

Our EDA Annual Convention 2020 goes virtual

Together with our Spanish member association FeNIL, we were looking forward to welcoming the lactosphere from Europe and beyond at our EDA Annual Convention 2020 in November 2020 in Madrid. The Corona pandemic and the impact on international travel have forced us to change from a physical gathering in Madrid to a videoconference. The dairy sector will hence meet virtually and exchange with speakers and guests on **Friday 20 November 2020**. Para un sociedad sana, un sector lácteo en forma :

"Milk and Dairy – today more essential than ever!"

COVID-19

A first step with 30 million € support for the European dairy sector

After massive and united requests from the Committee of Agriculture (COM AGRI) of the European Parliament and all 27 EU Member States, European support measures for the dairy sector were finally proposed and published in the Official Journal of the Union on 4 May 2020. The Private Storage Aid (PSA) schemes for butter, skimmed milk powder and cheese are operational since 7 May 2020.



PSA is probably the most cost efficient measure when trying to mitigate to a certain extent the downward market trend and stabilize at a low level the dairy markets and hence, the milk prices for the more than 700,000 dairy farmer across the Union.

"Thanks to the unprecedented effort of the whole dairy sector the direct and immediate impact of the COVID-19 crisis has been managed without major disruption of the supply chains throughout Europe. We appreciate the swift support of the EU Commission at that very time by establishing the green lanes and allowing certain flexibilities," stated **EDA chair Michel Nalet**.

"Now, we're hit by the economic impact with more than severe market disturbances, where the – finally adopted – support measures, especially the PSA scheme, have helped so far to stabilize the markets, but on a very low level. Today's market situation is extremely fragile. The outlook is characterized by many negative and uncertain parameters".

'Farm to Fork' strategy publication this week

The translation of the [European Green Deal](#) for the agri-food sector is scheduled for 20 May 2020, the official publication of the 'Farm to Fork strategy'. In a joint letter to **EU Commissioner Stella Kyriakides**, **MEP Paolo De Castro** (S&D, IT) and eleven of his MEP colleagues from the S&D and EPP group, including COM AGRI chair **MEP Norbert Lins** (EPP, DE) expressed their concerns on a potential Front-of-Pack nutrition labelling scheme and its added



value for consumer information. The establishment of so-called 'nutrient profiles' and mandatory origin labelling rules for milk & dairy are said to be included in that 'strategy' – EDA used every channel to voice our concerns and to underline the Single Market principle at all levels in Brussels and beyond.

In her answer to our EDA letter on Single Market & Front-of-Pack nutrition labelling of 4 March 2020, **EU Commissioner Stella Kyriakides** answered: "*I would like to reassure you that the EU Single Market is and will remain one of the key priorities for the Commission*" and she publicly committed: "*There will be no mandatory front of pack nutrition labelling scheme*". In a videoconference with her team earlier this week, **EDA secretary general Alexander Anton** also strongly underlined our position on the issue of origin labelling: "*We are very reassured that **EU Commissioner Thierry Breton** made a clear statement that 'the EU Commission will maintain a zero-tolerance policy against protectionist measures, for which there is no place on the single market' and we trust this message will resonate also in the Farm to Fork strategy*".

Dairy is the engine for the reboot of rural economy in Europe

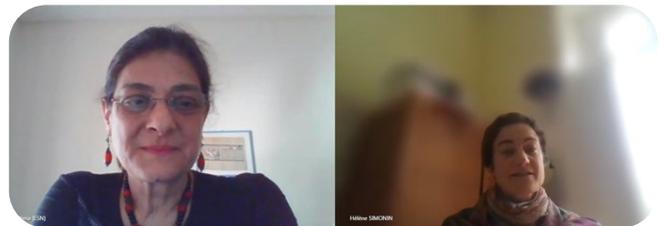
What is true for the European lactosphere is even more so for the Irish dairy sector. **Pat Murphy**, chair of Dairy Industries Ireland, made a clear statement when presenting the [DII "Reboot and Reimagine" campaign](#) in Dublin: "*Irish dairy is the engine of the rural and national economy. It is vital that then necessary steps be taken quickly to enable the industry to contribute to the national economic reboot when it occurs.*"

Pat Murphy, chair of DII



EDA webinar on healthy & sustainable diets with FAO

On 6 May 2020 EDA organised a webinar dedicated to '[WHO & FAO Sustainable and healthy diets: guiding principles](#)'. We had the pleasure to host as a guest speaker **Dr Fatima Hachem**, Senior Nutrition Officer, Nutrition and Food Systems Division (ESN) at FAO. Dr Hachem presented the FAO-WHO publication, highlighting the challenges of malnutrition and sustainability of food production and consumption.



Dr Fatima Hachem and EDA Director Hélène Simonin

Dr Hachem highlighted that dairy is included in the WHO & FAO Guiding Principles of Sustainable Healthy Diets. She also underlined that each country has the flexibility to adapt the proposed FAO & WHO principles to its food culture and eating habits. The webinar was a unique opportunity for EDA members to exchange directly with FAO which has been highly appreciated.

EDA Guidelines on voluntary origin labelling for milk & dairy updated

We are pleased to announce that the **EDA Sectorial Guidelines on voluntary origin labelling for milk and dairy** (in the context of Art. 26.3 of the EU Food Information to Consumers Regulation (EU) No 1169/2011 and Reg. (EU) 2018/775) have been updated and are [available on our EDA website](#).



The previous guidelines first published in 2018 have been revised to include the latest legal developments in order to provide the best and up-to-date guidance for our members.

"Our industry guidelines do specify today's legal requirements in terms of voluntary origin labelling for milk & dairy. But they go far beyond these requirements. We are convinced that very strict rules for voluntary origin labelling are the only way to meet the information expectations of quite some consumers and to guarantee at the same time the functioning of the Single Market in our Union", stated **EDA secretary general Alexander Anton**.

EDA position on "Rules of Origin" in the Future EU-UK Dairy Framework

We issued last week [our EDA Brexit paper on the rules of origin](#), that we were able to finalise thanks to a great commitment by all of our members. Brexit negotiations go virtual and Brexit gets more and more real: we are 226 days away from the 31 December 2020, that is 155 business days. With our consensus paper, a rather technical but most sensitive issues in basically all FTA negotiations, we do hope that our EDA leadership there, both in terms of content and process, can give an example to the negotiating teams, since this position is agreed upon by all our members, including our UK member DairyUK:

"We are not sure that the political environment is fully aware of the potential economic Brexit fall out for our sector. The negotiations must get out of the impasse and we need a real wish and plan to succeed this operation", confirmed our **EDA chair Michel Nalet**.

USTR report and EU Geographical Indications

"GIs have become an essential part of agriculture policy, of international cooperation and of trade policy, not only of the EU, but of an increasing number of countries. The increased worldwide use demonstrates the significant benefits GIs bring to rural communities and consumers, providing traceability to authentic products", answered the cabinet of **EU Commissioner Janusz Wojciechowski** to our letter on our concerns with regards to the recently published 'Special Report 301 of the U.S. State Department for International Trade (USTR)'. This US report heavily criticises our European system of Geographical Indications.

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European Retail Alliances and Unfair Trade Practices

The EU Commission published last week a report on European Retail Alliances (ERAs) in the agricultural and food supply chains: the horizontal 'alliances' of retailers that cooperate across the Union in pooling and concentrating (some of) their resources and activities, most importantly relating to sourcing supplies. In the preparatory EU Commission workshop, held in November 2019 in Brussels, **EDA secretary general Alexander Anton** underlined the specific issues that are linked to the increased retail concentration in the private label sector.

This study is particularly relevant in the current context of increasing market concentration. It describes the activities and analyses the impact of ERAs on the food supply chain. It especially confirms that the creation of retail alliances induces imbalances and might lead to unfair or anti-competitive behaviours.