

WP 6 Meeting : Policy Evaluation
16th -17th of September 2002, Geneva, Switzerland

Summary of the contribution
by Dr. Jürg Simon
President of the interprofessional organisation Emmentaler Switzerland

General remarks

Emmentaler Switzerland is the biggest interprofessional organisation in the cheese market in Switzerland. It consists of nearly 9'000 farmers, four hundred cheese manufacturing facilities and 8 ripening and trading companies. It covers almost 95 % of the supply charge. According to business terms, its turnover is 900 million Swiss francs (2001). The members of Emmentaler Switzerland produce between 35 and 40 thousand tons per year. 25 % of the production is sold in Switzerland, 75 % is sold abroad.

According to consumption market shares, Emmentaler Switzerland is no. 3 in Switzerland and no. 1 with respect to export.

The interprofessional organisation Emmentaler Switzerland mainly has the following tasks: volume management (fixing of global quantities), fixing of indicative prices on intermediate markets as long as compliant with competition legislation, quality control, marketing and marketing strategies, trademark strategy, establishment and enforcement of an appellation of origin.

Emmentaler Switzerland is financed mainly through a product contribution of actually 0,65 Swiss francs per kilo, paid by the trading company. According to a decision of the government, outsiders have to pay 0,55 Swiss francs per kilo of Emmentaler Switzerland cheese.

Appellation of origin

Emmentaler Switzerland has filed an appellation of origin which has been accepted by the ministry of agriculture. Actually, the opposition proceeding is pending.

The reasons for filing an appellation of origin were, amongst others, the following: a change in legislation in 1997 made it possible to register appellation of origin for agricultural products in Switzerland. According to Emmentaler Switzerland strategies the appellation of origin should help to preserve the non-industrial production of Emmentaler cheese. The appellation of origin facilitates and enhances quality control. It helps preserving traditional production methods while at the same time allowing a controlled evolution of necessary modernisation. It aims at maintaining price stability. It helps to create a clear cut difference between Emmentaler Switzerland and other cheeses.

Subsidies

Its "nice" to have subsidies but it is dangerous to be fully dependent on subsidies.

Actually the farmers selling their milk for cheese production in Switzerland get 0,20 Swiss francs per kilo milk as subsidy. They also get 4 Swiss francs per kilo if they abstain from using silage. In addition to these subsidies, there exist certain export subsidies.

One of the main challenges for Emmentaler Switzerland is to deal with the effects of the bilateral agreement in agriculture between Switzerland and the European Union which leads to a fully liberalised cheese market within the next five years. Another challenge is to prepare for the situation where eventually less subsidies could be available.