(English version)

Question for written answer E-003477/26
to the Commission
André Franqueira Rodrigues (S&D)
(3 September 2026)

Subject: Falling milk prices and the suitability of EU intervention tools

In recent months, milk producers in the Azores have been facing further reductions in the price they are paid, while production costs remain high. The falls announced for September exacerbate already small margins, hinder future investments and have led to signs of abandonment or conversion of holdings.

At the same time, the current reference thresholds used in public intervention for butter and skimmed milk powder maintain levels set more than 15 years ago, despite the profound change in production costs and market conditions.

In light of the above:

1. Will the Commission ask the milk market observatory and AFCO for an analysis of price transmission, costs and distribution of margins in the Azores, including persistent regional differences, in relation to the functioning of the internal market?

2. What immediate steps can the EU take to boost the income, liquidity and bargaining position of Azorean producers?

3. Does the Commission consider the existing reference thresholds for public intervention in the dairy sector to be suitable, and will it push for them to be updated based on current costs and market conditions?

Submitted: 3.9.2026

Answer given by Mr Hansen on behalf of the European Commission
(16 October 2026)

The Milk Market Observatory provides an overview of developments in the dairy market, including market prices and the functioning of the dairy supply chain.

The Agri Food Chain Observatory provides transparency on costs and margins at aggregate level within the chain. None of the observatories provides dedicated analyses of regional markets although a member may request that a specific analysis be presented to one or the other Observatory.

The specific situation of the Azores dairy market can be considered in the broader context of the planning and implementation of the POSEI ([1]) programme (Programme of options specifically relating to remoteness and insularity), which takes into account the specific constraints and characteristics of outermost regions.

The POSEI scheme follows a programming approach and offers flexibility for modifications in case of exceptional circumstances. In the current version of the Azores POSEI programme (2026), the sub-action ‘aid to milk producers’ has a total budget of EUR 28.8 million, out of which EUR 19.8 million are provided by the EU budget and EUR 9.0 million by the Azores Region in the form of complementary regional financing.

This amount (EUR 28.8 million) corresponds to 30% of the overall support to local agricultural production in the Azores. Please note, however, that the amounts of aid and the sectors to be supported under the POSEI programme fall under the competence of the Member State concerned.

The Commission considers that the existing reference thresholds for public intervention in the dairy sector remain appropriate and consistent with a market-oriented policy under the common agricultural policy.

([1]) https://agriculture.ec.europa.eu/common-agricultural-policy/market-measures/outermost-regions-and-small-aegean-islands/posei_en.