



# “Dairy Industry / Dairy companies’ strategy on short term”

Alexander Anton, Secretary General

16<sup>th</sup> October 2017, COPA-COGECA Working Party on Milk and Dairy Products





# Euromilk

*connect to the world of dairy*

Welcome to Euromilk,  
please make your choice between the European Dairy Association  
and the European Whey Processors Association sites.





## Connect to the World of Dairy

- Association of national dairy industry associations of 23 EU Member States
- Cooperative and private milk processors represented
- Active involvement of representatives of the national associations and from dairy companies

# EDA Board



# President & Presidium



**Michel Nalet, Lactalis**

**Ingo Müller, DMK**

**Jan Teplý, Madeta**

**Attilio Zanetti, Zanetti**

**Kasper Thormod Nielsen, Arla**

**Claude Steinmetz, Luxlait**



The economic power of European dairy at a glance



## Power of EU Dairy

**300,000 people** in high-value industrial jobs on milk processing sites especially in **rural areas** across the European Union.

**160 million tonnes of milk**

**700,000 dairy farmers** is processed

**12,000 milk processing and production sites** across Europe

**45,000 jobs** linked to exports

connect to the world of dairy



**“milk and dairy products are a vital source of nutrition”**



connect to the world of dairy

**Our success is based on two pillars :**

➔ **the European Single Market and**

➔ **the EU trade policies.**

**Our success is based on Europe**







The new Presidium of the 'Civil Dialogue Group MILK' (CDG MILK) of DG AGRI





**Our success is based on two pillars :**

➔ **the European Single Market and**

➔ **the EU trade policies.**

**Our success is based on Europe**



## EDA & “institutionalized” lobbying



- ➔ **CDG MILK**
- ➔ **Economic Board MMO**
- ➔ **HLF Better Functioning Food Supply Chain**
- ➔ **Market Access Advisory Committee**
- ➔ **EFSA Stakeholder Forum & Industry RT**
- ➔ **EU Animal Welfare Platform**
- ➔ **DG SANTE advisory committee**
- ➔ **FoodDrinkEurope Board**

# Protected Dairy Terms and Marketing Standards



**eda**  
**Press Release**  
 connect to the world of dairy

2017  
 04 July



EDA celebrates the 30<sup>th</sup> anniversary of the European protection of dairy terms, like "milk" and "butter"

flgnum | +32 2 549 50 40

In the EU, milk and dairy products have been legally recognised for decades as unique in their nutritional composition, quality and source, being the secretion from a mammal. For 30 years the specific EU legislative framework has provided to the European citizens a clear knowledge of what milk and milk products are and strongly protected them from being misled. On 14 June 2017, the European Court of Justice reaffirmed forcefully the uniqueness of milk and dairy in the court case C-422/16' strongly marking the 30<sup>th</sup> anniversary of the EU protection of dairy terms.

t to the world of dairy

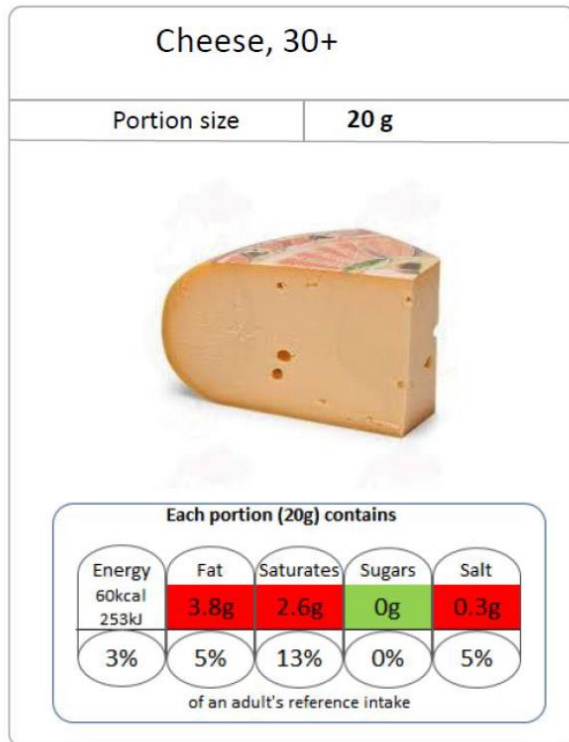
# mandatory and voluntary origin labelling

➔ **EU Commission failed to defend the Single Market**

➔ **trademarks and brand names**



# Nutrition labelling / “traffic light”



**“There is something wrong with a scheme that declares drinking milk less healthy than diet versions of soft drinks”**

**Maurizio Martina**


# New Nutrition Factsheets published

**eda** Nutrition Factsheet  
connect to the world of dairy

## Questions & Answers on LACTOSE INTOLERANCE

**WHAT IS LACTOSE?**

- Lactose is a sugar that is naturally present in milk (4.7 g/100 ml in cow's milk)<sup>10</sup>. Ingested lactose is broken down by **lactase**, a digestive enzyme, into its two fragments: glucose and galactose which are rapidly absorbed within the small intestine.<sup>10,11</sup>
- As a naturally occurring sugar, lactose is a source of energy, particularly important in infancy, when there is rapid body growth and development.<sup>12,13</sup> Recent research, that is yet to be validated by larger and more comprehensive studies, has suggested that lactose may even contribute to the absorption and retention of essential minerals, such as calcium, magnesium, zinc and manganese.<sup>14</sup> Moreover, it may also act as a prebiotic, promoting the growth of beneficial intestinal bacteria in the gut, while preventing the growth of negative ones.<sup>15</sup>



**WHAT IS LACTOSE INTOLERANCE?**

- Lactose intolerance may occur when the activity of the enzyme lactase is not sufficient to digest the lactose consumed. When the undigested lactose arrives in the colon (big), it is fermented by intestinal bacteria<sup>16,17</sup>. This fermentation process may induce gastrointestinal symptoms of lactose intolerance, such as abdominal pain, bloating, diarrhoea, and flatulence<sup>12,18</sup>. However, lactose maldigestion does not always lead to symptoms of lactose intolerance.
- EFSA highlights that: **Milk is such an important component of the diet that before recommending a "low-lactose" diet with the avoidance of milk, lactose intolerance should be formally confirmed by one of the recognised tests.** (e.g. hydrogen breath test, lactose tolerance test).<sup>19</sup>
- Most majority of people with lactose maldigestion tolerate up to 12 g of lactose in a single dose (1 large cup of milk 240 ml), with no or only minor symptoms. Higher doses may even be tolerated if distributed throughout the day.<sup>20</sup>
- Lactose tolerance varies widely among individuals. Due to this individual variability, setting a single threshold of lactose for all lactose intolerant people is not possible.<sup>19</sup>
- The frequency of lactose deficiency in the adult population in Europe varies from 4 to 56 % (see table<sup>21</sup>). The lactase persistence gene "travelled" with the spread of milk farming in Europe as only around 4 to 5% of the population in Northern Europe are affected by lactase deficiency.<sup>22</sup>

Country	Frequency of lactase deficiency (%)
Denmark	4
Ireland	4
Germany	14
Finland	17
Austria	20
Britain	23
Spain	34
Poland	37
France	38
Hungary	40
Estonia	43
Greece	46
Italy	56

**eda** Nutrition Factsheet  
connect to the world of dairy

## Dairy: A source of high quality protein

- Consuming dairy products as part of a healthy and balanced diet is an affordable way of contributing to fulfilling dietary requirements for protein.<sup>23</sup>
- Dairy products such as milk, yoghurt and cheese are good sources of essential nutrients, including high quality proteins<sup>24</sup> crucial for many bodily functions.<sup>25</sup>
- Proteins from animal sources, such as dairy protein, contain all essential amino acids and are therefore considered to be highly digestible and of high quality.<sup>26</sup>
- Animal proteins, such as dairy proteins, are of a 10-30% higher biological quality than vegetable sourced proteins.<sup>26</sup>
- Dairy proteins play an important role in bone health<sup>27</sup>, muscle growth and sports nutrition.<sup>28</sup>
- Dairy protein may be beneficial for weight management.<sup>24</sup>
- The beneficial role of dairy protein has also been studied in the context of ageing processes<sup>29</sup> and non-communicable diseases.<sup>30</sup>

**PROTEIN IS ESSENTIAL FOR MANY BODILY FUNCTIONS AND STRUCTURES<sup>31</sup>**

- The recommended daily intake of protein is around 0.8 g/kg of body weight, depending on age, size and sex.<sup>32</sup> The daily protein intake is mainly covered through foods, such as dairy products.<sup>33</sup>
- Protein contributes to the growth and maintenance of bones and muscle mass. High protein intake has been linked to many health benefits, including heart and bone health, weight management, a reduced risk of metabolic diseases (such as diabetes) and mortality rates.<sup>34</sup> With recent studies having been positive so far, further research will be necessary in order to fully substantiate these benefits.



**eda** Nutrition Factsheet  
connect to the world of dairy

## HEALTH BENEFITS AND NUTRITIONAL VALUE OF DAIRY

- Milk and dairy products are an important part of the dietary guidelines and recommendations across the EU.
- Dairy foods are of natural sources of high quality protein, as well as essential vitamins B2, B12 and minerals such as calcium, phosphorus and iodine.
- Research shows that dairy has beneficial effects on health beyond its nutritional value.
- People enjoy and eat foods, not nutrients. Therefore, nutrition and public health policies should focus more on foods and food patterns and less on single nutrients.
- Dairy foods are available in a wide range of products, adapted to every consumer's nutritional needs and preferences.

**DAIRY FOODS ARE IMPORTANT PART OF A HEALTHY DIET**

Dietary advice all over Europe recommends that dairy products be consumed daily during all stages of life. On average it is recommended to consume 2-3 portions of dairy foods per day for adults and 3-4 portions for children. International institutions and public health authorities consider dairy products as an important part of a healthy balanced diet<sup>35</sup>. Many people in Europe do not comply with dietary recommendations and guidelines for dairy intake, in particular adolescent girls, young women, and frail elderly people (the latter representing a growing proportion of the population in the EU)<sup>36</sup>. Insufficient intake of dairy products may lead to unbalanced and inadequate intakes of nutrients with consequences for public health. Consuming dairy on a daily basis contributes to a better nutrient status<sup>34,37</sup> and is an easy, enjoyable and affordable part of a healthy and balanced diet.

**DAIRY FOODS ARE NATURALLY NUTRIENT RICH**

Milk, yoghurt and cheese are naturally rich in many essential nutrients, such as high quality protein, calcium, phosphorus, potassium, iodine, and the B-vitamins (in particular B2 and B12)<sup>38</sup>. Dairy also contains smaller amounts of vitamin A, niacin, folate, vitamin B6, vitamin D, magnesium, selenium and zinc.

A small portion of cheese (30g), or two pots of yoghurt (2 x 125g) or 250ml of milk all contain about 300mg of calcium which is the same amount provided by 30g of fruits or 750g of vegetables<sup>39</sup>. Calcium from dairy is in general better absorbed by the human body than calcium from plant origin<sup>40</sup>.

**European recommendations of dairy consumption**  
2-3 servings of dairy for adults  
3-4 servings of dairy for children

Food	Weight
Milk	200ml
Yoghurt	125g
Cheese	28-30g

**Average contribution (%) of dairy foods to nutrient intakes in adults in European countries (based on a mixture of high-lactose diets)**

Calcium	28%
Protein	24%
Phosphorus	22%
Vitamin B2	22%
Vitamin B12	20%
Iodine	20%
Potassium	20%

➡ Q&A on Lactose Intolerance

➡ Dairy: A source of high quality protein

➡ Health benefits and nutritional value of dairy



## TRADE : NZ and CAN

### Keine Milch aus Neuseeland

Datum 01.10.2017 | Rubrik: Home

Bewertung: ★★★★★



**Diskutierten über Handelsfragen: EU-Kommissarin Cecilia Malmström und DMW CEO Ingo Müller (Foto: EDA)**

Der europäische Milchindustrie-Verband (EDA) hat in der vergangenen Woche seine Generalversammlung in Stockholm abgehalten. EDA-Präsident Michel Nalet (Lactalis, F) konnte mit seinem Generalsekretär Alexander Anton Gäste aus der EU und Übersee begrüßen. Höhepunkt der von dem schwedischen Verband perfekt organisierten Veranstaltung war sicherlich die Podiumsdiskussion mit Kommissarin Malström, Handelsbeauftragte für alle Abkommen der EU mit Drittländern, auch für Milcherzeugnisse.

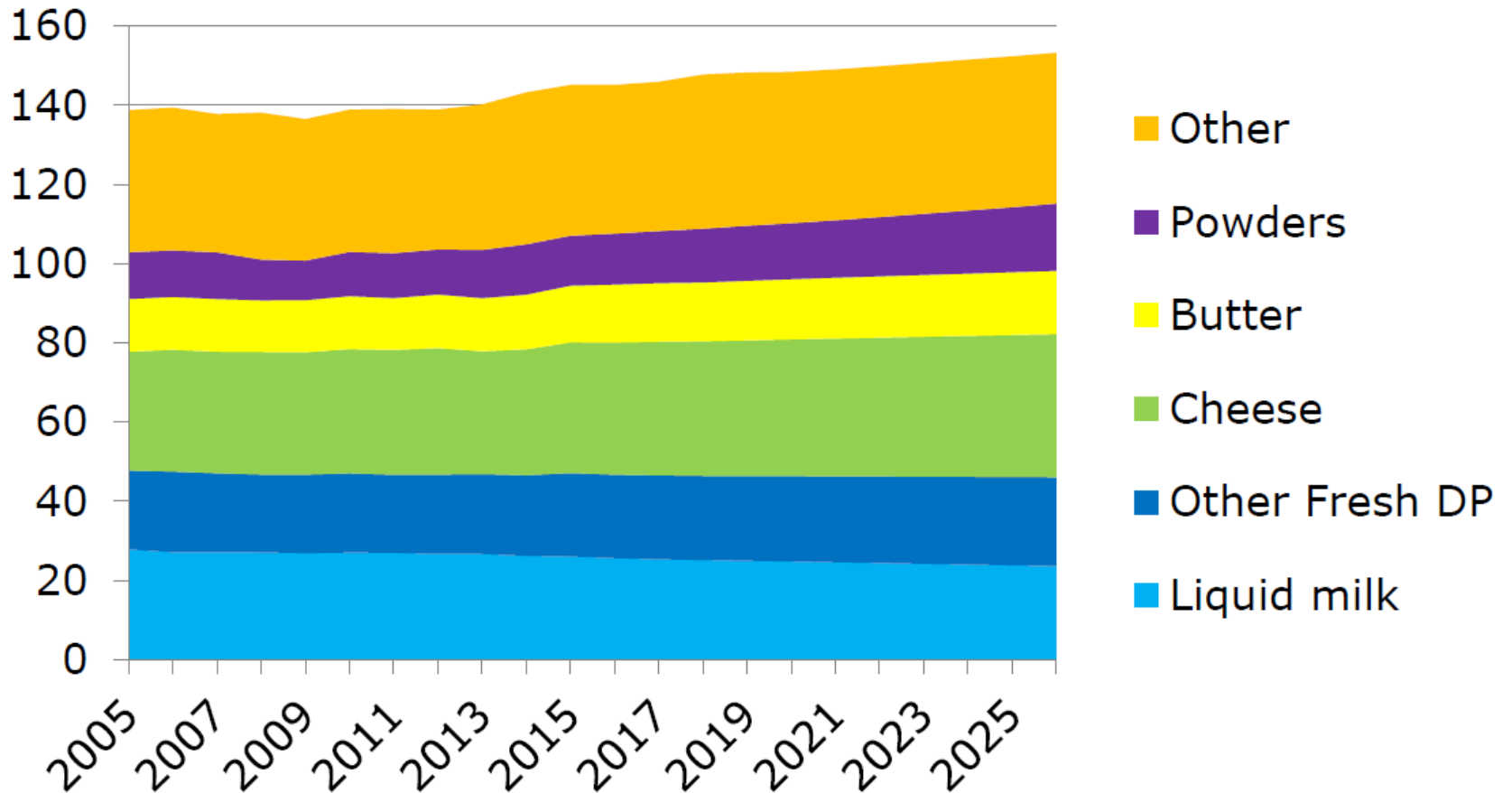
Ingo Müller (CEO DMK und EDA-Vorstand) sprach die pro und cons von Freihandelsabkommen an. Einerseits sucht die EU erleichterten Marktzugang in Drittländern, andererseits kann sich die EU, ohne entsprechende WTO-Vereinbarung, allen exportstarken Drittländern im Interesse der europäischen Milcherzeuger nicht öffnen.

Kommissarin Malström ist handelsliberal. Sie schaut nicht auf einzelne Marktsektoren, will das Ganze im Auge behalten. „Geopolitisch ist Neuseeland ein wichtiger Partner“, so ihr Argument, was sicherlich nicht im Interesse der europäischen Landwirte sein wird.

Sie versprach aber: „Wir schauen uns das an, Freihandel mit Milch mit Neuseeland wird es so nicht geben.“ Zumindest ein positives Signal aus Brüssel, der jahrelange Einsatz hat sich gelohnt, meint der Milchindustrie-Verband, Berlin.

Quelle: MIV

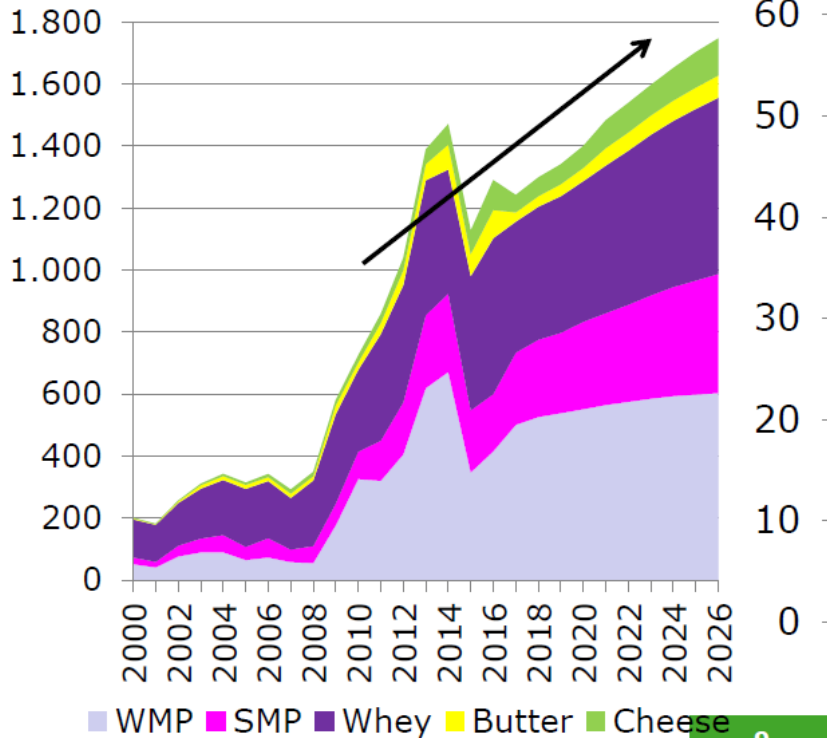
## EU domestic use to grow by 8 million t in 10 years (in million t of milk equivalent)



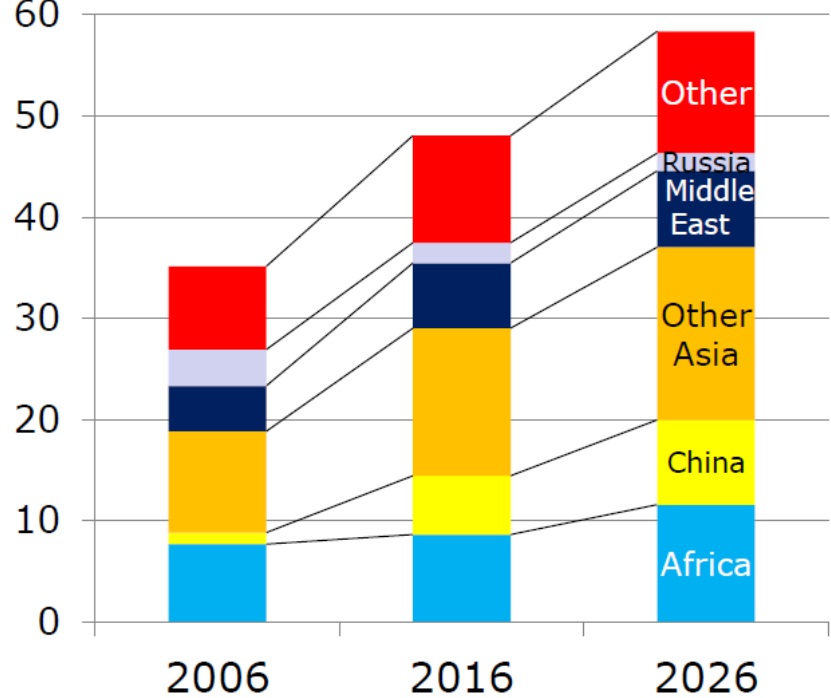
Source: Commission

## China to remain first world importer but Africa keeps growing

Chinese imports of dairy products  
1000 t of product weight



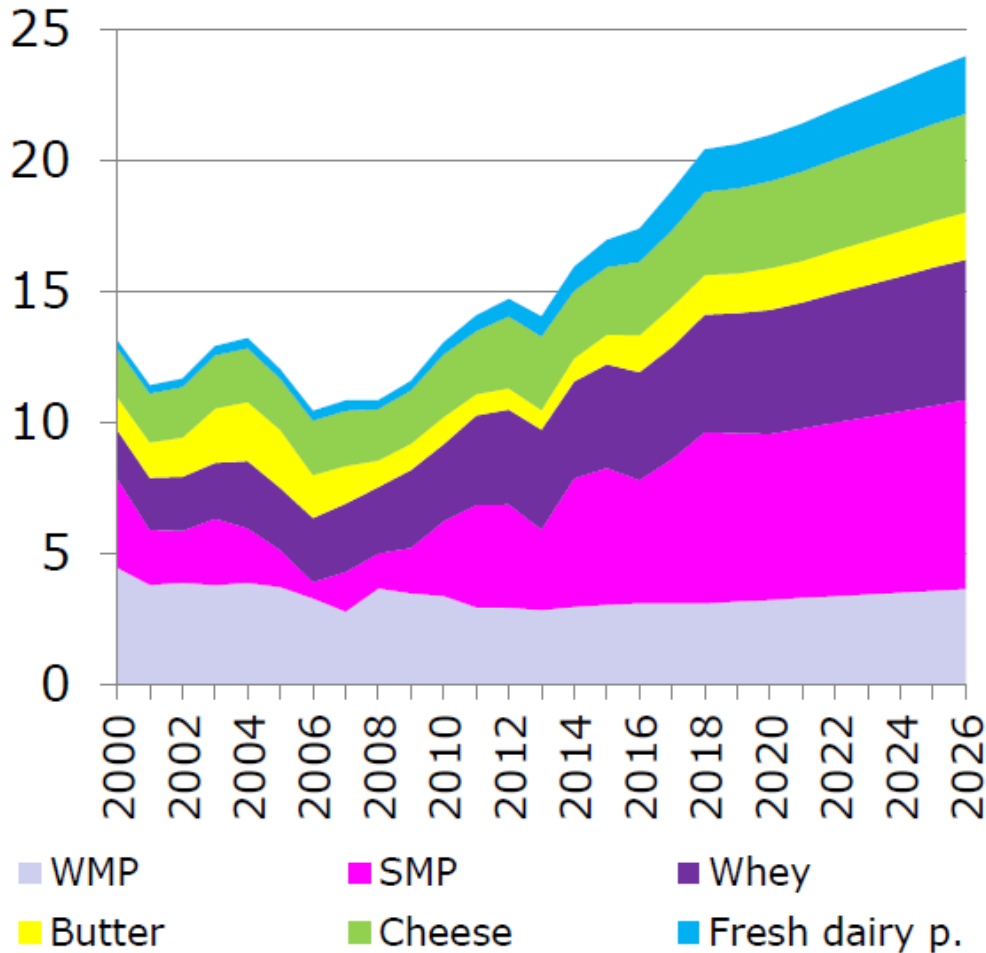
World imports of dairy products  
Cheese, Butter, SMP, WMP in million t of milk equivalent



Source: Commission

## EU exports of dairy products

In million t of milk equivalent



*The EU to become the first world exporter*

EU exports of dairy products are expected to represent 26% of world trade by 2026

Just in front of New Zealand at 25%

	EU	New Zealand	Australia	US	Mercosur	India	Pakistan	Switz.
South Korea	7/2011	11/2015	12/2014	03/2012		01/2010	To be launched 2016	EFTA
India		2010	2011		2009		SAFTA	
Canada	CETA (2016)	TPP	TPP			9 rounds	<sup>13</sup>	EFTA
Mercosur		<sup>14</sup>		<sup>15</sup>		06/2009	Not yet notified WTO	
Japan	Political agreement concluded	TPP	01/2015	TPP		08/2011		09/2009
Malaysia	<sup>12</sup>	ASEAN-ANZ FTA 01/2010	ASEAN-ANZ FTA 01/2010			07/2011	01/2008	EFTA 7 rounds (06/2016)
Ukraine	EFTA 2012 + EU 01/2016							EFTA 06/2010
Russia/ Customs Union	<sup>1</sup>	9 rounds <sup>2</sup>						EFTA <sup>3</sup>
China		10/2008 <sup>17</sup>	12/2015				07/2007	07/2014 <sup>16</sup>
GCC - Cooperation Council for the Arab States of the Gulf.	<sup>4</sup>	10/2009		FTA Bahrain		Not yet notified in WTO		EFTA
Norway	1/2012				EFTA	EFTA	EFTA	
Colombia/ Peru	2012	TPP (Peru)	TPP (Peru)	2006				EFTA
South Africa	<sup>18</sup>				<sup>5</sup>			EFTA
Switzerland					EFTA	EFTA	EFTA	
Morocco	<sup>6</sup> 2013/ 5 rounds							EFTA
Indonesia	2016(CEPA)	ASEAN-ANZ FTA 01/2010	ASEAN-ANZ FTA 01/2010			ASEAN-India	Not yet notified in WTO	
Mexico	June 2016-1 <sup>st</sup> round to modernize agreement	TTP 2012						EFTA
Vietnam	02/2016	TPP	TPP	TPP		ASEAN-India		EFTA 13 rounds
Thailand	<sup>7</sup>	ASEAN-ANZ FTA 01/2010	ASEAN-ANZ FTA 01/2010	<sup>8</sup>		ASEAN-India	3 rounds	<sup>9</sup>
Singapore		TPP	TPP	TPP		ASEAN-India		
Chile		TPP	TPP					EFTA
Ecuador					<sup>10</sup>			EFTA
Venezuela	<sup>11</sup>							EFTA-Mercosur



Securing the  
European milk  
base

Uncork the  
potential of the  
European  
markets

Growth in the  
world

***EDA 222***

***Visibility, Impact through Access***

***'Shaping the EU frameworks to allow the dairy industry to grow sustainably'***



- ife institut ▾
- ife rohstoffwerte ▾
- ife publikationen ▾
- ife campus ▾
- ife service ▾
- ife kontakt ▾



## Kieler Börsenmilchwert

Der Kieler Börsenmilchwert (oder auch ife Börsenmilchwert) ist ein Zukunftswert für die Milch. Er gibt an, welchen Milchwert die Marktteilnehmer an der Milchterminbörse (EEX = European Energy Exchange) in Leipzig in den zukünftigen Monaten erwarten. Er gilt für eine Standardmilch mit 4,0 % Fett und 3,4 % Eiweiß, ab Hof des Milcherzeugers, ohne Mehrwertsteuer, d.h. durchschnittliche Erfassungskosten vom Milcherzeuger bis zur Molkerei sind berücksichtigt. Berechnungsbasis sind die Wareterminkontraktpreise für Butter und Magermilchpulver an der EEX.

# Kieler Börse

Kieler Börsenmilchwert			Donnerstag, den 12.10.2017					
Kontrakt Monat	Kieler Börsenmilchwert*	Änd.	Butter Future	Änd.	OI	MM-Pulver Future	Änd.	OI
	Ct / kg		€ / t		Anz.	€ / t		Anz.
Okt 17	38,2	↘	6138	↘	399	1595	→	290
Nov 17	34,1	↘	5400	↘	417	1528	↗	231
Dez 17	32,9	↗	5139	↘	689	1528	↗	319
Jan 18	29,8	↘	4663	↘	350	1451	↘	385
Feb 18	30,2	↘	4750	↘	269	1449	↘	310
Mrz 18	29,4	↘	4531	↘	227	1470	→	285
Apr 18	29,4	↗	4500	→	149	1480	→	167
Mai 18	29,1	↘	4413	↘	132	1490	→	147
Jun 18	28,8	↘	4325	↘	125	1500	→	117
Jul 18	28,7	→	4300	→	51	1510	→	51
Aug 18	28,8	→	4300	→	48	1520	→	51
Sep 18	28,9	→	4300	→	48	1530	→	51
Okt 18	29,0	→	4300	→	47	1540	→	51
Nov 18	29,1	→	4300	→	44	1550	→	51
Dez 18	29,2	→	4300	→	44	1560	→	51
Jan 19	29,3	→	4300	→	0	1570	→	0
Feb 19	29,4	→	4300	→	0	1580	→	0
Mrz 19	29,5	→	4300	→	0	1590	→	0
Apr 19	29,6	→	4300	→	0	1600	→	0



Kieler Börsenmilchwert		Dienstag, den 20.12.2016						
Kontrakt Monat	Kieler Börsenmilchwert*	Änd.	Butter Future	Änd.	OI	MM-Pulver Future	Änd.	OI

	Ct / kg
Dez 16	36,1
Jan 17	36,6
Feb 17	36,0
Mrz 17	35,7
Apr 17	34,7
Mai 17	34,6
Jun 17	34,5
Jul 17	34,5
Aug 17	34,3
Sep 17	34,3
Okt 17	34,5
Nov 17	34,5
Dez 17	34,5
Jan 18	34,2
Feb 18	34,2
Mrz 18	34,2
Apr 18	34,1
Mai 18	34,1
Jun 18	34,1
Summe	

Kieler Börsenmilchwert			Freitag, den 5.5.2017					
Kontrakt Monat	Kieler Börsenmilchwert*	Änd.	Butter Future	Änd.	OI	MM-Pulver Future	Änd.	OI

	Ct / kg	
Mai 17	33,3	↘
Jun 17	33,7	↗
Jul 17	33,1	↘
Aug 17	33,3	↗
Sep 17	33,8	↗
Okt 17	34,3	↗
Nov 17	34,7	↗
Dez 17	34,6	↗
Jan 18	33,8	↘
Feb 18	33,9	↘
Mrz 18	33,9	↘
Apr 18	33,9	↘
Mai 18	34,1	↘
Jun 18	34,2	↘
Jul 18	33,8	↗
Aug 18	33,9	↗
Sep 18	33,9	↘
Okt 18	34,5	↘
Nov 18	34,1	↘

Kieler Börsenmilchwert			Donnerstag, den 12.10.2017					
Kontrakt Monat	Kieler Börsenmilchwert*	Änd.	Butter Future	Änd.	OI	MM-Pulver Future	Änd.	OI

	Ct / kg		€/t		Anz.	€/t		Anz.
Okt 17	38,2	↘	6138	↘	399	1595	→	290
Nov 17	34,1	↘	5400	↘	417	1528	↗	231
Dez 17	32,9	↗	5139	↘	689	1528	↗	319
Jan 18	29,8	↘	4663	↘	350	1451	↘	385
Feb 18	30,2	↘	4750	↘	269	1449	↘	310
Mrz 18	29,4	↘	4531	↘	227	1470	→	285
Apr 18	29,4	↗	4500	→	149	1480	→	167
Mai 18	29,1	↘	4413	↘	132	1490	→	147
Jun 18	28,8	↘	4325	↘	125	1500	→	117
Jul 18	28,7	→	4300	→	51	1510	→	51
Aug 18	28,8	→	4300	→	48	1520	→	51
Sep 18	28,9	→	4300	→	48	1530	→	51
Okt 18	29,0	→	4300	→	47	1540	→	51

\* Berechnung nach: Meth  
 Änd. = Änderung zu Vortag  
 Quelle: © ife Institut Kiel

## EDA position on Futures

- ➔ EDA believes that the decision whether to use the tools offered by financial service providers is up to each individual processing company based on its business strategy and risk management.
  - It is the same for other potential stakeholders in the dairy sector: milk producers, traders and industrial users of dairy ingredients.
- ➔ Public authorities could facilitate the market orientation and predictability of the dairy sector
  - Important for the potential development of financial tools like futures markets,
  - By improving the transparency of EU dairy markets. This could be done by providing better data information (accurate and prompt publication of data).
- ➔ It is not within EDA's remit, as a trade association, to make recommendations to its members on this subject; doing so could also create difficulties in terms of competition rules.



**“milk and dairy products are a vital source of nutrition”**



connect to the world of dairy



**“milk and dairy products are a vital source of nutrition”**



connect to the world of dairy



Alexander Anton  
Secretary General



[aanton@euromilk.org](mailto:aanton@euromilk.org)  
#dairyanton  
#EDA\_Dairy