



The Gira World Dairy Club 2017

MEMBERS' CONFERENCE AGENDA

Monday 18th & Tuesday 19th September 2017

at the
Jiva Hill Resort, Crozet, France

2017 – The year when most things came back into balance. Or did it?

Milk prices, WMP and cheese prices, Chinese imports, EU milk production, Russia... Compared to the past few years of real turmoil, much of world dairy now appears to have “normalised” at more reasonable levels – what we called the Stopping-and-Thinking period in our last year’s price forecasts.

But how much longer can it last? What about the sky-high butter price? And the EU’s SMP stock? And the threat to NAFTA ... the sea freight risk ... son-of-TPP ... the inexorable spread of e-commerce ... and our Chartists’ view that the world should end again very soon (and not just due to Messrs. Kim and Trump)?

Indeed, either the old “price cycle” must click back in again pretty soon, or, if it doesn’t, then we will have entered a completely new world dairy paradigm. The end of recent price patterns may indeed be welcomed by most farmers and processors alike, but what if, the most probable outcome, we were only changing one type of cycle for another, equally volatile one?

So this year’s GDC can be viewed as taking place in the period of calm before the storm.

But what storm, and when? The fact that for the first time in nearly a decade we are not actually in a crisis at present makes the future even more full of opportunities and risks.

But that’s what the GDC is all about.

So this year we’ve made the Conference even longer, with lots of time for discussion and questions at the end of each presentation and session.

CONFERENCE AGENDA

Monday morning 18th September

10h00 **Registration**

10h30 **Introduction to the 2017 GDC Conference**

- Introducing this year's Conference attendees
- The main events of 2016 & 2017
- The Big Issues for this year: an introduction to the main themes of the Conference

Session 1: Supply and Demand at world level: what does it mean for the future?

11h00 **What future for milk and commodity supply around the world?** With a special focus on the EU, the US and NZ 2018 – 2022

11h30 **World dairy consumption growth: Gira's point of view for 2022**

12h15 **World commodity and milk prices:** still trying to reconcile Chartism and the underlying market fundamentals. The answer has to be in there somewhere... And what future for the SMP/butter coupling?

13h00 ***Finger lunch***

Monday afternoon

14h00 **EU intervention stocks.** What will be done with them? An EU commission point of view (by **Sophie Hélaïne, DG Agri**)

14h15 **The fat-proteins spread. Is it here to stay?** (by **Jean-Marc Fouché, Dreyfus**)

15h00 **Main short- and medium-term price expectations:** What are the rules in what just could be a new dairy world?

15h30 **Q&A and discussion with the panel**

16h15 ***Tea break***

Session 2: The Russian and CIS dairy situation:

Will Russia ever be self-sufficient? Consumption patterns? Links with its neighbours (China, Belarus...) and its partners (NZ, EU...)? Potential impact on world dairy markets? Any other players in the area?

- 16h45** **Setting the scene** and Gira's 2022 forecasts
- 17h00** **A Russian point of view:** by **Artem Belov, Russian National Union of Milk Producers (Souzmoloko)**
- 17h45** **Valio's strategy in Russia:** what future for an EU company in such a market? (by **Riitta Brandt, Valio**)
- 18h15** **What it all means for Russia** (by **Veijo Meriläinen, Gira**)
- 19h00** **Cocktails on the terrace**
- 20h30** **Gala Dinner**

Tuesday morning 19th September

- 08h00** **Tea and coffee**

Session 3: A few potential trouble-makers / opportunities

- 08h15** **The sea freight risk:** what could be the major disruptions in the next 5 years (by **Richard Watts, HR Maritime**)
- 09h00** **Pakistan:** large and growing market; impact on global dairy development?
- 09h15** **Product Differentiation: Clean (& Clear) Labelling**
- 09h45** **Coffee break**

Session 4.1: Adding value to milk for consumers

- 10h15** **E-commerce: the new way of selling dairy to the whole world?**
- What will happen next in China (by **Ada Xu, Alibaba**)
 - A major packager's point of view (by **Aldo Galbusera, Sealed Air**)
- 12h00** **Sub-Saharan African opportunities.** What will happen to demand? Where are the opportunities for external dairy companies?
- 12h30** **Fat Filled Milk Powder in West-Africa, a maturing market** (by **Jack Baines, Ets. Freddy Baines**)
- 13h15** **Finger lunch**

Tuesday afternoon

Session 4.2: Adding value to milk through technical ingredients

14h15 **Technical dairy ingredients**

- Key data through 2022
- The added value, end-user markets; the latest trends
- Where the added value will come from in dairy proteins

Session 5: China: The medium & long-term future for production and imports

15h00 **Setting the scene** and Gira's 2022 forecasts: the main trends

15h30 **Vertical integration:** at home and with ongoing foreign acquisitions. What impact on today's importers? And its likely impact on world exports

16h00 **NZ: still China's most favoured supplier?** What will NZ's role be in China in the medium-term, and China's in NZ? (by **Earl Rattray, Gira**)

16h30 **What will replace powders?** China's impact on medium-term demand for dairy products (IF, cheese, butter, cream...); is foodservice the new nirvana for importers or is processing still the key route to market?

Wrap-up and open forum:

17h00 **Summing up** the main ideas and conclusions emerging from the last two days

17h30 **End of the Conference**

THE GUEST SPEAKERS

Besides Gira's in-house experts, our guest speakers will include:

Ada Xu: Born in China where she grew up until 7, she followed a French education while her parents moved to Madagascar, where she graduated from high school. Ada came to France for higher education in international business and entrepreneurship. She embraced immediately the challenge founding her own company while finishing her studies in Paris. Fond of modelling and fashion, she decided to help French fashion designers to create and source their collection from China (B2B) and at the same time created several e-shops (B2C) one of which became a marketplace specialised in cashmere products, providing her with 360° knowledge of e-commerce activities. Ada also took on several assignments helping French companies dealing with Chinese companies. She joined Alibaba in 2016, keen to meet the challenge of helping more French companies enter the Chinese market through e-commerce, in which she has now had 11 years' experience dealing with the digital world's operators and major French companies. She has dedicated herself to inspiring French companies to look for higher market shares in China.

Aldo Galbusera: EMEA Cheese Marketing Manager, Sealed Air Food Care. Since 2006 Aldo has been leading the Cheese sector strategy and development in cooperation with the Portfolio directors. He initiated and implemented numerous innovative packaging solutions aimed to match top EMEA cheese makers' present and future needs both in the industrial and in the final consumers' areas. Aldo has over 30 years' experience in Sales & Marketing in Food & Plastic Packaging. He joined Sealed Air in 1998 as Key Account Manager and is currently based at its Passirana di Rho site.

Artem Belov: Executive Director of the National Union of Dairy Producers (Soyuzmoloko). Ex-Adviser to the Minister of Agriculture of Russia, 15+ years' experience in management consulting, 8+ years' experience in GR, 8+ years' experience in agriculture and dairy business. Deputy Head of Public council at the Ministry of Agriculture of Russia, Adviser to the Deputy of the State Duma of Russia

Earl Rattray: ex Board Member and Director of Fonterra and one of those instrumental in setting up GDT. He is Gira's representative in Australasia.

Jack Baines: Independent dairy trader (Ets. Freddy Baines) and current Chairman of EUCOLAIT.

Jean Marc Foucher: Head of the Dairy Platform for Louis Dreyfus Company. Prior to this, he was Head of the Europe & Black Sea Region from 2011 to 2014, and Chief Operating Officer of the Europe & Black Sea Region and Head of the Black Sea Sub-Region from 2007 to 2011. Jean-Marc Foucher has over 20 years of experience in agricultural commodity trading and marketing. He held several trading and management positions in Louis Dreyfus Company's European hubs and local subsidiaries, and was in charge of marketing and development for the CIS and EMEA markets.

Richard Watts: Founder & Managing Director, Richard has extensive experience in all areas of shipping, trading, insurance, finance and legal matters. Richard started his career working for the leading independent Rice Trading company in 2000 by working in various departments including contract execution; legal, insurance and shipping. Richard then moved to Addax & Oryx Group's Rice Trading Company, Ascot Commodities NV, where he managed all shipping operations for the carriage of approximately 1 million tons of rice per year. During this time, Richard was managing all aspects of shipping including the numerous demurrage claims generated by the majority of operations being in West Africa. Richard was also managing all insurance and legal files. In 2008 Richard created HR Maritime, based in Geneva with the aim of providing services to the trading and shipping community. At the same time, Richard became a member of ICS (The Institute of Chartered Shipbrokers).

Riitta Brandt: Riitta Brandt is a Senior Vice President at Finnish Dairy Company Valio Ltd. She has been working for Valio over 30 years of which over 20 years with EU affairs. Her specialty is food and trade policy both at Finnish and European level.

Veijo Meriläinen: ex number two at Finnish dairy Valio with responsibility for International Operations and Innovations. Now an associate of Gira.