for the environmental and economic sustainability of the EU dairy sector. ► [See our EDA/IFCN study](#)

## EU Commission to publish strategy on methane emissions

This autumn, the European Commission will present the EU Methane Strategy, aimed at reducing methane emissions in sectors like energy, agriculture and waste. The European dairy sector is fully committed to scale up its initiatives to limit the amount of methane released from dairy operations.

The industry has already significantly reduced its GHG emissions in the past decades, making the carbon footprint per produced unit of milk in Europe one of the lowest in the world. Still, the methane approach needs to be seen in a wider context, and further reflections upon the scientific basis are needed before deciding on actions. In this context there is a clear movement supported by the industry, political groups and scientific experts (amongst others work of the Oxford Martin School with IPCC author [Prof Myles Allen](#)) towards the re-assessment of methane - particularly biogenic methane from ruminants.

It is important that any EU policy development should take this into account, especially considering the current basis for policies dates back more than 40 years ago. ► [Check our EDA feedback to the consultation.](#)

## EDA contributes to the EU Commission's roadmap consultation on green claims

Last week, ► [we submitted our EDA feedback](#) to the EU Commission's roadmap consultation on a legislative proposal on substantiating green claims. We reaffirmed our support to integrate the Product Environmental Footprint (PEF) methodology into policy instruments to reward sustainable practices in the EU, provided that a voluntary framework is maintained and that companies wishing to make such claims adhere to the PEF method. Moreover, we ask for a prohibition of comparison between products within the same and different categories, as relevant aspects of concern (e.g. health, quality, and nutritional value) are not included in its scope.

In this context, ► [EDA has conducted the Dairy PEF project](#), aimed at establishing a methodology for assessing the environmental footprint of different dairy products, considering a broad array of environmental criteria and covering the full life cycle of the product. Approved by the EU Commission and Member States in 2018, it represents the proactive approach of the sector and is currently the best way to provide environmental information in a credible and measurable way.

### EU trade policy review

We contributed to the European Commission's consultation on the European trade policy review, launched in June 2020 to respond to new challenges, defining how trade policy can help build a stronger EU. EDA pointed out the necessity to make the defence of the Single Market a top priority. We fully support the diversification of trading partners, which helps to reduce dependency. However, we insisted on the necessity of a mutually beneficial trade relationship with the UK. Finally, the contribution of international trade to reach the Sustainable Development Goals (SDGs) is significant. The promotion of sustainable practices as the global standard is essential.

### Evaluation of the EU Agricultural Promotion policy

Together with our members, we have been working actively on our input on the European Commission's evaluation of the EU agricultural promotion policy. This policy, which was reinforced on 30 June by the European Commission by launching an additional call for proposals to support simple and multi promotion programmes with an extra €10 million, aims to support the European agricultural sector, including EU dairy products, through promotional activities with the purpose of enhancing competitiveness and consumption. The public consultation for the evaluation is open for contributions until 11 September 2020 and will measure the effectiveness, efficiency, coherence, relevance, and EU added value of the policy. Of course, EDA fully champions the European Commission's support for our high-quality dairy products and we look forward to the continuation of the programme.

### CAP Updates

EDA carefully analysed the outcome of the [special meeting of the European Council](#) in July where EU leaders agreed on the Multiannual Financial Framework that includes a deal on €344 billion dedicated to the CAP.

EDA celebrates the agreement as an important step forward on the negotiation of the CAP Reform currently being discussed in the Parliament, and it is committedly working to support European Dairy's position regarding the Common Market Organization (CMO) legislation. The final plenary vote on the CAP Reform is expected for the second half of October. At the same time, the EU institutions reached an agreement in June to spread over the next 2 years the transitional period for the new CAP between the end of the current policy and the start of the new one. We support the agreement and we believe that will soften the implementation of the new CAP rules while giving time to the dairy industry to adapt to the guidelines of the new legislation.

### Your favourite Dairy product?

*My favourite dairy product - that's an impossible ask - because I have several! My favourite everyday dairy product is full fat fresh milk, which is available always in Ireland but not always as readily available throughout the rest of the EU. My other favourite is real butter, which is now on the way back to all our tables as people rediscover its taste and qualities. For me there is no better way to enjoy new season potatoes than with butter...spuds 'n butter...traditional Irish dish. Of course washed down with cold fresh, full fat milk!"*

#### MEP Mairead McGuinness

Vice-President of the European Parliament (EPP, Ireland)



*My favourite dairy product is butter. A dollop of butter spread over a fresh slice of brown bread is one of life's simple pleasures.*

#### Phil Hogan

EU Trade Commissioner