

Global Dairy Platform

2015 Annual Review



GLOBAL DAIRY PLATFORM



Letter from the Executive Director

Late in 2014, GDP hosted a webcast where dairy leadership discussed the sector's opportunity to position dairy as a vital contributor to nutritional security and a more sustainable global food system. Global trends were pushing positive for sharing dairy's nutrition, economic and social value story. The role of agriculture in sustainable development was rising to the front of the international policy agenda, rekindling a commitment to global food security and nutritional issues.

At the same time, there was renewed interest from organizations such as the Food & Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD), World Food Programme (WFP) and the World Health Organization (WHO) in engaging the private sector in investment and how it can aid in delivering development. All together, these trends pointed to a significant opportunity to raise awareness of dairy's role in providing high-quality sustainable nutrition that is affordable and accessible.

With the launch of the sector-wide strategy *Designing Dairy's Future* soon after, it's apparent that the ways that the Dairy Sector influences good things across the globe are not so little.

Global leaders and stakeholders are somewhat surprised – and impressed – to find out that nearly one billion people globally are touched by the dairy sector. Their interest deepens when they learn that families not only find daily nourishing strength and maintain positive health from dairy products, but that the sector plays a large role in sustaining and revitalizing rural communities all over the world. That dairy is key to children receiving adequate nutrition for learning and achieving their potential. That family farmers care responsibly for livestock and make their land better for the next generation. In short, the *Whole Story* of Dairy is having a resonating effect.

With this Annual Review, GDP aims to show how the *Designing Dairy's Future* strategy is bringing the entire dairy sector together to position and communicate dairy's nutritional, sustainability and economic development impact. While the strategy continues to evolve, I am pleased to report that we have made significant progress in implementing agreed work plans and building momentum.

There is plenty of work ahead for all members of the dairy sector to demonstrate how dairy can address global health and nutrition issues that affect society as a whole. GDP is proud of the achievements of the dairy sector this past year and thanks its members and governance groups for their continued direction and support.



Executive Director

A sector vision

“Dairy: A vital contributor to nutritional security and a more sustainable global food system.”

This vision sets a new direction where dairy sector leadership plays a highly visible role in helping to shape the debate on dairy and sustainable nutrition at the global level. It also allows all the sector players to re-evaluate and reset the pre-competitive agenda and new areas for collaboration.

Priority pillars: A focus on action

The aim of the sector strategy is to create context and build consensus within the sector on the collaborative actions needed to increase the dairy sector's positive impact on key issues within three priority pillars.



Nutritional Security:

Proactively representing the global dairy sector to achieve consensus on the indispensable role of dairy in well-being and a sustainable food system



Sustainability:

Supporting and promoting the Global Dairy Agenda for Action (GDAA) coordination and collaboration efforts to enhance and communicate dairy's sustainability achievements



Dairy Development:

Ensuring a resilient dairy sector, able to meet growing demand for safe, nutritious dairy products, while promoting the economic, environmental and social value of dairying worldwide

Strategy
Implementation
Model

SECTOR **STRATEGY**

The GDP Board provides leadership and direction.

SECTOR **PROJECT FUNDING**

GDP works with dairy sector stakeholders to provide a structure and fund the identified priority projects.

PRIORITY SECTOR PROJECTS

The GDP Operational Committee, with input from sector leaders, provides translation of strategy into project objectives and determines which projects to fund.

Designated senior sector leaders for each of the priority pillars drive specific work plans and projects that positively impact Nutritional Security, Sustainability and Dairy Development issues.

GDP LEAD

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Nutritional
Security

Sustainability

Dairy
Development

Designing Dairy's Future Sector Strategy

A bold new path to the future

World leaders now face the challenge of feeding more people than at any point in history. So what will the dairy sector make of this moment? How can we accelerate collaborative work within the sector and with “outsiders” to raise understanding of dairy’s role in delivering needed nutrition, sustainably to the world’s population?

The Designing Dairy's Future strategy examines the complex roles the sector has in delivering optimal nutrition, sustainably to a growing population.

At the same time, it seeks to rekindle the emotional connection that consumers have with dairy by reminding them that the sector delivers that nutrition and health in tasty and satisfying ways.

The Sector Strategy work plan has made significant progress towards consensus building and implementation. GDP received a high level of feedback and direction on the strategy from its four regional meetings in the United States, China, Italy and Japan. GDP also convened a Dairy Sector Strategy Summit with 28 participants from across the dairy value chain to review the direction of the strategy and seek input on how to enhance engagement. Feedback from all these groups was collected and assimilated into directional plans that were presented at GDP's 9th Annual Meeting in Vilnius, Lithuania.

The Nutritional Security Pillar work plan focuses on building relationships with key world bodies and third-party groups to ensure they take a holistic approach to defining sustainable nutrition. An additional focus is on creating consensus on the way in which science should address the question of a sustainable food system and supporting further research needed to fill knowledge gaps.

The Sustainability Pillar work plan charts a path which considers sustainability in its full complexity. Stakeholders—both friend and foe—continue to question if the dairy sector can rise to the challenge of sustainable growth. In that context, it is crucial to promote implementation of the Dairy Sustainability Framework, its ability to coordinate cross-sector collaboration and highlight dairy's continuous sustainability improvements.

The Dairy Development Pillar work plan is driving the understanding of how the dairy sector creates millions of jobs and sustains and revitalizes rural communities in all corners of the world. Through a mapping of existing activities, the Dairy Development Strategy will define the pre-competitive area for the sector and identify opportunities to promote the economic, environmental and social value of dairying.

Highlights



Food System Research Ecosystem

When promoting dairy nutrition and the sector's progress on sustainability, GDP has consistently found itself engaged in larger conversations about what constitutes a sustainable global food supply. With the assistance of consulting firm Oakland Innovation, GDP is developing a network of international scientists across different aspects of food system sustainability to create a consensus position about the completeness and quality of current research. This independent group will identify and suggest ways to address research and data gaps that can advance the quality of the debate. The first meeting of the ecosystem network will be held in June 2016.

Sustainable Food System Research Database

GDP has completed the first interpretive report and database of published research examining environmental, economic and/or social impacts of various dietary patterns. This collection of information will provide understanding of the current state of knowledge and direct future research in this area. The report summarizes the available studies, interprets the existing evidence, identifies limitations and gaps, and documents implications for dairy. The database includes a Research Studies Main Database with detailed information and a shortened Log of Published Studies.



Dairy Sustainability Framework

GDP's strategy in the Sustainability area is to actively support the Dairy Sustainability Framework (DSF), which is a key program of the Global Dairy Agenda for Action (GDAA). The DSF has dramatically increased its membership and exposure over the past year. Forty-One Implementing and Affiliate members are already registered and the DSF has been presented and discussed at more than 10 conferences in a wide range of markets including Africa, Latin America and Asia.

Eight independent global sustainability stakeholders have now joined the GDAA Advisory Council to review progress and provide input on the DSF: Asda/Walmart, American Humane Association, Global Round Table for Sustainable Beef, Food and Agriculture Organization of the United Nations, Oxfam, Rabobank, Solidaridad and the World Bank.

Dairy Development

Dairy Development is about ensuring a resilient dairy sector that is able to meet growing global demand for safe and nutritious dairy products, while defining and promoting the economic and social value of dairying. GDP is working with the International Farm Comparison Network (IFCN) to create a plan to clarify the pre-competitive space in this area and a road map for advancing an active program. Additionally, GDP and IFCN are collaborating on a new perspective paper detailing the social and economic impact the dairy sector has worldwide.

Developing the Scientific Evidence Base



Coordinating and driving research is just a first step. Equally as vital is connecting with policy makers and world bodies to show how dairy is a catalyst for improving nutritional security, global health and providing opportunities for the world's population to receive optimal nutrition.

Collaborative research by the dairy sector over the past several years has led to a more balanced perception of dairy in public opinion, particularly in regards to saturated fat. There has also been significant progress in showing how dairy's naturally nutrient-rich composition has a positive impact on health, development and performance.

Dairy sector research efforts also reflect a series of hard-won improvements in the overall understanding of its role in nutrition and diet. There is an abundance of science supporting dairy's health and nutrition story. Changing "nutritional policies" once they have been established, even if the current science points in a different direction, continues to be a difficult challenge. Dairy sector research efforts continue to build on the strategy of developing a solid and complete research picture on the roles of nutrients such as saturated fat in the diet.

The sector's research has also provided a deeper understanding of the nutritional value we get from foods. For example, the sector is currently facilitating research collaboration on new methods for assessing the quality of dietary proteins. This will provide health professionals, regulators, policy makers and world bodies with the best available information on what constitutes high-quality protein. It will also showcase how dairy combines both the quantity and the quality of nutrition needed for sustainable diets. That balance is a unique characteristic that makes dairy critical to the global nutritional agenda.

Highlights



WHO Sponsored Paper on Saturated Fat
GDP's Global Dairy Sector Research Update—WHO Fatty Acid Study summarized the systematic review and meta-analysis commissioned by the WHO as background evidence for updating WHO guidelines on saturated and trans fatty acids. The review, the first meta-analysis to examine associations between saturated and trans fats with several chronic diseases and all-cause mortality, has been presented to the WHO Nutrition Guidelines Advisory Group on several occasions.



Effect of cheese consumption on blood lipids: a systematic review and meta-analysis of randomized controlled trials
GDP, along with the National Dairy Council and Dairy Australia, provided funding for this review and meta-analysis which describes the results of 12 randomized clinical trials that assessed the effects of cheese on blood cholesterol levels. Despite large intakes of cheese in the range of 3–5 servings per day, cholesterol levels were not elevated from baseline and were lower as compared to similar intakes of butter, suggesting that the nutritional composition or food matrix of the cheese contributes to these effects.



Contribution of Food Groups to Energy and Nutrient Intakes in Five Developed Countries
Commissioned by the Dairy Research Consortium (DRC) and coordinated by GDP, this paper highlights the nutrient richness of milk and dairy products, especially regarding the contribution of under-consumed nutrients, to help dispel the image of dairy products as a source of saturated fat.



Cheddar Cheese Ripening Affects Plasma Nonesterified Fatty Acids and Serum Insulin Concentrations in Growing Pigs
GDP facilitated the multi-sponsor agreement among the DRC members to fund a series of cheese studies conducted by the University of Copenhagen. Results from the first study showed that long-term ripened cheddar cheese improved indicators of insulin sensitivity compared with short-term ripened cheddar, but had no other significant effects.



Diets with high-fat cheese, high-fat meat, or carbohydrate on cardiovascular risk markers in overweight post-menopausal women: a randomized crossover trial
This paper reports on the results from the first human clinical study as part of the series on cheese at the University of Copenhagen. Results from this study showed that diets with cheese and meat as primary sources of SFAs cause higher HDL cholesterol and apo A-I and appear to be less atherogenic than a low-fat, high-carbohydrate diet. Findings also confirm that cheese increases fecal fat excretion.

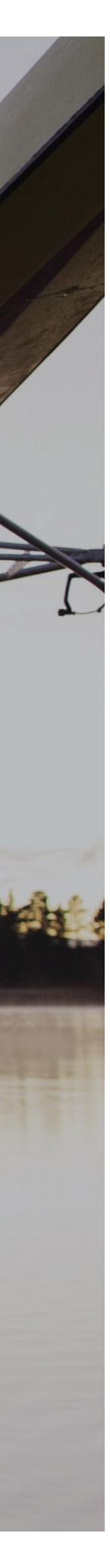


Evaluating the Role of Protein in Public Health: A Research Summary
The value of high-quality protein from foods like milk and dairy products to assure not only nutritional security but also optimal health is described in six papers published in the June 2015 Supplement of the *American Journal of Clinical Nutrition*. These peer-reviewed papers make up the proceedings from Protein Summit 2.0, an international conference supported by GDP in 2013 to discuss emerging research and innovative concepts around protein and amino acid requirements and specific health benefits.

Fostering a Collaborative Environment



For consumers, policy makers and industry to be committed to dairy, it's important that they understand the complexity of global food systems and the balance among nutrition, sustainability, access and affordability.



Global Dairy Platform leads the development of a collaborative, unified approach on common sector issues and the nurturing of innovative research so that consumers value milk and dairy products as naturally nutritious, enjoyable and an essential part of a healthy diet.

Sometimes this will come from facilitating a specific work program or process. In other instances, it will be from bringing the right people and organizations together, such as when GDP organized a protein industry workshop in Chicago. The purpose was to discuss completing the dataset required for implementation of the new DIAAS protein quality methodology, which will provide an important piece of information for assessing how foods contribute to sustainable diets for our growing global population.

Since the workshop, a short presentation providing background, rationale and research description was circulated to the stakeholders to support funding requests for the first two phases of research. Including GDP's contribution, commitments from seven organizations have reached 70% of the research costs. Proactive communications within the broader food industry are underway to secure the remaining funds that will enable the research to start in 2016.

Likewise, GDP and the International Milk Promotions Group (IMP) have worked closely together to understand the evolving future of global dairy marketing. Specifically, the group has pinpointed re-establishing the relevance of dairy to stakeholders - consumers, governments, organizations and educators - as a key challenge to address.

Highlights



GDP Quarterly Dairy Nutrition and Sustainability Webinars

This series of webinars provides a forum to discuss the latest research and activities taking place within the global dairy sector aimed at linking nutrition and sustainability issues. Participants share updates on events and new publications that are building the science base to inform future policy decisions.

The Future of Dairy Marketing

GDP and the International Milk Promotions Group co-hosted the 6th Annual Global Dairy Marketing Conference, designed to offer a platform for the development of pre-competitive dairy marketing research and strategies. Attended by more than 60 dairy marketers, current taskforce projects are centered on developing models for how the sector can enhance dairy relevance by connecting with Strategic Influencers and Affinity Groups, including definition of the roles of generic and brand marketing, as well as the optimum relationship between the two disciplines.

Protein Industry Group Funding Consortia

GDP organized a protein industry workshop in Chicago to review a proposal from a research consortium to complete the dataset required for implementation of the new DIAAS protein quality methodology.

The workshop was attended by representatives of the dairy, soy, legumes, beef, pork and egg industries and the FAO. The attendees endorsed the proposal and agreed to work collaboratively to develop a funding model and a protein industry consortium. The FAO explained their plans with the International Nutrition Foundation to develop a protein research strategy and to seek industry support for implementation. The work of the protein industry consortium is aligned with FAO's vision and FAO agreed that it will support the outcomes from the research.



Dairy Research Consortium

GDP acts as the secretariat to the Dairy Research Consortium (DRC), which is comprised of CNIEL (France) Dairy Australia, Dairy Farmers of Canada, Danish Dairy Research Foundation, National Dairy Council (USA) and the Dutch Dairy Association.

Since its formation four years ago, the DRC has been successful in sharing research strategies and collaborating on a number of key research studies and education symposia in the areas of milkfat, bone health and type 2 diabetes. During this time the DRC members have developed a comprehensive project

database that is used to keep members informed regarding ongoing nutrition/health research projects. Members prioritized milkfat, protein (quality and function), bone health and nutrition/sustainability as potential areas for pre-competitive research. Additionally, the group continues to monitor ongoing research on dairy consumption and potential health benefits for diabetes and cognition.



Milkfat Symposium Coordination

On behalf of the DRC, GDP along with the National Dairy Council facilitated the development of a framework to manage and coordinate a consistent overarching message across four milkfat symposia which took place on three continents between September 2014 and November 2015. A manuscript is underway to summarize the important new findings presented at all four symposia to be published in a peer-reviewed journal.

Facilitating Message Alignment



The whole story of dairy is about bringing society, sustainability and world nutrition together to focus on a better future. Such a big statement, if left undefined, loses resonance to the sector's audience. The challenge is to go beyond and clarify the role the dairy sector has in the lives of consumers, influencers and stakeholders.

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Within the sector, we know about the nurturing and nourishing strength dairy has to bond together friends and families in everyday moments. The dairy sector makes a remarkable global impact on improving livelihoods and nutrition every day.

Billions of people consume milk and dairy products, bringing important nutritional benefits to large segments of the population. The question is: how well is the WHOLE Story of Dairy known outside the sector and do our audiences have any context for how it relates to them?

The Sector Communication Strategy is focused on facilitating specific sector-wide engagement in delivering dairy's messages. The sector has done a very good job of building the fact base, but research shows the actual choice to continue drinking milk is driven on an emotional level. The focus is moving beyond just "pushing" our positive messages and towards contextualizing them so that consumers and influencers can connect with the information.

The strategy also aims to create a model to consolidate and strengthen engagement with key influencers at global and regional levels. Understanding where influence and opportunities lie within the myriad of organizations and affinity groups, as well as structuring a defined process for positioning sector representatives as experts and ambassadors, are crucial components.

Highlights

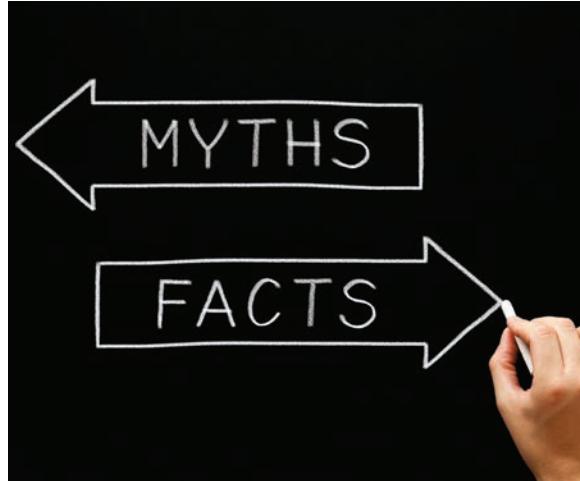


Owning Dairy's Story

GDP is developing a communications platform that allows the sector to actively articulate dairy's relevance to stakeholders. This project aims to raise awareness by highlighting the important role dairy plays in bringing society, sustainability and world nutrition together to focus on a better future.

Overarching story lines are currently being finalized to communicate:

- How dairy is key to a balanced, sustainable diet;
- How dairy is bringing nutrition and health to people in tasty and satisfying ways;
- How dairy research contributes to the overall understanding of the role nutrients have in diet and well-being.



Balancing the Anti-Dairy Debate

GDP's Balancing the Anti-Dairy Debate initiative provides a model for addressing the negative misinformation and rhetoric of anti-dairy advocates. The primary objective is to target common myths and build the positive stories related to them as a way to change the tone of the conversation.

The initiative also provides direction for quickly building consensus on messaging and response to negative information. For example, GDP facilitated a global discussion with more than 40 dairy communicators before the release of the anti-dairy book *Got Milked?* resulting in a common voice that neutralized the negative impact of the publication. GDP also collaborated with J-Milk on a workshop focused on recent anti-milk activities in Japan to develop local response strategies and points of synergy with the global communications strategy.



Key Influencer Engagement

GDP is in the final stages of developing a plan for raising dairy's positive profile within the UN as a key to delivering superior nutrition, sustainably to the world's population.

Working with consultancy Emerging Ag, GDP identified and charted which UN agencies, programs and initiatives have objectives linked to either nutrition, sustainability or economic development. A mapping exercise was conducted to discern which objectives fall most directly within the sector strategy's field of vision. An assessment was then done to document the degree of existing engagement of the dairy groups with those UN bodies as well as the "white-space" where dairy is not active in dialogue on key issues affecting the sector's future.

With the mapping exercise nearing completion, GDP is working with sector leaders to identify and prioritize the highest impact opportunities and to determine which organization or groups are best placed to address these areas.

Strategic Affinity Group Alliances

The subject of Affinity Groups is an emerging marketing concept that may provide opportunities for communication that improves dairy relevance. These are groups that have common interests and beliefs. Additionally, the group shares values and information amongst its members who are highly trusting of each other. If the Affinity Group's shared values are aligned with dairy's relevance, strong supporting champions and advocates will result.

Working with the International Milk Promotions Group (IMP), GDP is scoping a potential marketing scenario for consideration and assessment of how the dairy sector could organize at the global level to engage and deliver outcomes.

Global Dairy Platform's Board of Directors and Operational Committee provide strategic oversight of GDP's activities.

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Dairy Farmers of America, Inc.

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Royal FrieslandCampina

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Meetings and Conferences

Global Dairy Platform Leads
GDP Leads drive forward specific work plans and projects that connect dairy to its ability to positively impact Nutritional Security, Sustainability and Dairy Development issues.

Brian Lindsay
Sustainability

Dr. Greg Miller
Nutritional Security

Commercial Members

Arla Foods amba, Denmark
China Mengniu Dairy Company, China
Clover Industries Ltd., South Africa
Dairy Farmers of America, United States
Dairy Partners Americas, Brazil
DMK Deutsches Milchkontor, Germany
Elanco, United States
Fonterra Co-operative Group Limited, New Zealand
Glanbia Nutritionals, United States
Inner Mongolia Yili Group Limited, China
Land O' Lakes, Inc., United States
Leprino Foods Company, United States
Maryland & Virginia Milk Producers Coop, United States
Megmilk Snow Brand Co., Ltd, Japan
Meiji Company Limited, Japan
Morinaga Milk Industry Co., Ltd, Japan
Murray Goulburn Co-Operative Co. Limited, Australia
Ornua Co-operative Limited, Ireland
Royal FrieslandCampina N.V., The Netherlands
Saputo Inc., Canada
Sodiaal Union, France
St. Albans Cooperative Creamery Inc., United States
Swiss Valley Farms, United States
TINE SA, Norway
United Dairymen of Arizona, United States

Associate Members

CoBank, United States
NIZO food research, The Netherlands
Royal DSM N.V, The Netherlands
Tetra Laval International S.A., Switzerland
Food and Dairy Applied Research Centre, VHL University of Applied Sciences, The Netherlands

Non-Profit Members

American Dairy Products Institute, United States
Australian Dairy Products Federation, Australia
Belgian Dairy Federation, Belgium
British Cheese Board/Dairy UK, United Kingdom
California Dairies, United States
California Dairy Research Foundation, United States
Czech and Moravian Dairy Association, Czech Republic
Consorcio Lechero, La Cadena Lactea de Chile, Chile
Dairy Australia, Australia
Dairy Company Associations of New Zealand, New Zealand
Dairy Connect, Australia

Dairy Council of California, United States
Dairy Council Northern Ireland, United Kingdom
Dairy Farmers of Canada, Canada
Dairy Industry Association of Australia, Australia
Dairy Innovation Australia, Australia
Dairy Management Inc., United States
Dairy Nutrition Council, Finland
Dairy Processors Association of Canada, Canada
Dairy Research Institute, United States
Dairy UK, United Kingdom
DairyCo, United Kingdom
Danish Dairy Board, Denmark
Dutch Dairy Association, The Netherlands
Eastern and Southern Africa Dairy Association, Kenya
Embrapa Dairy Cattle, Brazil
European Dairy Association, Belgium
La Federación Nacional de Industrias Lácteas, Spain
Gardiner Foundation, Australia
Icelandic Dairies Association, Iceland
International Dairy Federation, Belgium
International Dairy Foods Association, United States
International Farm Comparison Network, Germany
Irish Co-operative Organisation Society, Ireland
Israel Dairy Board, Israel
Japanese Dairy Industry Association, Japan
J-Milk (Japan Dairy Association), Japan
Korea Dairy Committee, South Korea
Korea Dairy Industries Association, South Korea
Korean Society of Dairy Science and Technology, South Korea

Lactea Brasil, Brasil
Milchindustrie-Verband e.V., Germany
Milk Marketing (NSW) Pty. Ltd., Australia
Milk Producers Organisation, South Africa
MilkPEP, United States
National Dairy Council, Ireland
National Milk Producers Federation, United States
Norwegian Dairy Council, Norway
Pan-American Dairy Federation, Uruguay
Polish Chamber of Milk, Poland
South African Milk Processors Organisation, South Africa
Swedish Dairy Association, Sweden
Swiss Milk Producers, Switzerland
The Dairy Council, United Kingdom
UK Yogurt Council, United Kingdom
US Dairy Export Council, United States

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Global Dairy Platform leads the development of a collaborative, unified approach on common industry issues and innovative research on dairy's vital contribution towards nutritional security and a more sustainable global food system. Our membership of CEOs, executives and researchers from corporations, communication and scientific bodies work in partnership to align and support the dairy sector in the promotion of sustainable dairy nutrition.



GLOBAL DAIRY PLATFORM