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The latest news about the world of dairy

ransatlantic Dairy Talks

After the intense cooperation with our U.S. partner organization <u>IDFA</u> during last year's peak of the covid19 crisis, the future EU – U.S. dairy trade relationship and our joint ambition towards a climate neutral society were on the agenda of the virtual meeting with <u>IDFA President & CEO Michael Dykes</u> this week.



"The U.S. dairy industry fully subscribes to the climate ambitions of the new U.S. administration, so, the EU Green Deal framework is of high interest for our U.S. colleagues, even if I felt that the U.S. dairy has a clear preference for a bottom-up approach instead of the more top down Green Deal strategy", stated EDA secretary general Alexander Anton.

EDA Dairy Policy Conference 2021POSTPONED!

Due to the ongoing pandemic, our traditional EDA Dairy Policy Conference will now unfortunately not take place on 24 March 2021.

This yearly highlight in our EDA calendar has been postponed and will take place later in the year (date, venue and content information to come).

Climate neutrality and the role of agriculture and land use



Last week the European Commission DG CLIMA held a workshop on how agriculture and the land use sectors will contribute to a climate neutral EU by 2050. It was highlighted the need to better exploit the carbon sequestration potential of European land and the importance to reward carbon removal practices in agriculture and forestry. In this context, the Commission will present this year an initiative on carbon farming and a revision of the LULUCF Regulation. In the next years, a scheme for certifying carbon removals will also be proposed.



Natural carbon sinks such as pasturelands will play a key role in the transition towards a carbon neutral EU by 2050. Many existing projects at dairy farm level in Europe are aimed at enhancing carbon sequestration through developing reliable calculation methods and implementing carbon farming practices. EDA is currently working with the European Commission on exchanging best practices and contributing to the analysis and mapping of carbon farming approaches across Europe.



NutriScore 'cheesy' dispute



Spanish cheese sector fights for exclusion from NutriScore

Last week, the Spanish cheese sector asked for a NutriScore exemption for cheese, similarly to what has been already granted to olive oil. In February 2021, the Spanish Consumer Ministry agreed to leave the olive oil sector out because the current algorithm does not reflect the nutritional benefits of this product, which is essential to the Mediterranean diet. "We ask the government to give cheeses the same protection that it granted other traditional Mediterranean diet products. Otherwise, this would stigmatize a sector which is also a key economic engine of many rural areas in Spain" cheesemakers said in a statement by our EDA member FeNIL.

While NutriScore can work well on some product categories where nutrient modification is more feasible, it is not adequate to reflect the nutritional richness of basic food groups like cheese. The aim of a simplified nutrition labelling scheme such as Nutri-Score is to help consumers make healthier food choices using an information about the nutritional quality of foods. This is not at all the case for cheese as almost all cheeses are in orange 'D' category. This is not only inconsistent with the dietary recommendations (cheeses, thanks to their natural nutrient richness - calcium, high quality milk proteins and many other nutrients - are a basic food group included in all official dietary recommendations across the Union but also does not help consumers to choose the "best" products within the category (whatever the fat or the salt content of cheese, the score remains the same).

More details on why NutriScore does not correctly reflect nutrient richness of cheeses can be found in our <u>EDA Position Paper on NutriScore</u> and the most recent <u>Q&A on NutriScore</u> and cheese prepared by CNIEL.

EU-China GI agreement boost for iconic European dairy names

The entry into force of the bilateral EU-China agreement on geographical indications has opened a new chapter in the protection of our iconic European agri-food names. The agreement protects around 200 European and Chinese agrifood names against imitation and appropriation. In the course of the next four years, the agreement will expand to cover an additional 350 GI names from both sides. More than 300 designations of cheeses and other dairy products are protected as Geographical Indications through the EU quality policy and they are rightly perceived as high quality by the consumer around the world.

On the list of protected Geographical Indications agreed with China you will find some of our most iconic European cheeses including, among others, Parmigiano Reggiano, Queso Manchego, Danablu, Gouda Holland and Comté.





EU trade policy review:Global chances for EU dairy

The European Dairy Association welcomed the new EU trade strategy that has been published by the European Commission. The European Union has a long history in making dairy products and we supply therefore all corners of the world with nutritious and healthy products, with 12% of our EU milk being enjoyed outside of the Union.

The European Commission's firm commitment to keep supporting international trade will offer new opportunities and a chance to consolidate our partnerships with key growth regions like neighbouring countries and the African Union.

The ambition to strengthen sustainability in trade in all its dimensions also fits us like a glove. The European dairy sector has on an international level significantly contributed to all progress related to sustainable practices and is acknowledged for its leading role in this discourse. Finding new ways to reduce impact on environment, managing resources efficiently, and increasing benefits to biodiversity and bioeconomy are crucial parts of the dairy sector's commitment for continuous improvement.



First Trade & Economics Meeting of 2021

Taking stock and looking forward

In our quarterly Trade & Economics Meeting, which took place on 24 February, we took stock of the market situation after a turbulent year. Our shared conclusion was that European milk and dairy sector has proven resistant and that it kept all operations running, from the milk collection at farm level to the supply to retail and other outlets, during all stages of the covid19 crisis. We furthermore discussed the current trade agenda including the new EU-UK Trade and Cooperation Agreement. Members, last but not least, discussed the ongoing reform of the Common Agricultural Policy post-2020. EDA has actively shared its position since the publication of the Commission proposals in 2018. With the trialogue negotiations ongoing, EDA made a last push to underline the need for a market orientated agricultural policy, a position that is shared by the European Commission, the Council and a large part of the European Parliament.

EU-US:

solution.

There is hope on the horizon

A negotiated settlement of the longest dispute in the history of the WTO might have come step closer now the confirmation of the new U.S. Trade

Representative Katherine Tai is firmly underway.

Earlier this year, EDA, and the Cheese Importers

Association of America (CIAA) jointly sent a letter to the EU and US administrations, calling for an end to the Civil Aircraft dispute. We insisted on the unfair harm caused to our members by the sanctions authorized by the WTO and on the need for a swift



EDA has high hopes that EU Executive Vice President Valdis Dombrovskis and the U.S. Trade Representative Katherine Tai will be able to find a constructive way forward starting with removing the punitive tariffs on unrelated sectors.

CAP trialogue negotiations update

Ahead of the start of the trilogue negotiations on the Common Market Organization (CMO) on 03 March 2021, we shared on 26 February 2020 our position letter, based on our November 2020 statement, with the Portuguese EU Presidency and the members of the Special Committee on Agriculture (SCA). In this letter we outline our positioning on the most dairy-relevant amendments of the Common Markets Organization (CMO) Regulation.

The Portuguese EU Presidency did set an ambitious timeline for the negotiations and MEP Eric

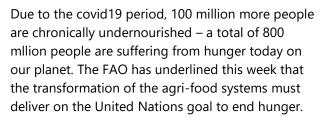
Andrieu (S&D, FR), the key MEP on this file, has shown his support even if he criticized parts of the procedural approach of the Council.





Food security:

EU Contingency Plan



In Europe, as part of the EU Farm to Fork strategy, the European Commission announced its intention to step up its coordination of a common European response to crises affecting food systems to ensure food security and safety, to reinforce public health and to mitigate their socio-economic impact in the EU. In this framework, on the 1 March the EU Commission launched a public consultation on a future contingency plan to ensure food supply and security throughout the EU in times of crisis. Various stakeholders in the food supply chain such as producers, processors, distributors, and transporters, as well as consumers, civil society and national authorities, are being invited to share their views until 3 May 2021.

We have drafted our contribution to the Commission's public consultation as we consider that the 2020/21 covid19 experience has shown that our supply chain's fundamental principle, the EU single market, must be kept fully functional in non-crisis times in order to keep the dairy chain strong and hence resistant in times of crisis.

