Editor: Álvaro Ruiz

#12 / 2021

1 July

Connect to the world of dairy

New Zealand – EU:

Trade & Agri Minister touring Europe

Ahead of the 11th round of negotiations for an EU – New Zealand Free Trade Agreement, New Zealand Trade & Agricultural Minister **Damien O'Connor** visited Europe.

In Brussels, he met with MEP **Ulrike Müller** (Renew Europe, DE), the chair of the EP delegation for New Zealand and Australia, EU Trade Commissioner **Valdis Dombrovskis** and EU Agri Commissioner **Janusz Wojciechowski**.

In 2018, the former EU Trade Commissioner Cecilia Malmstrom made it clear: there will be no dairy offer for New Zealand. Nevertheless, in June 2020 a first EU dairy offer leaked out, provoking quite some criticism. Right now, the EU Commission is preparing the 'new' dairy offer for New Zealand, that will be tabled in October 2021.

"Damien O'Connor comes from a dairy family and has a perfect understanding of global milk markets. His huge energy in defending global trade and the multilateral approach is impressive. And it's always good to get an insight into the state of play of negotiations, even if our only source here is from Down Under", stated EDA President Giuseppe Ambrosi.



White smoke from the CAP trilogues:

Habemus CAP agreement!

Last Monday 28 June, EU Ministers of Agriculture endorsed the provisional political agreement on the Common Agricultural Policy (CAP) reached by the EU Institutions on Friday 25 on the meeting of the EU Agriculture Council. The deal on the CAP will ensure a robust market-oriented future for dairy. Milk and dairy products are among the EU's top agricultural sectors and EDA has been following the negotiations closely.

As the voice of the European milk processing industry, we have been in close contact with all relevant stakeholders to ensure that the dairy essential parts, especially in the Common Market Organization (CMO) regulation, is kept operational. The texts still need to be finalised at the technical and legal level and officially adopted by the European Parliament and the EU Council.

The new CAP rules should apply from 1 January 2023. We have shared an in-depth analysis of the agreed texts with our membership and will exchange on the concrete implications of the changes with the EU Commission within the coming weeks.

#CAPreform



Today's deal takes into account the need for a market orientated CAP while giving dairy farmers and processors the needed support to adapt to the new challenges.

Alexander Anton
EDA Secretary General





Slovenia takes over the EU presidency:

'Together. Resilient. Europe.'

Today marks the beginning of the **Slovenian Presidency of the Council of the European Union**, with the country taking the challenge of driving the EU's agenda throughout the second half of 2021.

'Together. Resilient. Europe' represents the slogan of Slovenia for its EU presidency. From EDA, not only we fully back the country's priorities and objectives planned for its EU realm, but also feel fully in line with the selected motto line. As our **EDA president Giuseppe Ambrosi** states, it reflects what the EU dairy industry has acomplished and will keep on achieving during these difficult times: "to deliver with resilience for a united Europe".

Read <u>here</u> our Dairy Focus on Slovenia, where you will find interesting facts about the country's dairy sector, such as its four Slovenian cheeses registered as Protected Designation of Origin (PDO), representing the EU dairy excellence. It also counts with a letter from our EDA president **Giuseppe**Ambrosi, and a message from Tomaž Žnidarič, the President of the Slovenian Dairy Association.



Compliance with the Dietary Guidelines for Dairy:

Data show a clear underconsumption across the EU

Dairy foods are natural sources of high-quality protein, as well as essential vitamins and minerals such as calcium. They also are vital to health maintenance and prevention of diseases, which is why they are an important part of the dietary guidelines and recommendations across the EU.

The concept of 'over-consumption' of dairy is sometimes brought up in political discourse, but is it based on the actual consumption? The latest EDA Factsheet addresses this question with a thorough analysis of dairy recommendations and compliance across the EU.

Average European Dairy Recommendations:



Based on the data available from EFSA and the Member States, we have calculated that 18 out of 23 Member States have an underconsumption of dairy products by at least 10% compared to the national recommendations. These results show that overconsumption of dairy in the EU is a clear misconception, in fact most of the EU population does not consume the recommended amount of dairy. Our EDA survey also showed that there is a clear need for more detailed, updated and possibly harmonised consumption data collection across the EU.



European Court of Auditors report:

Exceptional support for EU milk producers in 2014-2016

Last week the European Court of Auditors (ECA) released its long-awaited report on exceptional support for EU milk producers in 2014–2016. The work on this report started in 2019 and EDA contributed to the consultation. The magnitude of the Russian import ban of 06 August 2014 was felt all over the EU (and global markets) and led to heavy turbulences on all market segments and an overall milk market depression. The industry as well as the EU Commission acted swiftly in order to help balance markets. As industry we accelerated our efforts to diversify our export markets, hereby supported by the EU Commission's trade strategy which provided new market access. The SMP stocks in public warehouses that resulted from the use of exceptional market measures were well handled by the EU Commission and an additional big impact on markets was avoided. This crisis has shown the importance of the available support measures and we welcome the fact that they will remain large unchanged under the provisional agreement on the Single Market organization (CMO).

When it comes to the public program for milk volume reduction that was operational end of 2016, the ECA assessment is aligned with the approach we took already in 2016: such public volume reduction programs intervene on markets by definition at a late stage and hence risk, inter alia, to have an effect that is decoupled from the market developments.

You can read the ECA report here.

French ban of single-use plastic cups for beverages:

EDA reaction

With the deadline for transposition of the Directive (EU) 2019/904 on reducing the impact of certain plastic products on the environment (SUPD) coming very soon on 3 July, many EU Member States have already started approving their national laws.

Amongst them, a French draft regulation defining the maximum permissible plastic content in single-use plastic cups was notified to the EU Commission under the TRIS (end of Standstill: 29/07/2021). This draft decree would lead to a de facto ban of single-use plastic cups for beverages placed on the French market: the maximum permitted level of 15% as from 3 July 2021 will have to be progressively lowered to a zero value by 1 January 2026.

The French draft regulation is a source of great uncertainty for the European dairy sector as it potentially goes beyond the scope of the SUPD. In our views, pre-filled sealed packaging containing and preserving the shelf life of drinkable products for a period from days to months must be excluded from the scope of this decree.

We flagged up our concerns in a letter to the EU Commission highlighting inter alia the potential adverse effects to the functioning of the Single Market.





EDA engages with EFSA on improving stakeholder dialogue

As a member of the EFSA Stakeholder Forum, EDA was invited to participate in the dedicated EFSA workshop "Engaging throughout the Risk Assessment Process" which took place last week. The workshop discussed current engagement opportunities in risk assessment, including e.g. public consultations, workshops, stakeholder working groups and data collection.

EDA is already an active stakeholder in all these activities, contributing wherever possible with our expert knowledge, industry data and scientific references.

The meeting was an occasion to identify possible gaps and opportunities to improve and encourage the stakeholders' engagement in the EFSA risk assessment process.

EDA will continue to engage and support EFSA activities as an integral part of our commitment to the science-based EU food policy.

How will the evolved SEA look like?



7 categories, 3 streams, new tools and methods





EDA internal webinar on feed solutions to reduce livestock emissions

This week EDA held an internal webinar focusing on feed solutions and additives to reduce livestock emissions. Organised in the context of the EU Commission's **Methane Strategy** and the ongoing revision of the feed additives regulation, the webinar gave the opportunity to our members to exchange with companies and a research institute working on solutions for reducing the amount of methane released into the atmosphere from ruminant's enteric fermentation.

GHG emissions from dairy operations have significantly decreased since 1990 and the carbon intensity of EU dairy products is amongst the lowest in the world. Nevertheless, the sector is willing to step up its efforts for further decreasing the carbon footprint of dairy operations and contribute to the EU climate targets.

GHG emissions is however only one indicator of environmental sustainability, with many more components (such as water use, land use and biodiversity) that should be considered when analysing the environmental performance of dairy products, as included in our Dairy PEF methodology. Check out our **EDA factsheet on Dairy PEF**.



UK loves traffic lights:

New environmental traffic light "eco-score" launched

With its first 'traffic light labelling', the UK split the Single Market already back in 2012. It pioneered a coloured front of pack nutrition labelling back in that time. The English health authorities recognised in spring 2021 that this system did not deliver. Studies had already pointed out earlier that there was no effect whatsoever on obesity of the population, with the tendency of overweight people continuously increasing.

Now, a UK government backed organisation and some major food players have established a traffic light style 'eco-score', that will appear on food packages as of autumn 2021.

In the European Union, a legal proposal for framing 'green claims' is planned for the end of this year, and a full proposal for a 'sustainable food labelling framework' is scheduled for 2024. The Dairy-Product Environmental Footprint methodology sets a strong basis based on internal science for such an approach.

Such schemes may look good, but that is all they are: "colourful", as claimed by Nestlé. The data behind often lacks scientific backing and harmonisation. The agglomeration of many complex indicators into one 'colorful' label is a questionable approach as such.

The EU Commission is well advised to propose a harmonised voluntary 'green claims' scheme that is based on the widely adopted methodology (including all member states, the EU Commission, industries and NGOs).

'The shape of the CAP to come':

Our input to the latest EURACTIV Twitter Chat

We were glad to be invited by EURACTIV to participate in its latest **AgriFood Twitter chat** on "The shape of the CAP to come", where we shed light and shared our views on some of the key elements that will drive the upcoming CAP to a success, such as the need to leave no one behind on the way to a sustainable future for Europe, or the importance of rewarding farmers for their committed work on behalf of all EU citizens.

The debate counted with the participation of MEPs like MEP Paolo de Castro (S&D, IT) or MEP Irène Tolleret (RE, FR), as well as associations such as CEJA Young Farmers or the ASAJA representation in Brussels, among others. You can have a look at the conversation here.



European Dairy Association @EDA_Dairy · Jun 22

Thank you @EURACTIV for counting on @EDA_Dairy, the voice of the EU milk processing industry, to participate in today's fruitful Twitter chat on the shape of the #CAP to come! #eaAgriFood

© EURACTIV Agri & Food ❷ @eaAgriFood · Jun 22

We want to thank all participants for their input and this constructive conversation. We look forward to the next one! #eaAgriFood

☆ For future Chats & the latest EU agri reporting, don't miss

@NatashaFoote & @gerardofortuna's AgriFood Brief newsletter: eurac.tv/9Tme

Show this thread

