

**#6 / 2021** 9 April

The latest news about the world of dairy

## Giuseppe Ambrosi, new EDA president

Last 25 March, the EDA Board elected **Giuseppe Ambrosi** as the new president of the European Dairy Association, continuing the legacy of **Michel Nalet**, who had held the EDA presidency since 2012. "With his tireless energy and enthusiastic dairy dedication, Michel brought our European trade association to a new level of visibility, access and impact in Brussels and beyond. Un grand merci, cher Michel!" he expressed.

As CEO of Ambrosi Spa, market leader in premium specialty Italian cheese, and long-standing chairperson of the Italian EDA Member ASSOLATTE, Giuseppe Ambrosi is bringing his deep and unrivalled European dairy expertise into this new mandate.

Amongst his priorities, Ambrosi's focus will be to promote and reinforce the image and reputation of milk and dairy, while enhancing and fostering the ongoing commitment marked on our new slogan: 'Uniting dairy excellence & ambition'.

eda	European Dairy Association
	@EDA_Dairy

**F** We are happy to announce the election of Giuseppe Ambrosi as our new @EDA\_Dairy president!

The European lactosphère has a new inspiring leader with an unrivalled experience in the European dairy sector.

We will be able to address the challenges ahead while acting as ambassadors of the European dairy sector, a symbol of Europe's rich cultural and culinary heritage.

Giuseppe Ambrosi New President of the European Dairy Associatio



# Transparency and consumer protection:

#### Dairy terms for dairy products

"Cheese is a dairy product and simply cannot be made with water, starch and flavour enhancers, this is for me a clear transparency requirement and that's exactly where the protection of dairy terms is of vital importance. That's why I fully back the 'Amendment 171' tabled by **MEP Eric Andrieu (S&D, FR)**", stated **MEP Marlene Mortler (EPP, DE)**.



I trust that the trilogue negotiations on 'Amendment I7I' will be led by this transparency approach and hence come to a successful outcome.

**MEP Marlene Mortler** EPP, DE





## 'Crónica de una muerte anunciada':

#### EU Commission vs Single Market

The European Commission services, the guardian of the treaties and the fundamental principles of our Union, informed us that the issue of compulsory national origin labelling is 'currently under examination in the context of an analysis, which takes into account the broader policy discussions concerning the Commission's considerations on the issue of origin labelling in the context of the Farm to Fork Strategy and, in particular, the ongoing reflections on the future initiative of the Commission in the area of origin labelling. Given the ongoing policy discussions, a

meeting with EU Commission services to discuss your complaint does not appear necessary at this stage.'



It seems, as in Gabriel García Márquez novel, that the damage for the Single Market is foreseen, yet nobody steps up to stop it.

## Did you know that we are also on LinkedIn?

Follow us <u>here</u> and add the latest EU dairy news to your professional feed!



# The EDA Annual Report 2020/21 is out!

#### Milk and Dairy, essential for your life

In a period marked by the Covid19 pandemic, Brexit, global trade turbulences, a new CAP and uncertainty reigning over our lives, the EU milk and dairy sector has proven not only resilient, but also essential.

In our Annual Report 2020/21, we analyse how the milk and dairy industry has successfully overcome the challenges arisen, keeping supermarket shelfs equipped with essential dairy products to satisfy the needs of consumers in Europe and beyond.

We also explore the key role of the dairy sector in the transition towards a more sustainable food system, in line with the EU Green Deal, the EU Biodiversity Strategy 2030, the Farm to Fork Strategy and the Circular Economy Action Plan.

Read here our Annual Report to find out more!



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## Organic dairy farming: A bumpy road ahead

EDA made its first analysis of the new organic action plan that was unveiled by the European Commission. This plan, part of the Farm to Fork strategy, aims at increasing the share of organic farmed land ing in the EU to 25 percent by 2030.

"In the dairy sector we have seen a significant positive organic trend over the last years, but not at a path to reach the Brussels plans. Dairy farmers and dairy companies do not fulfil political plans or ambitions but serve markets. When consumers really want to enjoy 25% of organic dairy and are ready to pay the extra price and accept certain trade-offs, this market will be served by our European dairy industry", commented EDA secretary general Alexander Anton.

This willingness is on the other hand doubtful. A survey by the European consumer organisation shows that only 1 in 5 consumers is willing to spend more on sustainable food. And then we have not even looked at dairy exports that have to compete with world market prices.

To get the Brussels' political ambition translated into the reality of pastureland, dairy stables and processing plants, the support by governments as well as consumers would need to be massive and much, much more substantial than shifting a few dozen millions of euros of the EU promotion program budget to organic promotion.

"Just setting production targets might work in a planned economy but does not suit our open, market orientated, model".

## **EU - New Zealand:**

#### Virtual lunch

**Chris Carson**, Agriculture Counsellor at the New Zealand Embassy, invited Brussels agri-food organizations to join a virtual lunch.

The meeting was attended by the leadership of the main EU associations active in the agri-food supply chain and came accompanied by a range of New Zealand's delicacies, including lamb and salmon. Participants discussed a wide range of topics with a focus on developments in global markets, the Farm to Fork strategy, the Common Agricultural Policy, and the EU's new trade policy.

"A great initiative, that underlined both, the huge ambitions of our NZ partners in terms of EU – NZ trade negotiations and their openness to exchange and discuss", summarized Laurens van Delft, head of the EDA trade department.



Read <u>here</u> our Trade Focus on New Zealand!







### EU Platform on Food Losses and Food Waste

Further reducing losses of food is a continuous challenge that the dairy sector takes very seriously. As such, it is an integral part of the sustainability strategies of many dairy companies and overall dairy strategic approach.

As member of the EU Platform on Food Losses and Food Waste (FLWP), EDA regularly participates to its plenary meetings since its establishment in 2016. The last meeting – taking place online on 18 March – was chaired by **Nathalie Chaze**, DG SANTE Director Food sustainability and international relations, and it started with the opening statement by the **EU Health Commissioner Stella Kyriakides**.

She highlighted how EU targets to reduce food waste are an important deliverable of the Farm to Fork strategy, and how consumers need to be involved in contributing to a sustainable food system.

The EU platform current mandate ends in December 2021 and it will soon be re-established for another 5 -year term (2022-2026). We will surely express our interest to renew our membership when the public call for private sector organisations will be opened this summer.

## EDA/EWPA webinar on animal by-products

With **Lien Callewaert** (Senior Food law manager – BCZ-CBL, chair of our EDA HYG WG) and **Claus Heggum** (Chief consultant – Danish Agriculture & Food Council, chair of our EDA Water TF), we have two outstanding experts inter alia on the thematic field of animal by-products.

Both accepted to speak at pour EDA/EWPA on 30 March 2021 and presented the dairy relevant details of the EU legislative framework on animal byproducts (ABPs).

ABPs are defined as materials of animal origin that are not or no longer intended for human consumption. ABPs can hence be destined to animal feed, organic fertilisers and soil improvers, and technical products.

In the EU, over 20 million tons of ABPs emerge annually, mainly from slaughterhouses and from processing sites producing food for human consumption and dairies. Within the Union, the rules for transport, processing and disposal of ABPs are laid down in Regulation (EC) No 1069/2009 and Regulation (EU) No 142/2011.

For the dairy sector, ABPs play a certain role in our overall sustainability strategy. They can include centrifuge concentrate, colostrum and other dairy effluents, but also whey. The search for new solutions and opportunities to use or repurpose previously discarded dairy by-products and co-products is continuously on the agenda of actors in the dairy chain.





## Swissmilk dairy conference:

#### EU topics on the agenda

250 swiss farmers came together to discuss future agricultural policy, climate and wider EU Green Deal influence on their business with farmers representatives, an officer from the Swiss ministry of agriculture and EDA director **Hélène Simonin** for the EU views. The environmental and social (that would include animal welfare) targets and challenges were discussed as well, reflecting on the needs and opportunities for the national agricultural policy in a wider context.

The EDA input of our perspective and insight We are pleased to have given an insight into the EU CAP with its new eco-scheme measures and the wider Green Deal objectives was highly appreciated by our Swiss friends



#### Whey for living: All you need to know about whey protein



#### 'EU Code of Conduct for responsible business and marketing practices'

## Rushing into sustainable food systems?

The Farm to Fork Strategy includes in its action plan the development of an EU code and monitoring framework in the food supply chain. In January 2021, Executive First Vice President **Frans Timmermans** and EU COM **Stella Kyriakides** launched the work on this EU Commission initiative, that has been declared as a "political priority" and a 'flagship for the United Nations Food Systems Summit".

Four Task Forces have been established by the EU Commission (TF1:food consumption patterns for healthy and sustainable diets, TF2: improving the impact of food processing, retail and food services, TF3: improving the sustainability of the food value chain, TF4: monitoring and evaluation), that are called to deliver 'a framework of concrete good practices and voluntary commitments on sustainability for all actors in the food chain' by beginning of June 2021, hence within a few weeks only and even before the European Parliament will define its position on the Farm to Fork Strategy. We regret this rush that leads to a extreme meeting cadence and a limitation of coordination within the sector.

"This Farm to Fork initiative is of huge importance: It will lay the fundaments for the EU Regulation of Sustainable Food Systems scheduled for 2023. The international agenda with the UN Food Systems Summit planned for September 2021 is driving the time plan of the EU Commission – a rush that does not even allow to involve the European Parliament in this Farm to Fork Strategy action", regrets EDA secretary general Alexander Anton. EDA is represented in several ways: directly as member of the 'Task Force2', and indirectly in coordination with the livestock sectors views and Copa-Cogeca as well as through the umbrella organization FoodDrinkEurope, that is chairing all meetings.

All information on this EU Commission initiative can be found on the <u>EU COM website</u>.

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### **EU Promotion Policy review**

#### Phase II: public consultation

In the framework of the EU agricultural promotion policy review, last 31 March, the EU Commission launched a new public consultation opened until 23 June 2021. This survey is part of the second phase of the process of reviewing the EU Policy which promotes European agricultural products inside and outside the EU.

In the first phase, we as EDA contributed with a very clear statement to the first phase of this initiative highlighting that EU promotion policy should focus on creating the added value for agrifood products that European agriculture deserves and strengthening the awareness of the economic, environmental, and social sustainability of all our EU food sectors. And we voiced this approach in a meeting with **EU Commissioner Janusz Wojciechowski.** 



### Short-term Outlook for EU Agricultural Markets

In the first Short-Term Outlook for EU Agricultural Markets of 2021 from the EU Commission, EU agricultural sector's resilience throughout the Covid19 crisis during 2020 is emphasised.

On dairy, it is highlighted that last year EU consumption of fresh dairy products rectified its long-term declining trend. The mentioned was reflected by a significant increase in drinking milk production, while EU production of cream and yoghurt remained relatively stable. In detail, the overall EU milk consumption and EU milk production grew by 1.2% and by 1.7%, respectively in 2020. For 2021, according to the report, on the one hand, milk consumption is expected to remain at high levels due to the continuation of teleworking and home schooling, but with a limited use of dairy products in the HORECA sector.

On the other hand, EU milk production is expected to grow by +1% in 2021. Besides, EU dairy prices are said to continue increasing as the good global and EU demand is expected to improve even further with the re-opening of foodservices and, an additional 21% of milk is expected to be channeled to cheese production benefiting EU cheese and butter consumption. As for SMP and butter exports, there are said to grow by +6% and by +4%, respectively in 2021 notably driven by competitive EU prices.

EU milk production expectation 2021





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### **EU-Australia FTA:**

#### Where we stand

In After finalising the 10th round of the EU-Australia Free Trade Agreement (FTA) negotiations, according to **Trudy Witbreuk** – Chargé d'Affaires of the Australian Mission to the EU, there is a feeling that some important chapters of the agreement begin to solve.

In detail, regarding possible fields of agreement, in goods and services trade, negotiations are getting closer to the desired outcome. In contrast, agricultural markets' chapter is being one of the most difficult fields to agree and, even with the possibility of complicating more the negotiations, Australian representative highlighted and advanced that they will include some sustainability requirements on it.

Additionally, together with the mentioned, sustainability needs to be negotiated in deep due to complexities derived from Australian and European high standards and targets.

As for next steps, in the following round of negotiations expected next June, there may be more clarity in terms of political commitment as well as more certainty regarding in which chapters of the negotiations could be an agreement soon.



## How to define 'active farmer'?



In a thread of posts on Twitter, Commissioner for Agriculture Janusz Wojciechowski provided some ideas on the definition of 'active farmer', one of the issues concerning the Common Agricultural Policy (CAP) reform.

According to the Commissioner, an 'active farmer' should meet **at least two** of the following five criteria:

Living on the farm
Working and managing the business personally
Having animals
Deriving a "significant" level of income from farming
Managing the ancestral/inherited farm

However, **Wojciechowski** admitted the complexity of EU's agriculture diversity, which counts on different sizes, types and forms of farms, expectations and interests.

#### Read his Twitter thread here!

Janusz Wojciechowski 🤣 @jwojc · Mar 28

We try to work out a compromise in the CAP negotiations on the definition of an active farmer. The problem is that EU's agriculture is very diverse, different sizes, types and forms of farms, different expectations and interests. But we try. /1 #CAPtriloque



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