

COVID-19

EU Commissioner Janusz Wojciechowski:

"There is a need for market intervention and we are well aware"



"Market intervention and private storage has been asked for by Member States and by stakeholders. There is a need for market intervention and we are well aware. There are legal instruments available. But we must have the money for market intervention. I have in front of me the budget 2020 and we have analysed each and every possibility to find money for market intervention. We will have more possibilities to help when we know the budget for next year. CAP is not designed for such crisis in all sectors. The scale of the crisis goes beyond the budget.", stated **EU Commissioner Janusz Wojciechowski** in yesterday's EP COM AGRI videoconference meeting.

In the debate, basically all MEPs spoke out for market measures to support the dairy sector and the ask for Private Storage Aid was voiced by the large majority of political parties.

EP COM AGRI chair **MEP Norbert Lins (EPP, DE)** called upon the Commissioner: *"Be brave and use your possibilities like PSA, you have our support"*. **MEP Herbert Dorfmann (EPP, IT)** summed up *"It's not enough to say we don't have money"*. **MEP Paolo De Castro (S&D, IT)** called for the use of the crisis reserve *"We have to take action, it is now the moment to act"*. **MEP Ulrike Müller (RenewEurope DE)** insisted in the urgency of support measures and referred to last week's RenewEurope conference with the agri-food sectors and also **MEP Mairead McGuinness (EPP, IE)** made a clear statement: *"We see crisis and chaos on the markets. Coming to the COM AGRI and saying 'I have no money' is simply not enough."*

EU Commissioner Thierry Breton: EU support for agri-food sector



French **EU Commissioner Thierry Breton** initiated an exchange with EU agri-food businesses to assess which support at EU level is needed for our sector to be in a position to prepare for the 'new normal' after the end of the current health crisis.

EDA President Michel Nalet stated: *"The smooth functioning of the EU Single Market is vital for Europe, not only in crisis times. Dairy is recognized as an essential industry in COVID-19 times and dairy is structurally well positioned to take over an economic leadership role in the post COVID-19 recovery phase, especially in rural Europe. We only can play this role, if milk markets are stabilized now before the EU dairy sector will be in a longer lasting crisis situation."*



Last chance to turn the tide

While large parts of the economy have come to a sudden standstill, the dairy sector makes every effort possible to keep shelves and fridges stocked in Europe. The designation of milk and dairy as essential sector and the associated measures, including guidelines on the green lane border crossings and free movement of workers, have helped substantially in maintaining functioning supply chains across regions and borders. The support of DG AGRI here and in making some payment schemes of the CAP more flexible is highly appreciated.

But the time has come for the European Commission to secure the protection of the dairy sector against market disturbances. EDA urged the European Commission already mid-March to support the Europe dairy sector and asked for the activation of the Private Storage Aid scheme. This call has by now been echoed by basically all EU member states as well as the European Parliament. The ball is now in the European Commission's corner and it is time that they step up to the plate by activating the necessary market measures and avoid a long-term disturbance of the dairy market.

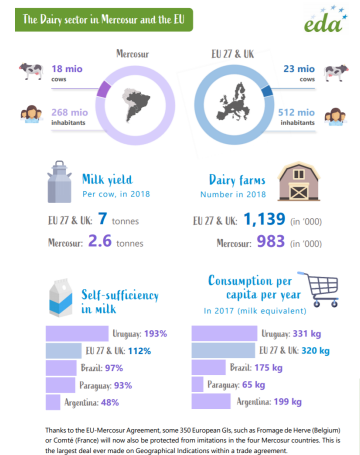
EDA remains the strong voice of the dairy industry in these defining times and is constantly informing the decisions makers of the European Union, urging them to take the right actions at the right moment.

Mercosur Dairy Trade Focus

Our **EDA secretary general Alexander Anton** was invited to share our dairy analysis at the EU think tank **EURAFFEX** (euraffexgroup.com) global online conference last week "The future of trade with COVID-19", chaired by **Lina Aburos**.

"Today's situation underlines that trade is essential – and trade will become even more important in the post COVID-19 recovery phase. That's why the efforts of **EU Trade Commissioner Phil Hogan** for safeguarding global trade and global trade mechanisms have been praised by the speakers from all over the world", stated Alexander Anton.

And in support of the EU Commission's Trade strategy, we just issued our new Trade Focus on Mercosur! → [Check it out on our website.](#)



Farm to Fork strategy postponed

When managing the milk and dairy supply in today's lockdown conditions, the dairy industry mobilizes all forces to live up to our most important societal responsibility, providing healthy and affordable nutrition to citizens in our Union and beyond. On 25th March 2020, the originally planned date of publication of the "Farm to Fork" strategy, → [we published our EDA Statement.](#)

We are grateful to the members of the EP COMAGRI for the support of **MEP Norbert Lins'** initiative (EPP, DE) to allow more time for the finalization of this strategy and the integration of the lessons to be learnt from this crisis: the critical importance of a well-functioning Single Market is showcased. Any calls for gastro-chauvinism in today's global crisis are inadequate and irresponsible. Also, milk and dairy shelves have been considered by the citizens as vital for their families. We have a hard time keeping milk and dairy shelves stocked when people rush into supermarkets to buy the true essentials for their families. Milk and dairy: nutritious by nature and essential for your life.

Organic Regulation: postponing the January 2021 implementation date

In a letter of 08 April 2020, **MEP Martin Häusling (Greens, DE)**, the rapporteur of the Organic Regulation and an organic dairy farmer, has asked **EU Commissioner Janusz Wojciechowski** for a "prolongation of the period until the entry into force for at least half a year, maybe even for one year", since the ongoing Corona outbreak has led to a significant modification of the working methods of the European Parliament, so that the in depth discussion of delegated acts seems not assured.

Videoconference negotiations: towards a "virtual BREXIT"?

The two chief negotiators, **Michel Barnier** and **David Frost**, agreed to pursue the negotiations on the future EU – UK relationship via videoconference. Despite the unprecedented crisis situation, the UK government reiterated that there would be no extension of the Brexit transition period beyond 31st December 2020 – a date that is just 260 days away.

"Today's macroeconomic outlook for both the UK and the EU27 will not be brightened by a badly managed Brexit. We are working under high pressure to re-introduce our updated EDA-DairyUK paper on the 'Future EU -UK Dairy Framework' to allow both negotiating partners to mitigate the Brexit impact for the interlinked EU-UK dairy sector", stated **EDA secretary general Alexander Anton**.



EDA Webinar on biodiversity, deforestation and sustainable protein sourcing

Despite the postponement of the official publication of the Farm to Fork strategy (see above), we as European Dairy, we continue focussing our efforts in the field of environmental sustainability. Biodiversity, deforestation and sustainable protein sourcing were the topics discussed last week in an EDA webinar gathering experts from the EU dairy sector. It was the occasion to continue our proactive work in the context of the Green Deal and the upcoming EU Biodiversity Strategy 2030, that should be fully aligned with the Farm to Fork strategy in terms of content and timelines. Many sustainability challenges are ahead and EDA is organising numerous webinars and online platforms to give the possibility to members to exchange views and join forces on such important topics, while adapting to the current confinement situation across Europe.

Shaping our dairy approach on the Circular Economy Action Plan

Even under confinement rules, EDA is keeping the dairy flag high and our voice heard by the EU institutions in Brussels. Among the topics that have long been at the centre of our attention is the overall sustainability of the dairy industry, including packaging. Again this Tuesday, we organised a webinar for our EDA members to discuss our future approach on plastics, packaging and packaging waste within the framework of the new Circular Economy Action Plan (CEAP). We are also staying actively involved in the Single Use Plastics

Directive's implementation process and provide → [our input to the EU Commission's ongoing work on guidelines](#). The implementation will have to respect the overall COVID-19 conditions. We have an important role to play and we are willing to fully do it by bringing forward our dairy perspective for a more circular economy.

"Working towards greater circularity & sustainability in the dairy sector"



Meet the European Dairy Association, where today's dairy expertise meets with the vision of tomorrow's opportunities and challenges for Europe's dairy sector

Working towards greater circularity and sustainability in the dairy sector

The European Dairy Association (EDA) is proud to present the recently increasing scientific evidence for the essential role dairy plays in achieving both a healthy and sustainable diet, as well as food and nutrition security. Dairy products are nutrient-rich and excellent sources of high-quality protein, whilst also remaining affordable for consumers. However, many European citizens still do not meet the dietary recommendations for dairy. While many dairy alternatives present on the market today seem to perform better in terms of environmental impact, dairy has a higher nutrient density and provides higher quality proteins compared to plant-based foods. Recent studies have shown that dairy products actually have a low climate impact when balanced against their nutritional importance in a healthy diet. Changes in dietary patterns and the enforcement of sustainable diets are gaining importance in the drive towards reducing the food industries climate impact. Sustainable diets need to be protective and respectful of biodiversity and ecosystems, nutritionally adequate, culturally acceptable, accessible, economically fair and affordable, while also being safe and healthy. Dairy products, with all their natural nutrients, offer a resource- and carbon efficient way of achieving a balanced diet and can make key contributions to nutrient and food security. EDA is fully engaged on nutrition and health topics with policy makers, industry groups and other stakeholders to help make a positive impact on the overall public health.

We are proud to have presented the essential role that dairy plays in achieving both a healthy and sustainable diet, as well as food and nutrition security, in an article by the **Innovation News Network**.

→ [This article](#) gave us the opportunity to highlight once again how today's dairy expertise meets with the vision of tomorrow's opportunities and challenges for the European dairy sector. The focus of the article is on the contribution of dairy to the UN Sustainable Development Goals and on aspects such as quality, food waste and its link with packaging, co-products and by-products.

As always, we emphasised that sustainable diets need to be protective and respectful of biodiversity and ecosystems, nutritionally adequate, culturally acceptable, accessible, economically fair and affordable, while being safe and healthy.

Transitional measures for the CAP

Yesterday, the EP COM AGRI debated the proposed compromise amendments on the on transitional measures for the Common Agricultural Policy. The proposal for a transitional regulation will introduce transitional adjustments and amendments that are necessary due to the changes that come with the EU Commission's proposals on the CAP beyond 2020 and aim to ensure the continuity of the CAP until the CAP post-2020 reform has been finalised. **MEP Elsi Katainen (RenewEurope, FI)** expressed the need for planning and investment security for the European farming community.

Amendments tabled by the MEPs include changes on the duration of the transition period, 2 years instead of the 1 year proposed by the European Commission, as well as on the use of funds from the next financial period and the duration of specific programmes. **The AGRICOM vote is scheduled for 28 April with a follow-up in plenary in May.**

Canada's review of the management of all Tariff Rate Quotas

Canada's review of the allocation and administration of all TRQs for products under supply management has entered into a second phase and Canada is consulting on various policy options for the allocation and administration of the quotas. EDA is currently consulting its members on the Canadian review..

The core message from the EU dairy sector is crystal clear: especially in times when Canada is quickly opening its cheese markets to other exporting regions in a far more flexible way, **the CETA TRQ managements system should be as conducive to trade as possible.**

More specifically, it must not impair or nullify the market access commitments negotiated by the Parties. The current system has one main objective: compensate the Canadian sector for the cheeses TRQs granted to the EU, and this is not acceptable.

EU and 15 WTO members establish contingency appeal arrangement for trade disputes

On 27th March, the EU together with 15 other members of the WTO agreed on an arrangement that will allow them to appeal and solve trade disputes among them notwithstanding the paralysis of the WTO Appellate Body that is missing a third appellate body judges since December 2019. The EU has been a leading force in the process to establish this contingency measure in the WTO.

"Today's agreement delivers on the political commitment taken at ministerial level in Davos in January. This is a stop-gap measure to reflect the temporary paralysis of the WTO's appeal function for trade disputes. This agreement bears testimony to the conviction held by the EU and many other countries that in times of crisis working together is the best option. We will continue our efforts to restore the appeal function of the WTO dispute settlement system as a matter of priority. In the meantime, I invite other WTO Members to join this open arrangement, crucial for the respect and enforcement of international trade rules", said EU Commissioner Phil Hogan.

What's your favourite Dairy product?

"My favourite dairy product is blue cheese, and coming from France, I especially love Roquefort!"

Léna Girard
EDA Trade & Economics stagiaire



"If I had to choose one, that would be Kefir yoghurt: light, healthy and nutritious!"

Mariana Papakonstantinou
EDA Food, Environment & Health stagiaire