

<http://www.dairyreporter.com/Industry-markets/Dairy-farmers-call-for-better-risk-management-tools>

Your browser is blocking javascript. This might limit your experience on this website



FREE NEWSLETTER

Breaking News on Dairy Processing & Markets

NEWS HEADLINES ON YOUR RADAR ALL NEWS ARTICLES PRODUCT NEWS PRODUCT INNOVATIONS RELATED SITES Search

NEWS HEADLINES

- Financial
- Industry & markets
- Products
- Safety & Hygiene

ON YOUR RADAR

- Commodity pricing
- Sustainability
- Nutritional benefits

ALL NEWS ARTICLES

- Videos
- Audio-podcasts
- Weekly comments
- February 2010
- January 2010
- Previous months

NEWS HEADLINES > INDUSTRY & MARKETS

Share Text size Print Email this page News by email

## Dairy farmers call for better risk management tools

By Guy Montague-Jones, 03-Feb-2010

Related topics: [Industry & markets](#)

European farmers have called for better risk management tools and the maintenance of EU market management measures at a hearing on the long-term future of the EU dairy supply chain.

Speaking at a meeting of the newly created EU High Level Group on milk, Padraig Walshe, the president of European farming association Copa-Cogeca, said EU farmers experienced a 12.2 per cent drop in incomes last year. Dairy farmers were particularly badly hit as milk producer prices hit record lows in 2009.

To help prevent price volatility resulting in unacceptable income volatility, Walshe said: *"The development of appropriate market risk management tools is an absolute necessity for dairy farming as well as the maintenance of CAP direct income support payments."*

### Market intervention

Copa-Cogeca argues that the current intervention system for milk and dairy products must continue to be recognised as *"one of the cornerstones of EU market management."*

In particular, Juha Martilla, vice chairman of the Copa-Cogeca dairy working party said: *"Intervention should set a floor price to prevent a complete market collapse."*

On the question of how the [dairy supply chain](#) should be redefined to ensure a fair relationship between producers and processors, Walshe recommended closer ties.

He said: *"Market risks could also be better managed if there are incentives for developing collective strategies and enhancing cooperation between dairy chain operators."*

*"This would go hand in hand with strengthening producers' bargaining power in the food chain and guidance on contractual relations and market transparency."*

### Processor perspective

Last week, Joop Kleibeuker, the general secretary of the European Dairy Association (EDA), which represents the interests of dairy processors, gave his views on dairy supply chain reform to DairyReporter.com.

Kleibeuker warned against the use of standardised contracts to correct supply chain imbalances. He said policy makers must appreciate the complexity of the current supply chain and the resulting need for a flexible approach.

The EDA general secretary also argued against the introduction of intermediaries saying that all negotiating partners in the supply chain should have economic responsibility for the goods in question.

Regarding the volatility of farmer incomes, Kleibeuker said that in a more liberalised dairy market there is a need for risk management tools like forward contracting and insurance.

BOOKMARK

Contact the editor

LATEST AUDIO & VIDEO NEWS

- Seasonal Video Greetings From Decision News Media
- Trade groups gain long awaited EC health claims hearing
- Health claims: How do we define 'healthy'?

LATEST NEWS HEADLINES

- Dairy Crest plans overhaul of milk factories
- Fonterra reveals expansion plans in China
- Dairy farmers call for better risk management tools
- How EU health claim rules affect TV and radio ads

MOST POPULAR NEWS

- Mozzarella scandal unlikely to upset demand, says analyst

<http://www.dairyreporter.com/Industry-markets/Dairy-farmers-call-for-better-risk-management-tools>

 Get more articles like this one delivered every day.  
[Click here](#) for the DairyReporter.com newsletter.

**MORE NEWS ARTICLES ON THIS TOPIC**

- ▶ [EDA warns against excess intervention in dairy supply chain](#)
- ▶ [Dairy Crest creamery sale reflects supply chain changes](#)
- ▶ [European dairy industry loses market share but stays competitive, says report](#)
- ▶ [Dairy UK head gives verdict on Commission report](#)
- ▶ [Commission raises alarm over dairy supply chain imbalances](#)

**LATEST NEWS IN INDUSTRY & MARKETS**

- ▶ [How EU health claim rules affect TV and radio ads](#)
- ▶ [Fonterra reveals expansion plans in China](#)
- ▶ [Dairy farmers call for better risk management tools](#)
- ▶ [No bitter battle over salt science](#)
- ▶ [Politician accuses FSA of "anti-dairy" campaign](#)

Copyright - Unless otherwise stated all contents of this web site are © 2000/2010 - Decision News Media SAS - All Rights Reserved - For permission to reproduce any contents of this web site, please email our Syndication department: [Administration & Finance](#) - Full details for the use of materials on this site can be found in the [Terms & Conditions](#)

2. [Yakult to commence US production in 2012](#)
3. [Flavor and texture improvements needed for low fat cheese success](#)
4. [Danone's nutrient enriched yoghurt boosts satiety, study](#)
5. [Danes unite to mine infant formula prebiotics](#)

**ON YOUR RADAR**

Commodity pricing

- [Dairy prices shoot up from February trough](#)
- [Chocolate flavors help cushion cocoa price impact](#)

Sustainability

- [Sustainable packaging definitions and principles agreed](#)
- [US dairy industry commits to emissions targets](#)

Nutritional benefits

- [FSA survey finds support for one per cent milk](#)
- [Martek signs omega-3,-6 supply deal with Fonterra](#)

**Free e-mail alerts**

Please indicate your area of interest and receive free alerts directly to your inbox

- Ingredients and additives
- Packaging equipment and materials
- Processing equipment & plant design

Your email

**Weekly / Daily Free Newsletter**

- [FoodNavigator.com](#)  
Food & Beverage Development - Europe
- [FoodNavigator-USA.com](#)  
Food & Beverage Development - North America
- [NutraIngredients.com](#)  
Supplements & Nutrition - Europe
- [NutraIngredients-USA.com](#)  
Supplements & Nutrition - North America
- [FoodProductionDaily.com](#)  
Food Processing & Packaging
- [FoodQualityNews.com](#)  
Food Safety & Quality Control

- [DairyReporter.com](#)  
Dairy Processing & Markets
- [BeverageDaily.com](#)  
Beverage Technology & Markets
- [ConfectioneryNews.com](#)  
Confectionery & Biscuit Processing
- [BakeryAndSnacks.com](#)  
Industrial Baking & Snacks
- [MeatProcess.com](#)  
Prepared Food and Meat Processing
- [AP-FoodTechnology.com](#)  
Food and Beverage in Asia Pacific

**Other Newsletters**

- Science & Nutrition Research
- Food legislation
- Food Finance
- Innovations in Food Ingredients
- Innovations in Food Processing and Packaging
- Innovations in Food Safety & Instrumentation
- Food Industry & Consumer Trends
- Food Marketing and Retailing

Free subscription now! Your email

**RELATED SITES**



**ALL DECISION NEWS MEDIA SITES**

**Food & Beverage:** Food & Beverage Development - Europe | Food & Beverage Development - North America | Food Marketing and Retailing | Food Processing & Packaging | Food Safety & Quality Control | Food and Beverage in Asia Pacific | Industrial Baking & Snacks | Beverage Technology & Markets | Confectionery & Biscuit Processing | Dairy Processing & Markets | Prepared Food and Meat Processing | Retail news **Nutrition:** Supplements & Nutrition - Europe | Supplements & Nutrition - North America **Pharmaceutical:** Pharmaceutical Technology | Contract Research, Manufacturing & Clinical Trials **Cosmetics:** Cosmetics Formulation & Packaging - North America | Cosmetics Formulation & Packaging - Europe

[About us](#) | [Site map](#) | [All sites](#) | [Recommend this Site](#) | [Advertise](#) | [Contact the Editor](#) | [Terms & Conditions](#) | [Privacy Policy](#)