

Joint Statement on behalf of Farmers and Dairy Producers' Organisations for Local and Fair Milk in West Africa and Europe

Brussels, April 2019

We, local milk producers in West Africa and Chad, represent nearly 50 million livestock keepers, their families and their communities. We derive our income and livelihood from (agro-) pastoral livestock keeping, mainly in the arid and semi-arid areas of West Africa and Chad, facing climate change, poverty, growing insecurity and little access to basic support services and infrastructure. Despite these constraints, we produce more than half of the milk consumed in our region.

Important potential

There is significant potential to develop and leverage our local milk collection and processing structures to provide access to employment and income, as well as contribute to food security and nutrition. Local dairy development can contribute substantially to the sustainable socio-economic development of often fragile and marginal rural areas, and to more security, peace and regional cooperation. These are all elements that offer promising prospects, especially to young people in rural areas. Local systems of mini-dairies, collection centres, local industries and local distribution networks provide consumers with high quality local dairy products. They help (agro-)pastoral livestock keepers to get a fair price for their produce and assist them in dealing with complex constraints (land, politics, climate, etc.) over which they have little control.

Import of milk powder

Until this potential is fully exploited, the region is forced to import large and growing quantities of milk powders or substitutes of milk. They are used by processors, mainly industrial ones, to transform them into various dairy products (pasteurized milk, yogurts, etc.) or to recondition them into smaller packages. Attracted by a growing West African demand, European dairy companies are investing heavily in processing and marketing to find new outlets for their surpluses of various milk powders. They export from Europe, and import into West Africa skimmed or whole milk powders to Africa at a low cost. In recent years, they have massively exported a substitute of whole milk powder – a blend of skimmed milk refatted with vegetable oils (mainly palm oil) - to Africa, which are on average 30 % cheaper. **It is impossible to face this unfair competition. Rural women are the first victims of this process, as they are quite often milk producers, processors as well as entrepreneurs. They are at the heart of the local dairy system, from which they derive income which is primarily allocated to the needs of their families and which improves their social position.**

We, livestock keepers and dairy producers from West Africa, hold our governments and ECOWAS accountable for their political choices and expect increased support for equitable development of the local dairy sector. We ask them to raise import taxes for imported products and targeted VAT exemption measures on local milk; to reinforce market transparency (in particular regarding re-fattened powder blended with vegetable oils, and ensuring labelling would reflect the origin and content of milk); to oblige foreign investments to get involved in local milk collection; and to use new tax revenues to support the development of the local dairy sector.

Problematic European politics

The massive export of re-fattened powder blends with vegetable oils is the most harmful consequence of a failed European policy. A policy that pushes to produce more and more at the lowest possible price, leading to successive price crises and thereby forcing European dairy producers to sell their milk at prices that do not allow them to live with dignity. This European dairy policy is incoherent with the engagements of the European Union's development cooperation which, however, is strongly invested in the sustainable development of the Sahel. **We showed solidarity with our European colleagues during these crises.**

We, European dairy producers, do not want to be complicit in the harmful effects of the European dairy policy on the development of fair and local dairy sectors in Africa, by exporting our surpluses at dumping prices. We are committed, together with European citizens and organizations, to demand a change in European policies so that they contribute to developing the potential of local and fair dairy value chains in Africa. We are committed to continue to develop solidarity projects developing these sectors in the hands of producers.

We, milk producers of both West Africa and Europe, share the common goal that we want to be able to make a decent living from our work and to contribute in a supportive way to the sustainable development of our agriculture and our territories. We are committed to work together to develop local and fair dairy sectors in Africa and Europe, and work together to change policies so that they enable us to achieve this common goal. That is why, by this declaration, we ask the European Union to take the following measures:

- **Prohibit all forms of dumping¹ of dairy products and re-fattened powder blends on African markets**, including by avoiding all forms of export support to comply with the interests of European dairy exporters in overcoming European overproduction; stop funding the promotion of dairy products and powder blends exports that endanger the development of the local milk sector in Africa.
- **Allow European producers to benefit from prices covering their production costs**. At this point, European producers do not receive prices that cover their costs entirely, causing them to remain dependent on direct payments.
- **Adopt measures to manage the supply of European dairy production in the event of a crisis in order to avoid structural and cyclical overproduction** that could have adverse effects for milk producers in Europe and Africa, notably through the **Market Responsibility Programme² (MRP)**. This programme makes it possible to monitor and anticipate imminent crises and to respond to them by a system of reducing the milk production to guarantee the stability of the market.
- **Review the trade agreements and negotiations between the European Union and West Africa**, avoiding any pressure for the conclusion of the Economic Partnership Agreements and agree to revise them so that they support the integration of the regional market; and by respecting the sovereignty of West African countries to protect and develop the potential of the local dairy sector (including the West African regional policy which is under preparation, entitled the "milk offensive") and to review their common external tariffs in 2020, without reciprocal concessions.
- **Strengthen the transparency of the markets by extending the mandate of the European Milk Market Observatory**, by collecting and analysing data related to the production costs in the Member States, the costs and margins of processing and distributing different dairy products and re-fattened vegetable blends, and the volumes and prices of different types of products exported to developing countries, including re-fattened powder blends, and data on intra-European exchanges between dairy companies to their affiliated companies in Africa.
- **Ensure the coherence of European agricultural and commercial policies for sustainable development** by ensuring effective analyses of their impact on the sustainable development objectives, on human rights and on the rights of peasants and other people working in rural areas³. This coherence would be reinforced by the creation of a mechanism bringing together all the European institutions and policies (agriculture, trade, environment, health, cooperation, international relations, migration) and stakeholders to develop approaches and tools to promote rights and the attainment of the sustainable development goals in a coherent and inclusive way.

¹ The exporting price cannot be lower than the "national average total production cost without subsidies"

² See : <http://www.europeanmilkboard.org/special-content/market-responsibility-programme.html>

³ In accordance with the Declaration adopted at the United Nations General Assembly of 17th December 2018
https://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/73/165

- **Support existing initiatives in Africa by milk producers, including through financial support for local and equitable dairy sector development projects that help to increase producers' incomes, enhance cooperation between stakeholders, including by promoting local dairy products to West African consumers, and by supporting the ECOWAS "milk offensive".**

Signed in Brussels, on April 10th, 2019

By:





With the support of:

