



## News Release

**FOR IMMEDIATE RELEASE**

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### **NMPF and USDEC Laud USDA Decision To Re-Open the Dairy Export Incentive Program**

ARLINGTON, VA – The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) praised the U.S. Department of Agriculture for today's announcement opening the full allocations under the Dairy Export Incentive Program (DEIP) for the July 2008 - June 2009 year. On behalf of America's dairy industry, NMPF and USDEC expressed deep appreciation to Secretary Vilsack for his dedication to supporting dairy producers at this time of dire economic difficulties.

"We are very pleased to see USDA make fully available this important component of the full support system provided for dairy producers in the 2008 Farm Bill," said Jerry Kozak, President and CEO of NMPF. "We are grateful to the Obama Administration and the several members of Congress who championed this program's usage for understanding the impact this program will have in providing much needed assistance to America's dairy farm families. Full usage of DEIP will remove more than 1.5 billion pounds of milk from the U.S. market. Coupled with the actions being taken by our own Cooperatives Working Together program, this will help to address in a meaningful way the imbalance currently present in our market."

Kozak went on to say that, "We would like to also express our appreciation for the hard work done by many other dairy organizations throughout this country to drive home this message to Congress and the Administration as well."

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Tom Suber, President of USDEC added that, "The full elimination of all export subsidy programs around the world remains a priority goal of ours. However, until that goal is achieved, and especially during extremely challenging times like those we are currently facing, we must employ all available tools to assist our industry to compete against the active export subsidy programs of the European Union. Our industry has worked hard to establish commercial relationships over the past few years and the DEIP program will sustain U.S. market presence until global demand in dairy products recovers."

"In addition to the negative role of EU export subsidies, our exporters also face unfair trading practices and lowered world prices as New Zealand pushes to eliminate its own record-high surpluses at all costs," said Suber.

Now that DEIP has been announced, NMPF and USDEC urged USDA to quickly open the process, given the limited time remaining before the end of the 2008-2009 DEIP year in order for bids to be awarded. Both organizations asked that careful consideration be given to swiftly approving as many bids as possible in order to fully utilize the allocated amounts for each of the covered products.

"We look forward to working with USDA as it makes these careful deliberations in the next few weeks," expressed Kozak. "USDA should target its awards broadly to address the anti-competitive challenges caused by both the EU and by New Zealand in the global dairy market."

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The **National Milk Producers Federation (NMPF)**, based in Arlington, VA, develops and carries out policies that advance the well-being of U.S. dairy producers and the cooperatives they collectively own. The members of NMPF's 31 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of nearly 40,000 dairy producers of Capital Hill and with government agencies. For more on NMPF's activities, visit [www.nmpf.org](http://www.nmpf.org).

The **U.S. Dairy Export Council (USDEC)** is a non-profit, independent membership organization that represents the export trade interest of U.S. milk producers, proprietary processors, dairy cooperatives, and export traders. Its mission is the enhance international demand for U.S. dairy products and assist the industry to increase the volume and value of exports. USDEC accomplishes this through market development programs that build overseas demand for U.S. dairy products, resolving market access barriers and advancing the industry's trade policy goals. USDEC activities are supported by staff in Mexico, Japan, South Korea, China, Taiwan, Hong Kong, Southeast Asia, South America, Middle East and Europe. Website: [www.usdec.org](http://www.usdec.org).