

Press Release

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Fairness in the milk supply chain and Unfair Trading Practices (UTPs)

The European dairies are proud to partner on a daily basis with their about 700,000 dairy farms all over Europe. This intense and steady cooperation shapes the relationship within the milk supply chain in a sector which is characterized by a balanced and successful coexistence of the cooperative model and private ownership: about half of the European milk is processed in farmers-owned dairy cooperatives. For the milk processed in private dairies, the rules established in 2012 by the 'milk package' apply.

Today's proposal by EU Commissioner Phil Hogan for a EU-wide framework on unfair trading practices in business-to-business relationships in the food supply chain reinforces the position of small and medium sized enterprises (SMEs).

The proposed list of prohibited trading practices will be instrumental in the downstream food supply chain and strengthen the position of SME dairies vis-à-vis the retailer power.

"In an ever more concentrated retail environment, all dairies face unfair trade practices today – it isn't a question of small dairies, it touches all dairies across Europe that deserve the same level of protection", stated EDA secretary general Alexander Anton.

The acknowledgement of the specificities of the dairy sector – and all industries at first processing level of agricultural products – within the SME definition (→ [see EU Commission Recommendation n°361 of 06 May 2003](#)) would be the next important step to increase the impact of the proposed legislation: today's SME definition limits the annual turnover to less than 50 million euros, which excludes relatively small, regional dairies as soon as they collect milk from more than 200 average dairy farms.





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ABOUT THE EUROPEAN DAIRY ASSOCIATION, The European Dairy Association represents the interests of dairy processors in the European Union. The membership of EDA consists of the associations of dairy processors in EU Member States.

FOR MORE INFORMATION

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