

MILK PRODUCTION in ITALY



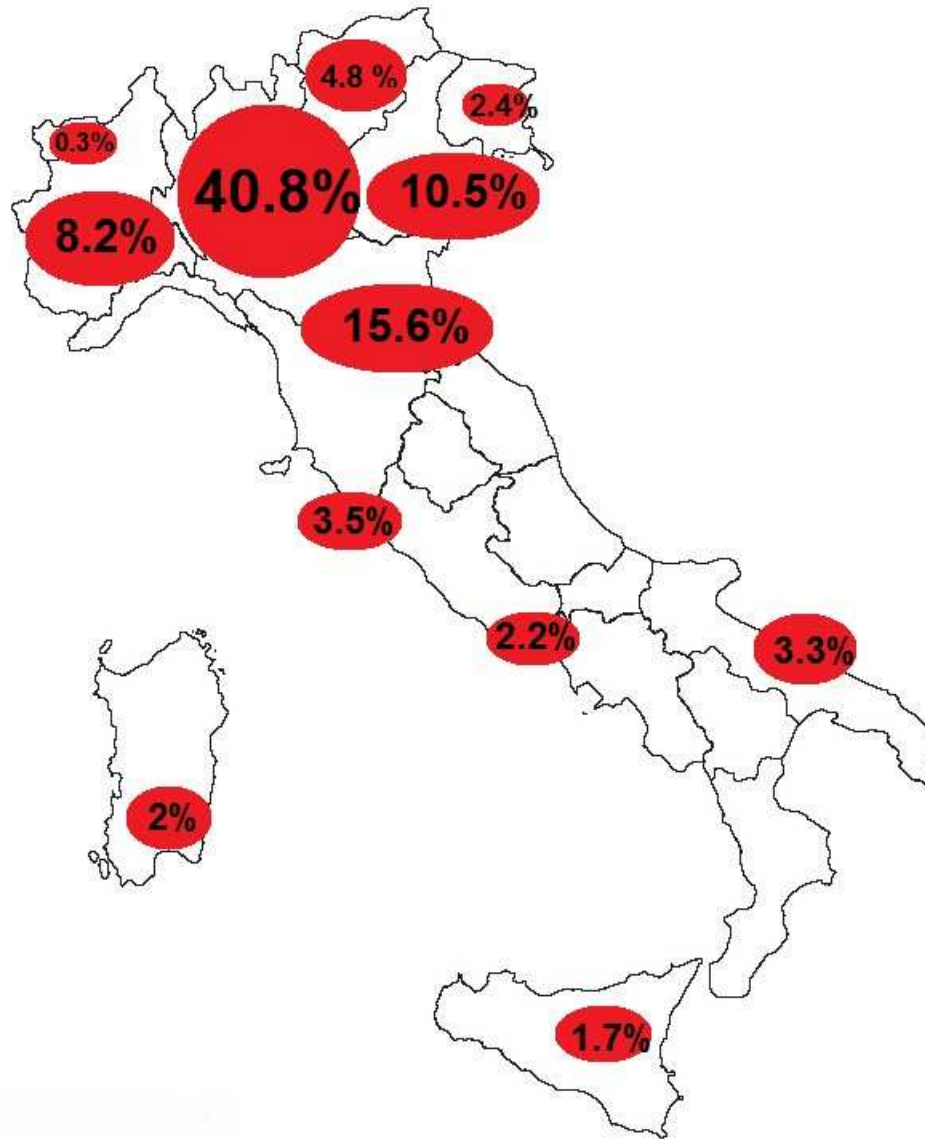
Antonino Dr. Bedino

Claudia Dr.ssa Morisiasco

European Dairy Farmers Italia

www.edfitaly.it

COWS DISTRIBUTION IN ITALY



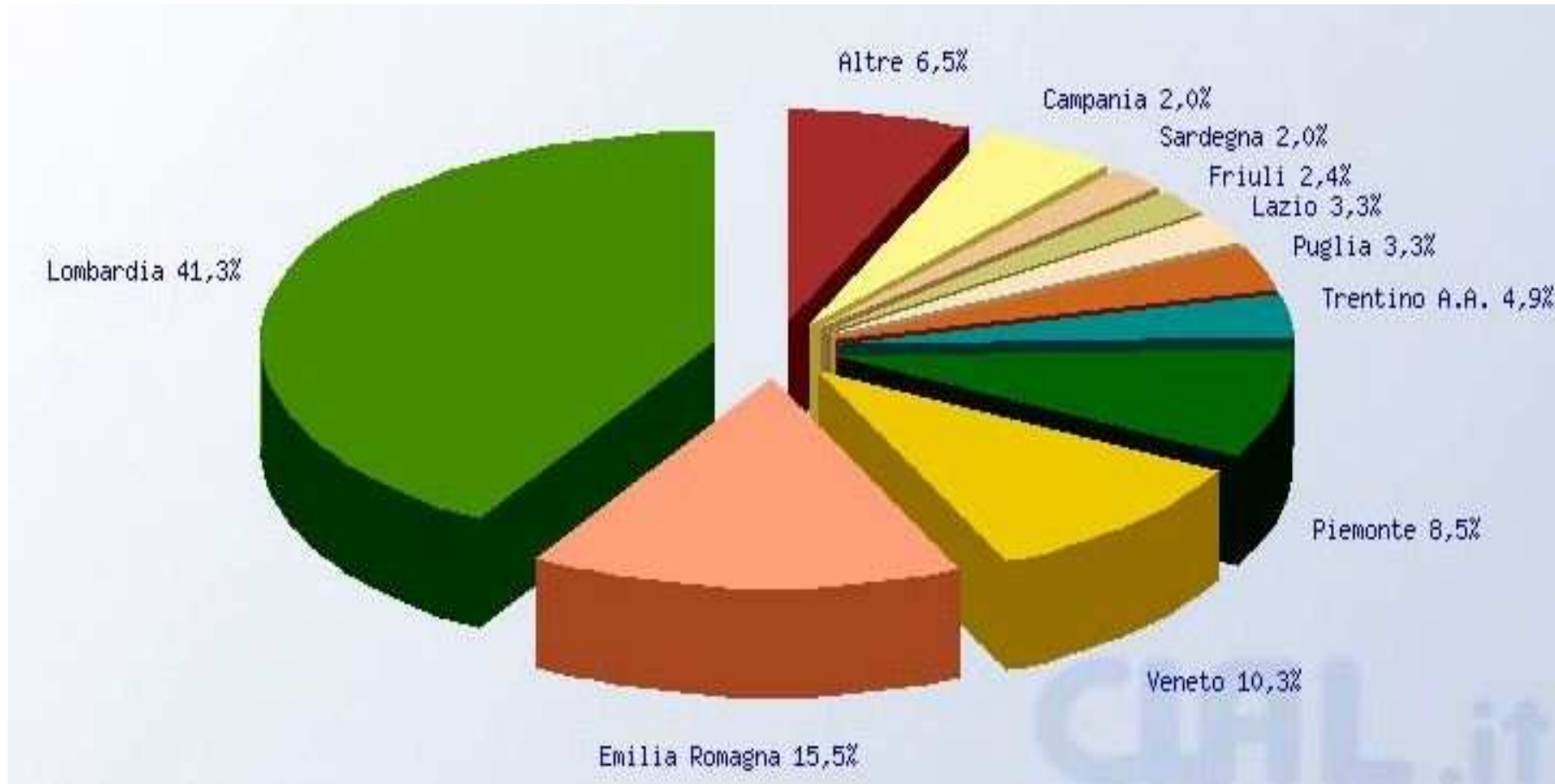
Lombardia 40.8 %

Emilia Romagna 15.6 %

Veneto 10.5 %

Piemonte 8.2 %

MILK PRODUCTION IN DIFFERENT REGIONS



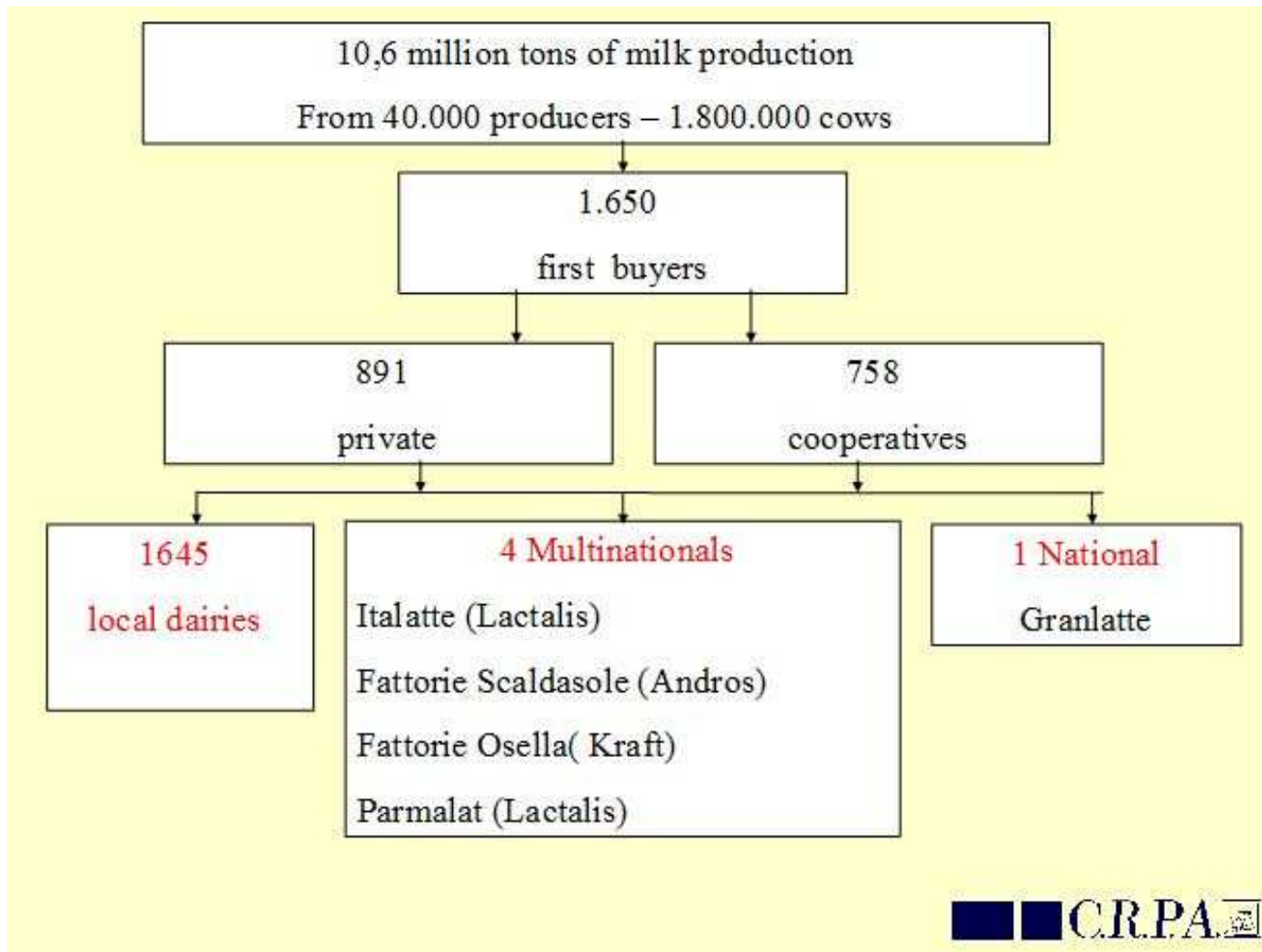
NATIONAL COMPARISON OF MILK DELIVERIES

THE NATIONAL COMPARISON OF MILK DELIVERIES		
Year	Production(tons)	Conclusion
04-2009/03-2010	10527835	The year 2010/2011 has recorded more than +1.05% compared to the year 2009/2010
04-2010/03-2011	10642109	

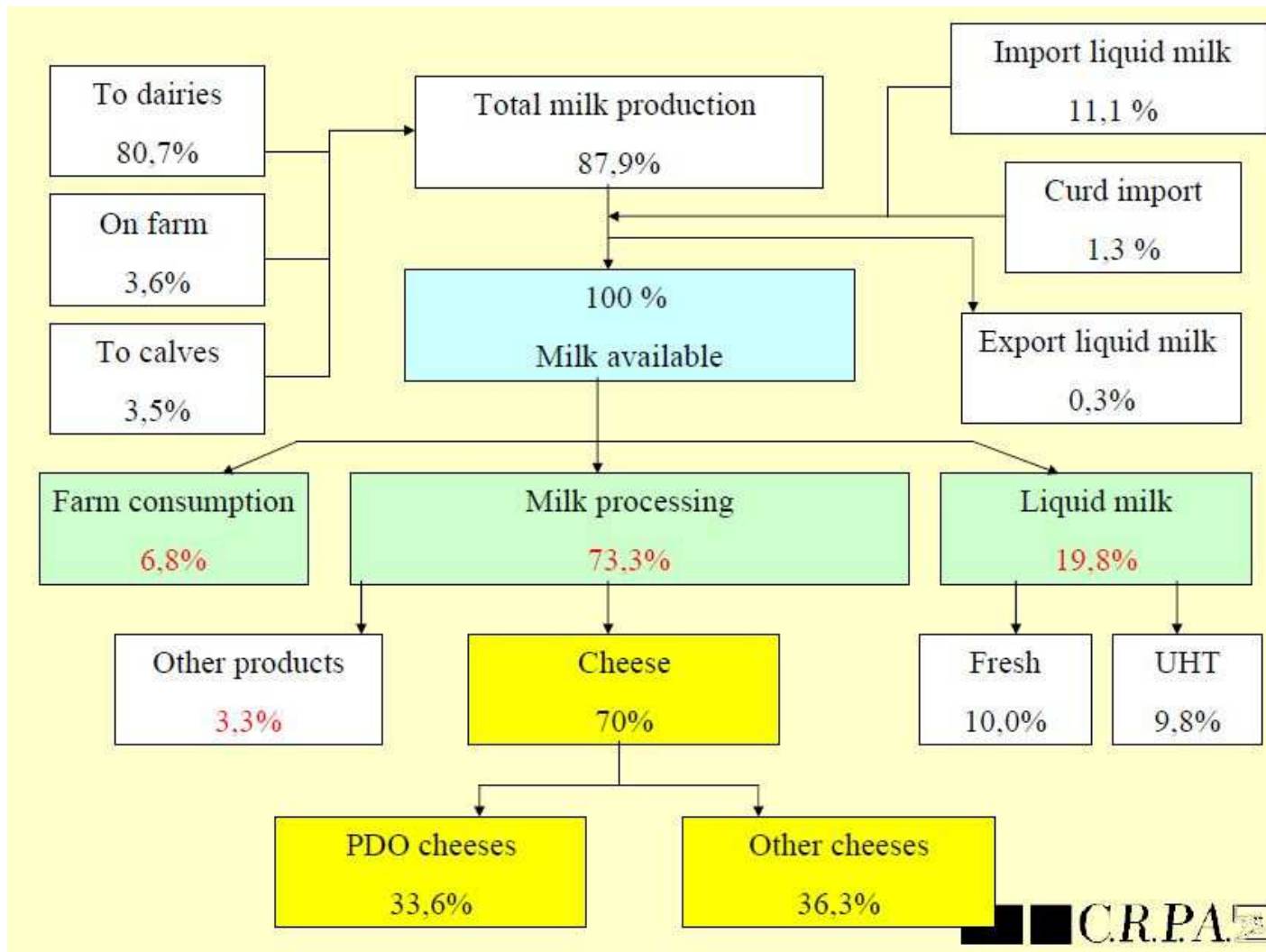
MILK PRODUCTION IN ITALY

Per capita consumption(kg)									
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Fluid milk	57,1	58,1	57,9	57,2	56,9	58,4	56,7	55,3	52,4
Yoghurt	6,3	6,4	6,4	6,6	6,3	7,6	8,5	8,4	8,3
Butter	2,8	2,9	2,9	2,9	2,7	2,7	2,7	2,6	2,5
Cheese	21,3	22,5	22,1	22,6	23,2	23,5	23,9	23,2	23,2

MILK PRODUCTION IN ITALY



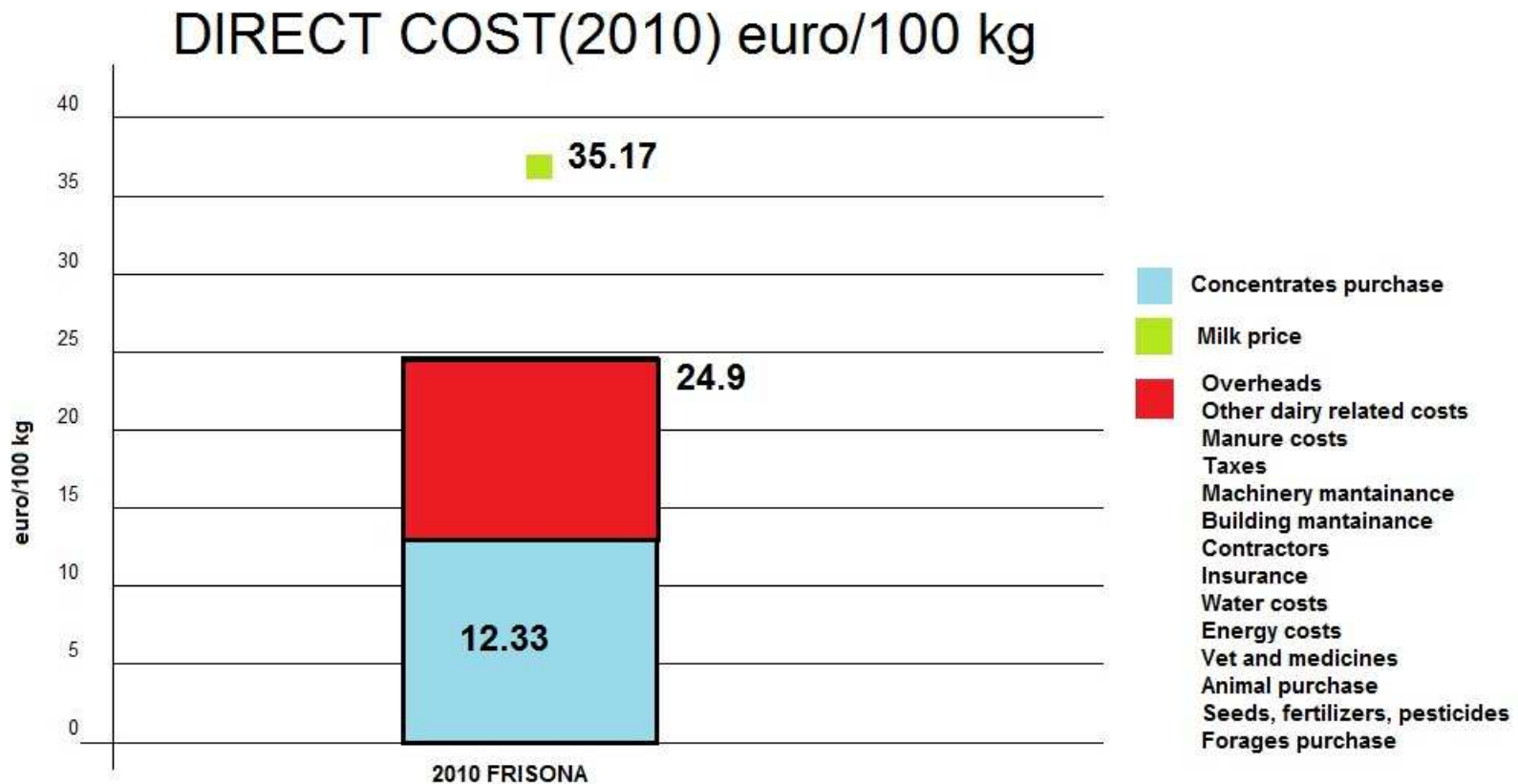
MILK PRODUCTION IN ITALY



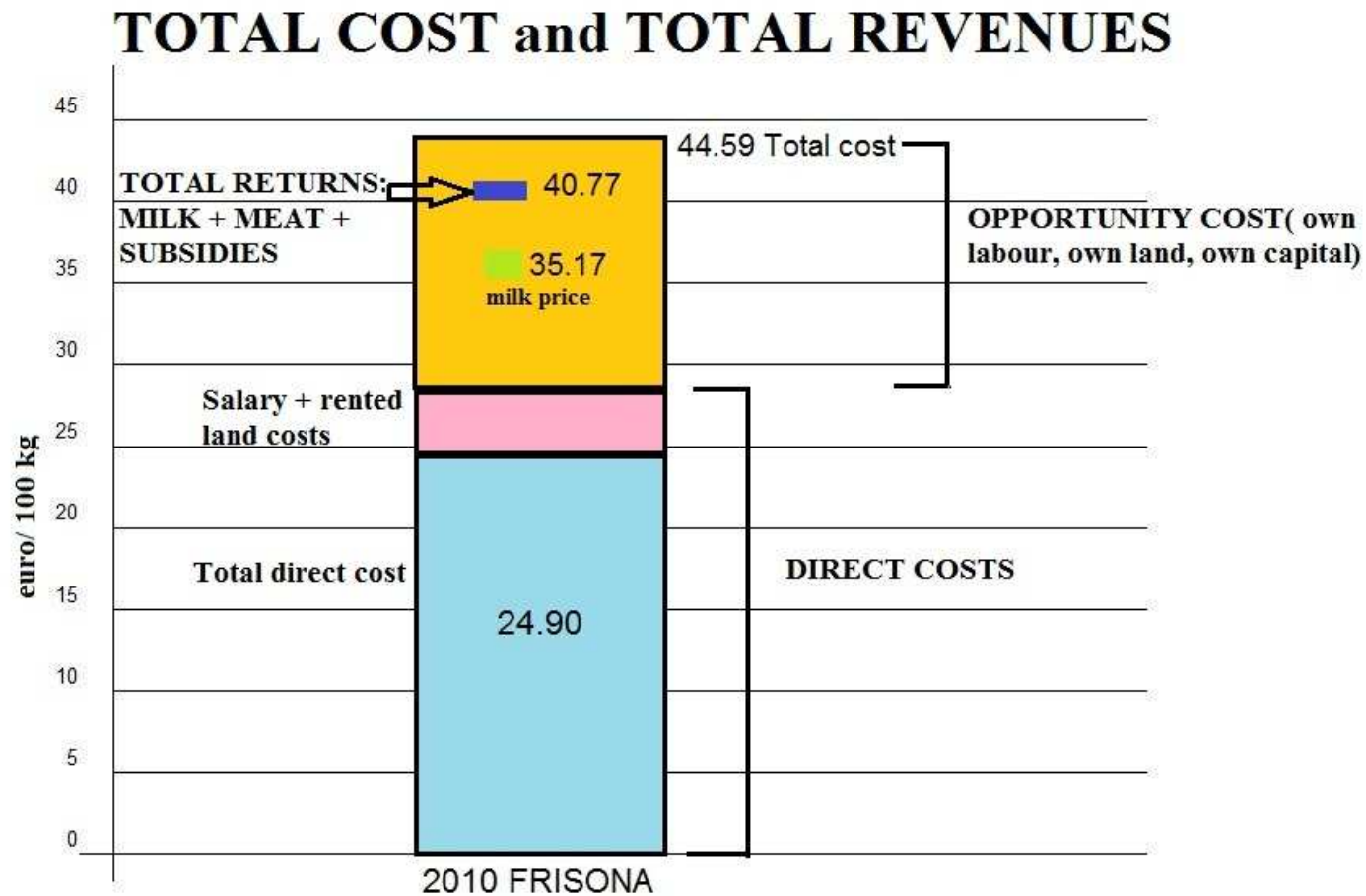
COST OF MILK PRODUCTION IN ITALY



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COST OF MILK PRODUCTION IN ITALY

Summing up

Cash costs (€/kg)	Calculated costs (own land, own capital, own labour) €/kg	TOTAL COSTS (€/kg)
0,26	0,16	0,415

In 2010 milk price was about 0,3517 € (costs 0,415), now milk price is: 0,42?

HISTORIC EVOLUTION OF THE PRICE 1990-2011



HISTORIC EVOLUTION OF THE DAIRIES IN THE LAST 20 YEARS

- IN 1983: 183000 dairies
- IN 1995: 110000 dairies
- IN 2000: 60000 dairies
- IN 2010: 40000 dairies

INDEX MILK PRICE

Just something new or an
opportunity??

INDEX MILK PRICE

In order to calculate the index price of milk it is used a special program in Excel.

It is a simulation program created by the Catholic University of Piacenza; it is updated once a month detecting the data from the Stock exchange official site dealing with single products.

INDEX MILK PRICE

To calculate the ideal milk price you have to use the products divided into three groups. Everyone has got a DIFFERENT INCIDENCE(in %) and the three different incidences are:

FIRST GROUP : 33 %

SECOND GROUP : 34 %

THIRD GROUP : 33 %

INDEX MILK PRICE

SECOND GROUP

-08	-7.3%	-4.1%	-0.7%	-3.7%		-34.8%	-24.2%	-1.9%	-20.7%										
Commento	MM12 post	Stag	SIMUL	burro	isp	cheddar	lip	edam	fieno	orzo	soia	mais	gasolio	p reg	q pad	gorgon	mozz	l past	
10																			

Where:

HAY(FIENO): it is noticed in Novara.

BARLEY(ORZO): National Barley Padova, with specific weight up to 62, humidity 14%, free vehicle.

SOY(SOIA): it is noticed in Rotterdam.

MAIS: it is noticed in Udine and it is intended as local corn grain.

GAS OIL(CASOLIO): it is noticed in Novara, intended as farm gas cash paid.

INDEX MILK PRICE

THIRD GROUP

7-08	-7.3%	-4.1%	-0.7%	-3.7%		-34.8%	-24.2%	-1.9%	-20.7%										
Commento	MM12 post	Stag	SIMUL	burro	lsp	cheddar	lip	edam	fieno	orzo	soia	mais	gasolio	p reg	g pad	gorgon	mozz	l past	
10																			

Where:

P.REG: means **PARMIGIANO REGGIANO**, noticed in Milan, intended as cheese factory VAT excluded.

G.PAD: means **GRANA PADANO**, noticed on Milan, intended as first choice cheese seasoned nine months or more.

GORGON: means **GORGONZOLA**, noticed in Novara, intended as cheese with selected ferments.

MOZZ: means **MOZZARELLA**, to be intended as vaccine milk cheese in 125gr packaging.

L.PAST: means **PASTEURIZED MILK**, noticed in Milan.

INDEX MILK PRICE

EXPLANATION OF THE THREE GROUPS

The **FIRST GROUP**(from BUTTER to EDAM)it is formed by five products that establish the **MARKET BASE**.

The **SECOND GROUP**(from HAY to GAS OIL) is composed by five products that form the **COST OF PRODUCTION**.

The **THIRD GROUP**(from PARMESAN to PASTEURIZED MILK)is formed by five products from which the **NATIONAL MARKET BASE** is obtained

ADVANTAGES AND DISADVANTAGES IN PRODUCING MILK IN ITALY

DISADVANTAGES:

- LAND SCARCITY
 - high cost in buying(more than 100000 euro/Ha)and renting(more than 1000 euro/Ha).
- CLIMATE CONDITIONS
 - dry summer
 - cold winter
 - lack of rain(abundant when it is not needed)
- NITRATE REGULATIONS

ADVANTAGES AND DISADVANTAGES IN PRODUCING MILK IN ITALY

DISADVANTAGES:

- HIGH COST OF LABOUR
 - direct and prevalence
- QUOTA SYSTEM
- THE PRODUCTION OF MILK competes with the use of the land for the production of fruits, vegetables and different kind of meat(pigs, poultry,beefs,...)
- THE COMING OF BIOENERGY needs a large production of maize, sorghum, triticale

ADVANTAGES AND DISADVANTAGES IN PRODUCING MILK IN ITALY

ADVANTAGES:

- We produce less than 55% of the internal consumption.
- Added value obtained by the production of cheese as Parmigiano Reggiano, Grana Padano, Mozzarella, Gorgonzola, Asiago...
- Restricted sanitary controls along the whole chain of production from the the land to the feeding system, from the milk in the herds to the final consumer

THANKS FOR THE COLLABORATION TO

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EDF ITALY MEMBER GROUP

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NICOLINO ENRICO and FAMILY

FINAL CONCLUSION

More than 2000 years of history teach us that milk has been part of our progenitors, in war and in peace, it is a part of our difficult present in times of globalization and speculations, but without milk there will be no future for the next generation...

A high-speed photograph of a milk splash against a black background. The milk is captured in mid-air, creating a complex, multi-lobed shape with fine droplets and a central core. The lighting highlights the texture and movement of the liquid. Overlaid on the splash are three instances of the word 'MILK' in a bold, red, sans-serif font, positioned at different vertical levels.

...MILK

MILK

MILK!!!