

Question for written answer E-006696/2017
to the Commission
Rule 130
Ivica Tolić (PPE)

Subject: Shortage of butter in Europe

Europe was hit by a crisis in early summer when butter supplies ran short, and this has translated into price increases. The crisis is of such proportions as to raise the question whether there will be enough butter at Christmas-time, when consumption is highest. At the end of July the price of butter on the European market was 80% higher than last year, and large numbers of industrial bakeries for which butter is a basic ingredient are being driven out of business. In August it became apparent that the butter price in every Western European country had at least doubled; a tonne cost USD 7 212, whereas in Australia and New Zealand, the biggest producers, the figure per tonne stands at USD 6 150. In addition to the Russian embargo on dairy products, the surge in uncontrolled milk production in 2015 and 2016 threw the market further out of kilter. The supply glut existing at that time made production unprofitable and eventually triggered a relative rise in demand. The upheavals on the milk market are the reason for the shortage of butter, which is made from milk. Furthermore, because production no longer pays, many farms in Europe have gone out of business, and dairy farming has been abandoned, making the current crisis more difficult to withstand.

Does the Commission intend in the near future to take practical steps to stabilise the milk and butter market in Europe? If so, in what form? Does it consider it necessary to reinstate milk quotas and/or subsidise milk production more generously?