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.

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 including skimmed milk powder and cheese.
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 THE ORIGINAL STOCK HAS BEEN SOLD!