

# Market access and crisis management

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LAVA cvba

# Crisis management

- ▶ Last 5 years: 2 crises

- ▶ EHEC



- ▶ Russia Boycot



- ▶ Similarities between the 2 Crises

- ▶ The answer is Yes !



- ▶ **Period:** week 21 / 2011
- ▶ **Products concerned:**

**WELTKOMPAKT**  
 MONDAG 6 JUNI 2011

**Arctic Monkeys werden reifer**  
 Mit dem vierten, sexuellen Album „Suck It and See“ etabliert sich die Briten-Quartett immer weiter weiter. Seite 4

**USA erklären Hackern den Krieg**  
 Minister fordert weltweiten Kampf

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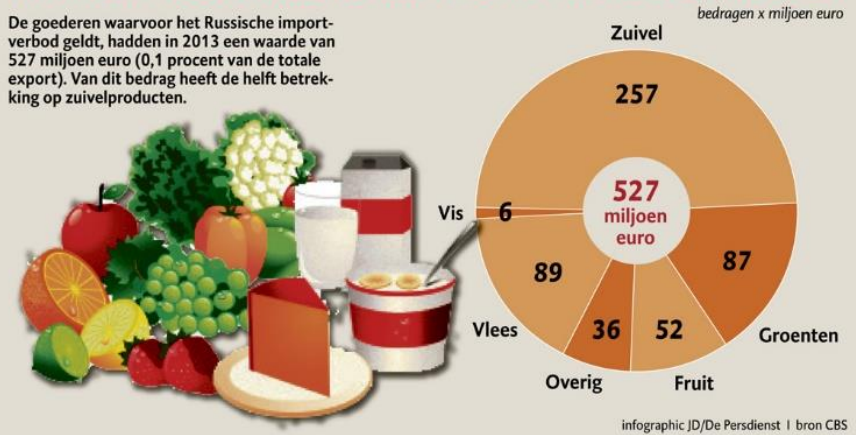
**VEREINIGTE KÖNIGREICH**



week 32 / 2014

**WAARDE VAN DOOR RUSLAND GEBOYCOTTE AGRARISCHE PRODUCTEN**

De goederen waarvoor het Russische importverbod geldt, hadden in 2013 een waarde van 527 miljoen euro (0,1 procent van de totale export). Van dit bedrag heeft de helft betrekking op zuivelproducten.





- ▶ Cause of the crisis
- ▶ Product related

Winnaar Spinozapremie Heino Falck: 'Is zo'n zwart gat er ook echt?' p17

**de Volkskrant**  
DINSDAG 2 JUNI 2011  
VK.NL

DE VOLKSKRANT DE WERKZAAMSTE & VEELGELEZENSTE NIEUWSBLAD IN NEDERLAND. REDACTIE: DE WERKZAAMSTE & VEELGELEZENSTE NIEUWSBLAD IN NEDERLAND. DE WERKZAAMSTE & VEELGELEZENSTE NIEUWSBLAD IN NEDERLAND.

De bij heeft het moeilijk  
UITZICHT 18-19

'MAAGDELIJKE ZIELEN' Elitekinderen van Bagdad leren gemengd  
BIJENLAND 16

REPORTAGE NOORD-DUITSE BIENENBÜTEL MIDDELPUNT VAN EHEC-HYSTERIE

**'Eerst was het komkommer, toen de taugé, morgen vast de aardbei'**

Vanaf pagina 18

**NIJMEGEN** Komkommer was het eerst. Dit is het woord dat de laatste maanden de Nederlandse media heeft overspoeld. Het is het woord dat de laatste maanden de Nederlandse media heeft overspoeld. Het is het woord dat de laatste maanden de Nederlandse media heeft overspoeld.

De afrekenen van het Buitenhuis...  
De afrekenen van het Buitenhuis...  
De afrekenen van het Buitenhuis...

**VOETNOT KAMERMETSJE**  
De afrekenen van het Buitenhuis...  
De afrekenen van het Buitenhuis...  
De afrekenen van het Buitenhuis...

**brother**  
89,-  
VKSHOP.NL



Politics

AN APPLE A  
DAY KEEPS THE  
DOCTOR AWAY  
~~Russians~~





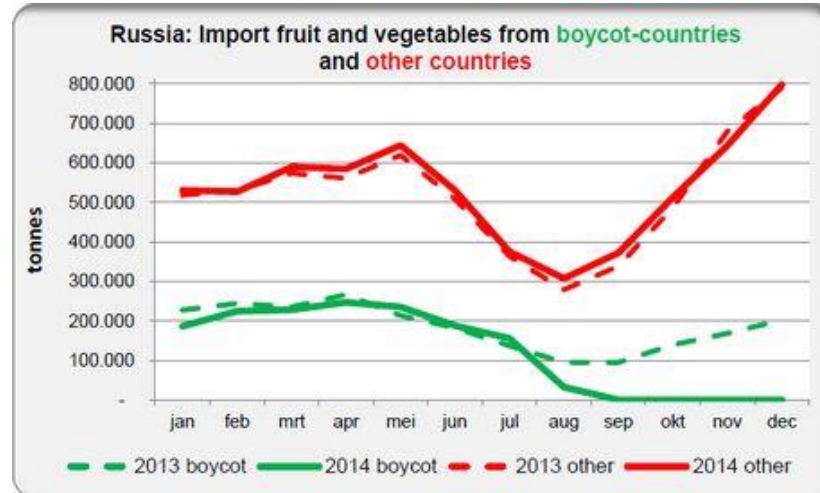
► **Market:**

Consumer demand

**Trust**  
 takes years  
 to build,  
 seconds to break  
 and forever  
 to repair.

Facebook - Just Saying

Market access





▶ **Market:** Consumer demand ↓

Market acces ↓

▶ Distortion of equilibrium “demand - supply”

▶ EHEC:  
consumption went ↓

Russia Boycot:  
market acces ↓

▶ → to much supply → price went down



► **First Reaction of market**

► Buy Local: Our product is save

Buy Local: Help our producers

**Steun onze telers.**

**Eet**

**Hollandse**

**groente.**

AH Komkommer  
1kg per stuk

AH Trossen tomaten  
200g x 5 stuks

AH Paprikamix  
2x5 x 10 stuks

**= 2,00**

Albert Heijn steunt stichting 

Actie geldt op zaterdag 16 augustus 2014 op vertoon van uw Bonuskaart.

**Al onze sla heeft het  
Flandria-label.**



We kopen ze aan via  
de Belgische veilingen.

**Herkomst: België / Nederland**



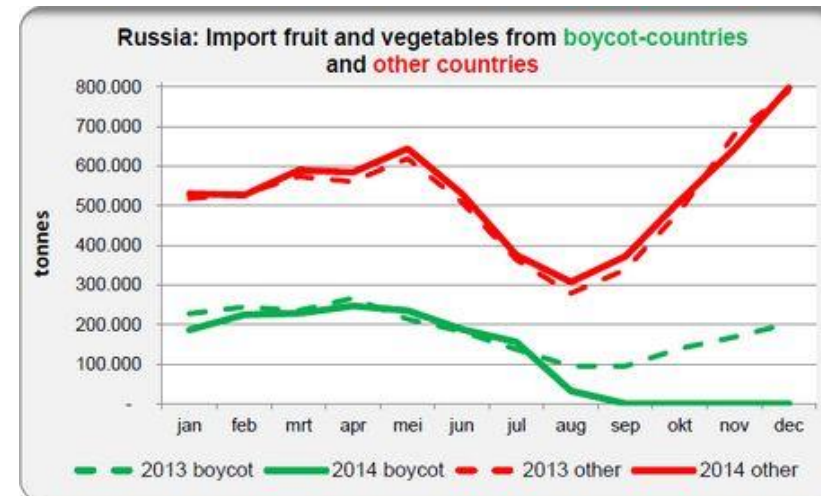


- ▶ Reaction of market
- ▶ Restoring trust in product

**Trust**  
takes years  
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Facebook - Just Saying

## Developping new markets







??????????



- ▶ **Duration**
- ▶ “few months” but





► **Measures put in place**

► EG n° 585/2011

Focus on:

- Intervention
- Green harvesting

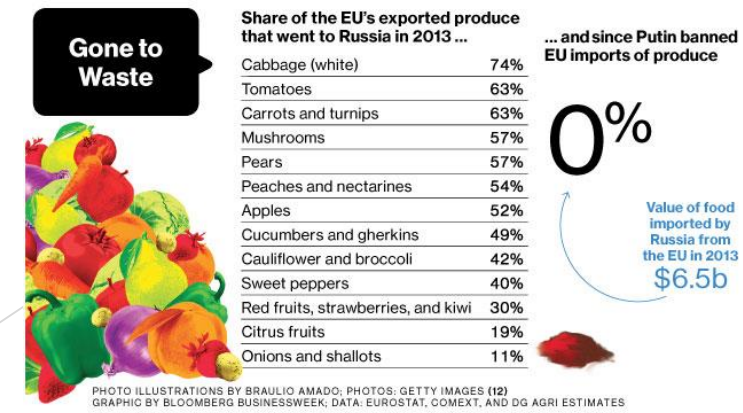


EG n° 932/2014

EG n° 1031/2014

Focus on:

- Intervention
- Green harvesting



# Pan-European or system crises

- Cannot be overcome within the CMO F&V.
  - \* Specific approach needed within the global CAP
  - \* Exemption of competition rules needed
  - \* Market function principles (DG Agri) must take precedence over competition legislation (DG Competition)
- Exceptional measures for an exceptional crisis are far easier to implement and to control through PO's → promoting PO's → promoting APO's → Promoting TAPO's →
- → **Multi stage support** as a function of degree of organisation

# Additional possibilities CPM

- Greater emphasis on “**crisis prevention**” (anticipatory) instead on crisis management.
- Crises often do not emerge for one PO or MS -> effectiveness of CPM can increase with the scale -> **additional financial incentives for cooperation needed:**
  - \* at the level of APO
  - \* when crisis is recognised by different MS/regions, and POs prepare transnational actions.

# Additional possibilities CPM

- Limited success can be attributed to limited possibilities current regulation.
- The ‘postulate’ that up to 33% of an OF can be allocated to CMP imperils the regular operation and appeal of a PO.

*It is necessary that sufficient resources remain available for a balanced package within an OP.*

*The allocation of a broader share to CPM is not realistic and will undermine the attraction and benefits for the producers.*

# Additional possibilities CPM

- Possibilities insufficient.
  - \* New additional marketing instruments
  - \* Further development segmentation/ differentiation/ packaging
  - \* **Certain investments**, e.g. vacuum cooler lettuce, length shelf live and the radius of the sales market - > contribute to risk prevention;  
*Solved in 'Single CMO'?! (legal security ?)*
  - \* Crisis market needs additional and intensive relation and account management -> personnel costs eligible → **developing new markets**
- Concept 'harvest insurance' must be extended to '**credit insurance**' (new markets, risk important customers) and '**product liability insurance**'.

# Additional possibilities CPM

- Need for **more legal security** for POs involved in a jointed CPM approach with other POs.

Adequate risk management: exchange of information, arrangements withdrawal prices, removal form the market.

Condition: crisis recognised by MS/region, several MS/regions of the COM

- Possibility of transfer of support to CPM to a subsequent calendar years -> **strategic buffer.**

