

MANAGING THE EU DAIRY MARKET 2014-2019

2014-2016: EU MILK CRISIS 'THE PERFECT STORM'



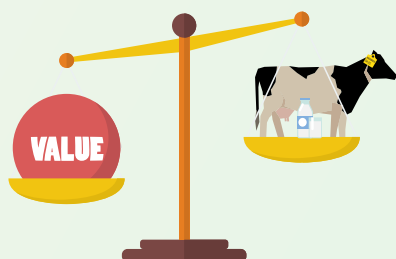
Global overproduction



Slowdown
in demand



Limited access to
the Russian market



TO RESTORE MARKET BALANCE,
the European Commission **took**
decisive action in 2015-2017, implementing
measures to stimulate demand, reduce supply
and **support farmers income.**



MILK MARKET MEASURES

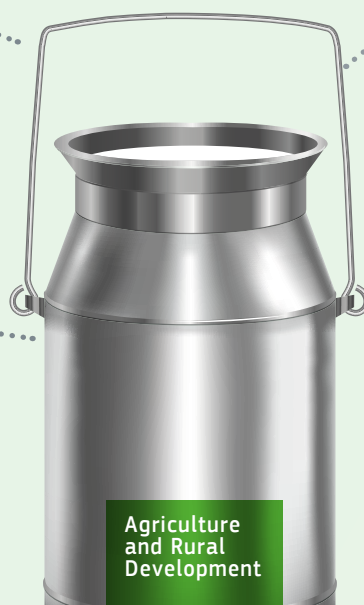
The Commission took swift and decisive action to support farmers,
providing cash-flow relief while maintaining market balance and competitiveness:

PUBLIC INTERVENTION

The Commission bought skimmed
milk powder (SMP) stocks to
remove surpluses from the market
and restore market balance.

SUPPORT PACKAGE

Over €1 billion in additional
funding mobilised to support
farmers hardest hit by the crisis,
primarily in the dairy sector.



Agriculture
and Rural
Development

PRODUCTION REDUCTION

Introduction of a €150 million voluntary
milk reduction production scheme, aimed
at restoring market balance.

PRIVATE STORAGE

Opening, extending and enhancing private
storage aid schemes for dairy products in-
cluding skimmed milk powder and cheese.

MANAGING SKIMMED MILK POWDER STOCKS



380,000 TONNES
of skimmed milk powder were purchased by the European Commission to stabilise the market.



DECEMBER 2016

As soon as market recovery materialised, helped by the various EU support measures, a tender was opened to allow selling stored products back onto the market. The first tender took place in December 2016.



4,000 TONNES

The Commission waited for the best moment to sell sizeable quantities of skimmed milk powder, maintaining market balance and continuing to protect farmers' incomes.

BY JANUARY 2019, 99% OF ORIGINAL STOCK HAS BEEN SOLD!



Evolution EU SMP public stocks & milk price

