

Global Dairy Perspective: Growing Globally

Alexander Anton, EDA Secretary General



EDA members



CONNECT
TO THE
WORLD
OF DAIRY

- Association of national dairy industry associations of **21 EU Member States**
- **Cooperative** and **private** milk processors

President & Presidium



Michel Nalet, Lactalis

Ingo Müller, DMK

Attilio Zanetti, Zanetti

Jan Teplý, Madeta

Kasper Thormod Nielsen, Arla



European Dairy Platform



More than **12,000** production sites across Europe

More than **300,000** direct jobs on milk processing sites

World dairy leaders
5 of the top 10 global dairy companies are European

More than **45,000 jobs** in dairies are directly linked to export

The Power of EU Dairy

Positive EU trade balance
The European milk processing industry brings more than **10 billion €** to the overall EU trade balance

Balanced & Successful
coexistence of cooperative model and private ownership
Around **50%** of milk collected in Europe by coops

Partnering
around **700,000** dairy farms across Europe

A rich and tasty cultural heritage
of more than **300** registered cheeses and dairy products



Past

Missed export opportunities...



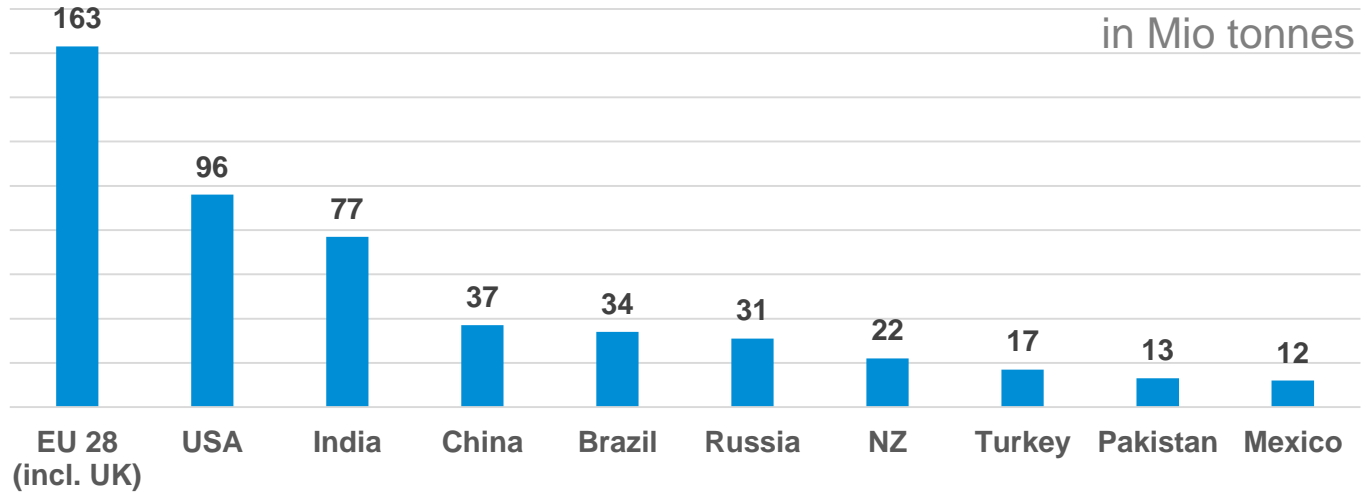
Future

...sustainable global growth path



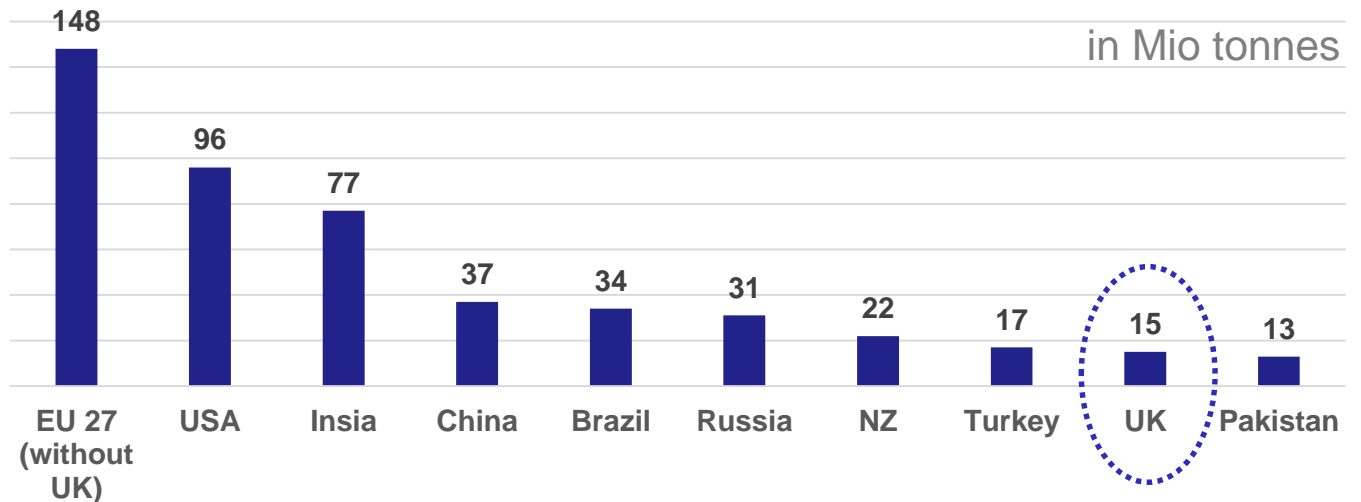
Top 10 cow's milk producing countries

EU including UK



Top 10 cow's milk producing countries

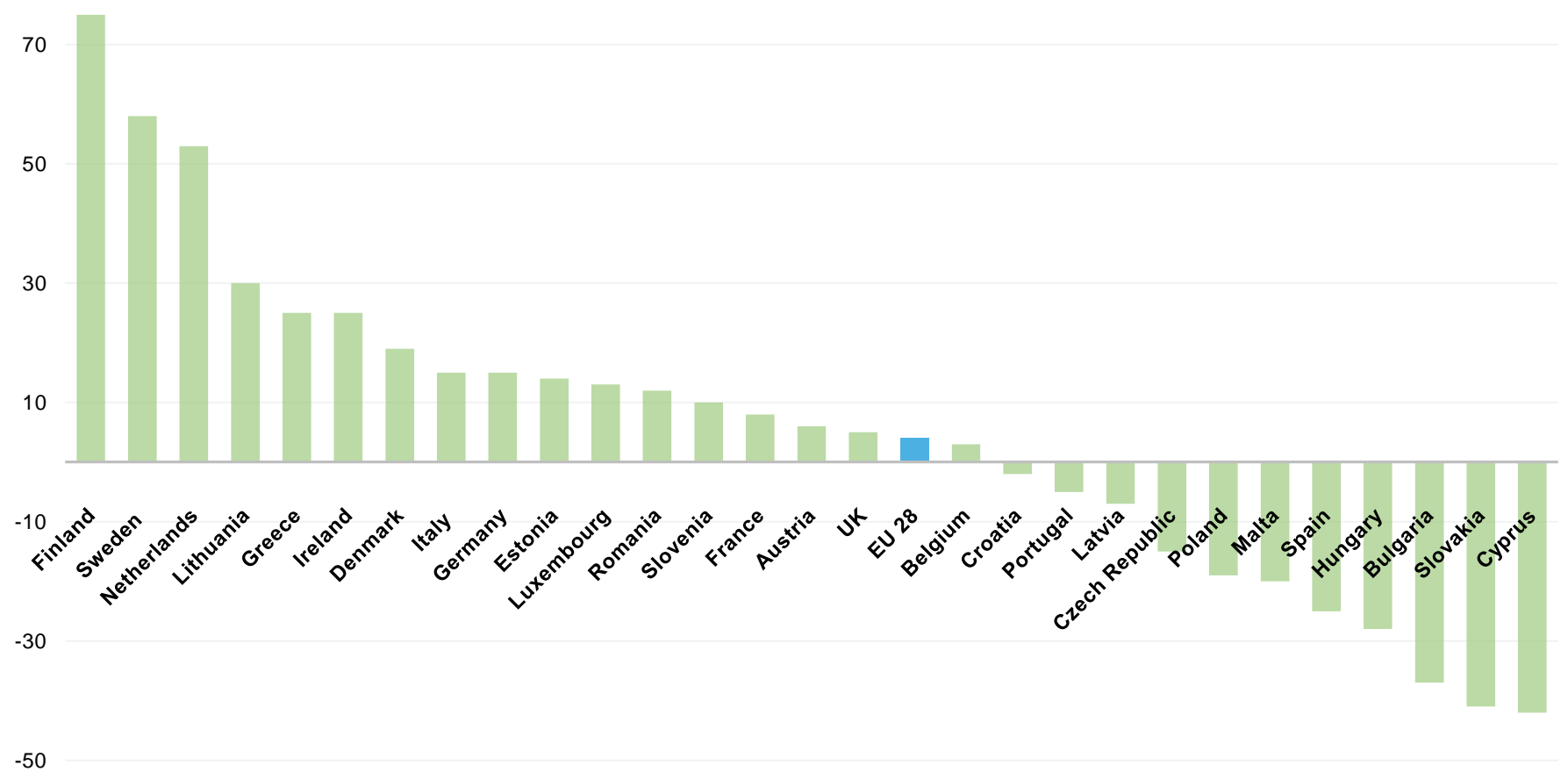
EU without UK



































66 days ahead...











































Deviation from average dietary recommendations for milk (%), EU28 and MS, 2007-2013





















Self sufficiency rates¹ and main imported dairy products²















Canada	96%				
USA	104%				
Mexico	82%				

Belarus	240%				
Georgia	88%				
Iran	103%				
Kazakhstan	96%				
Norway	103%				
Russia	87%				
Saudi Arabia	52%				
Serbia	103%				
Switzerland	108%				
Turkey	100%				
Ukraine	106%				

China	80%				
Hong Kong					
India	100%				
Indonesia	43%				
Japan	74%				
Malaysia	8%				
South Korea	63%				
Philippines	2%				
Singapore					
Sri Lanka	44%				
Taiwan	27%				
Thailand	55%				
Vietnam	31%				

Australia	127%				
New Zealand	880%				

Algeria	51%				
Egypt	86%				
Kenya	99%				
Morocco	85%				
Senegal	66%				
South Africa	104%				

Brazil	99%				
Argentina	120%				
Uruguay	197%				
Paraguay	99%				
Chile	95%				
Peru	88%				
Costa Rica	109%				

¹ Source: IFCN

² Source: Global Trade Atlas

Chinese Dietary Pagoda



Chinese Dietary Pagoda



Salt, <6 g

Oil, 25–30 g

Milk and milk products, 300 g

Soybean and nuts, 25–30 g

Meat and poultry, 40–75 g

Aquatic product, 40–75 g

Eggs, 40–50 g

Vegetables, 300–500 g

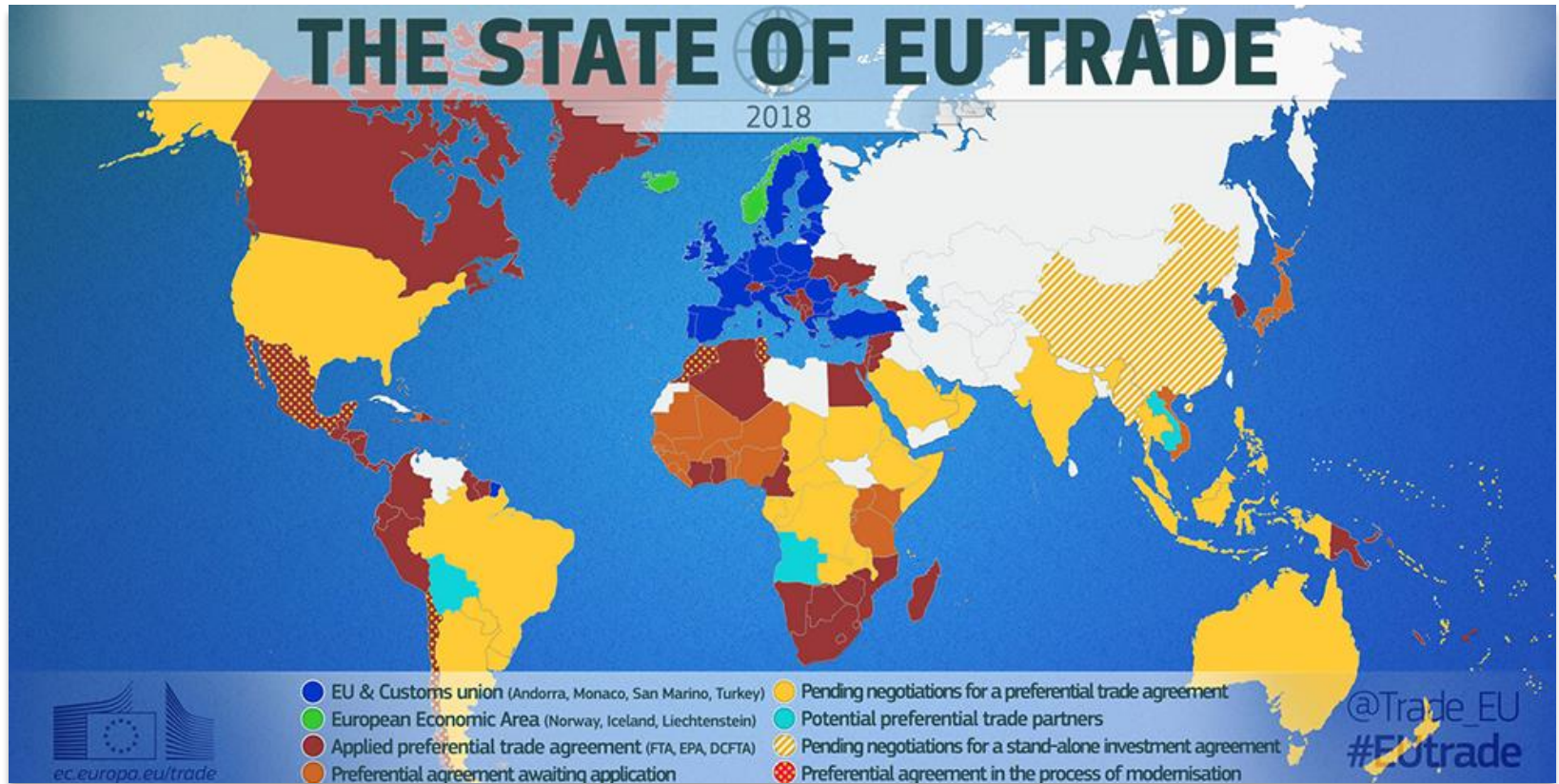
Fruits, 200–350 g

Cereals and potatoes, 250–400 g

Whole grains and mixed beans, 50–150 g

Potatoes, 50–100 g

Water, 1500–1700 ml





Cecilia Malmström 

@MalmstromEU

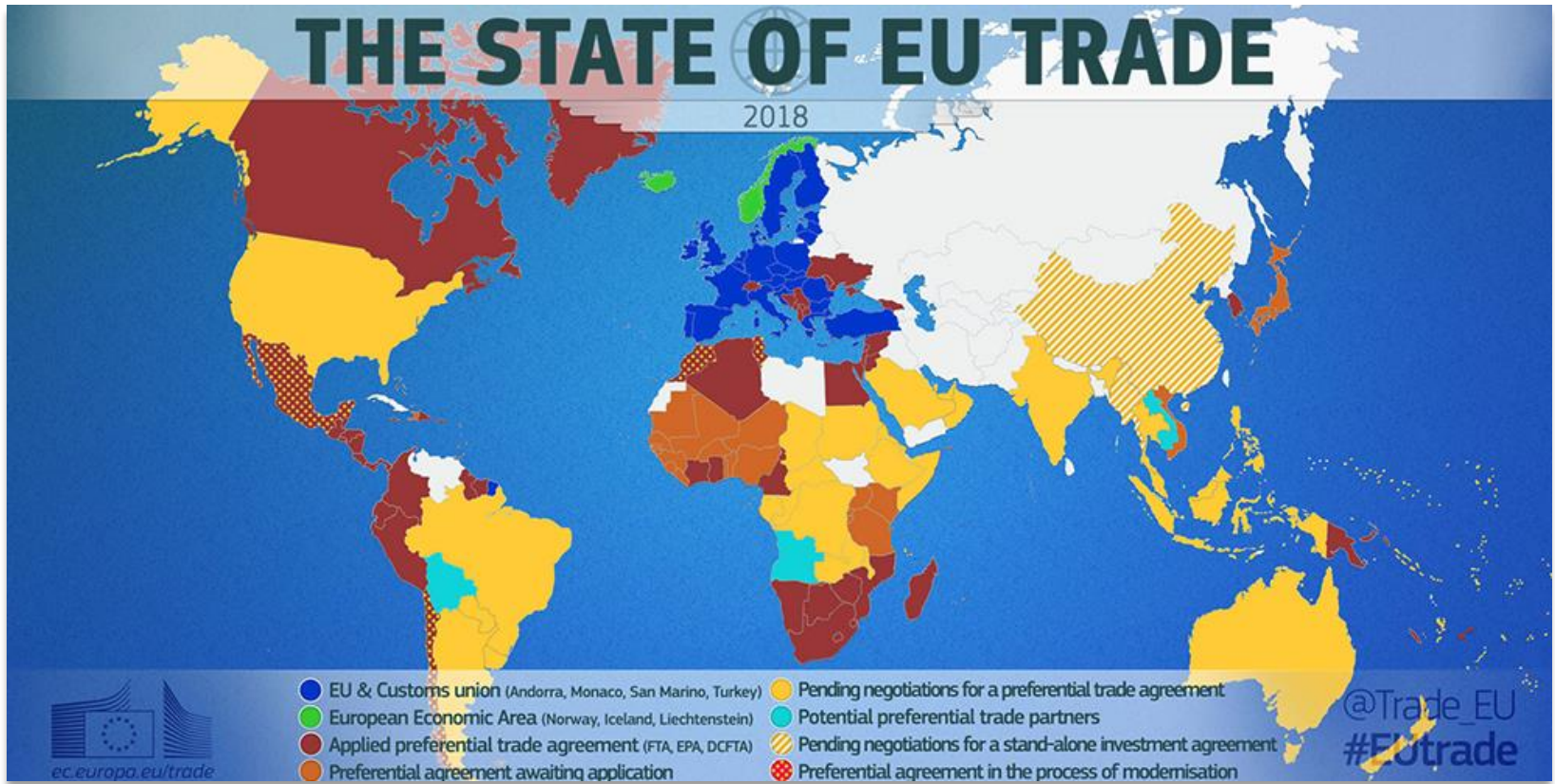
Ministerial meeting on [@wto](#) to see how we can work together to strengthen WTO and address current challenges. WTO not perfect but it had served us well. We should seek to improve it and update the rule book.

**"If they
don't shape
up, I would
withdraw
from the
WTO."**

- Donald Trump



**"Trump told
Bloomberg he
would
consider
pulling out of
WTO is it does
not treat the
US better..."**



EU is pushing for bilateral negotiations

“By 2025, the EU will have FTAs with all countries of this world, but three....”





Canada:

- 8. Saputo
- 19. Agropur



United States:

- 4. Dairy Farmers of America
- 11. Dean Foods
- 13. Kraft Heinz
- 20. Shreiber Foods



European Union:

- 1. Nestlé
- 2. Lactalis
- 3. Danone
- 6. FrieslandCampina
- 7. Arla Foods
- 12. Unilever
- 13. DMK
- 16. Sodiaal
- 17. Savencia
- 18. Müller

China:

- 9. Yili
- 10. Mengniu



- Japan:**
- 15. Meiji

New Zealand:

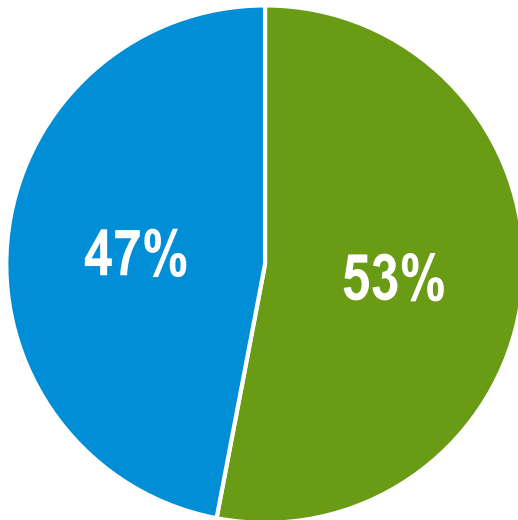
- 5. Fonterra



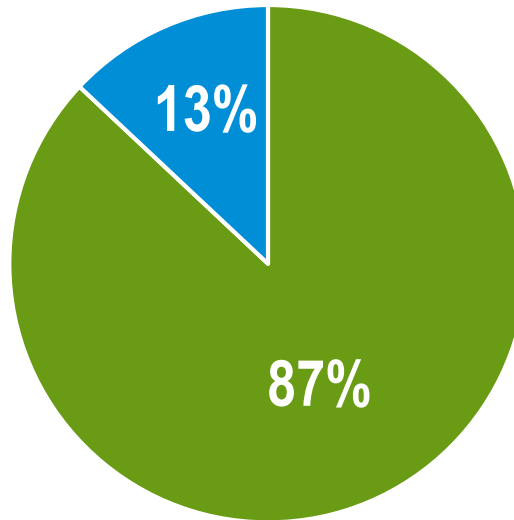
Company	EU/US/NZ	Number of RoW countries in which the company is active (milk processing operations)
Nestlé	EU	50-60
Danone	EU	40-50
Lactalis	EU	35-40
FrieslandCampina	EU	20
Schreiber Foods	US	11
Fonterra	NZ	10
Kraft Heinz	US	10 (but no breakdown available on what is dairy)
Savencia	EU	8
Arla foods	EU	7
Müller	EU	2
Dairy Farmers of America	US	0
Dean Foods	US	0
DMK	EU	0
Sodiaal	EU	0



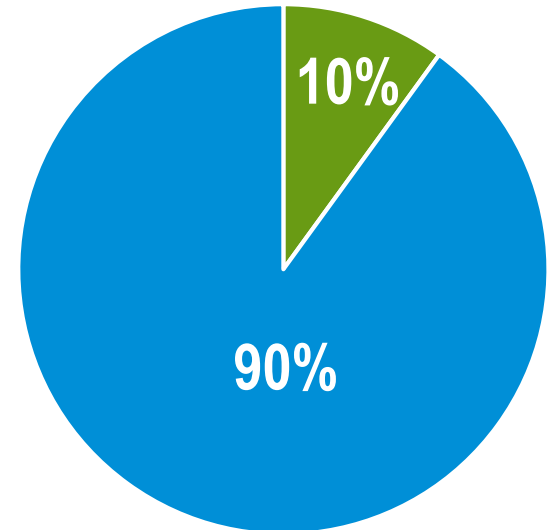
 **EU** weighted average



 **US** weighted average



 **NZ** weighted average



Within



Rest of the world

An important advance of the global processing chains in the region is observed

Local companies that are regionalized



Global companies that consolidate in the region



IDFA: Truly International

MAKING A DIFFERENCE FOR DAIRY

4



Donald J. Trump 
@realDonaldTrump · Mar 2

 22K  97K 

When a country (USA) is losing many billions of dollars on trade with virtually every country it does business with, trade wars are good, and easy to win. Example, when we are down \$100 billion with a certain country and they get cute, don't trade anymore- we win big. It's easy!

EU Dairy will...

➔ ...continue to **grow globally** at a **sustainable growth path**

➔ ...strengthen our global leadership ...

in **sustainable milk production**, in **food safety** and in **dairy excellence**

in **dairy internationalization**

in the **free trade arena**



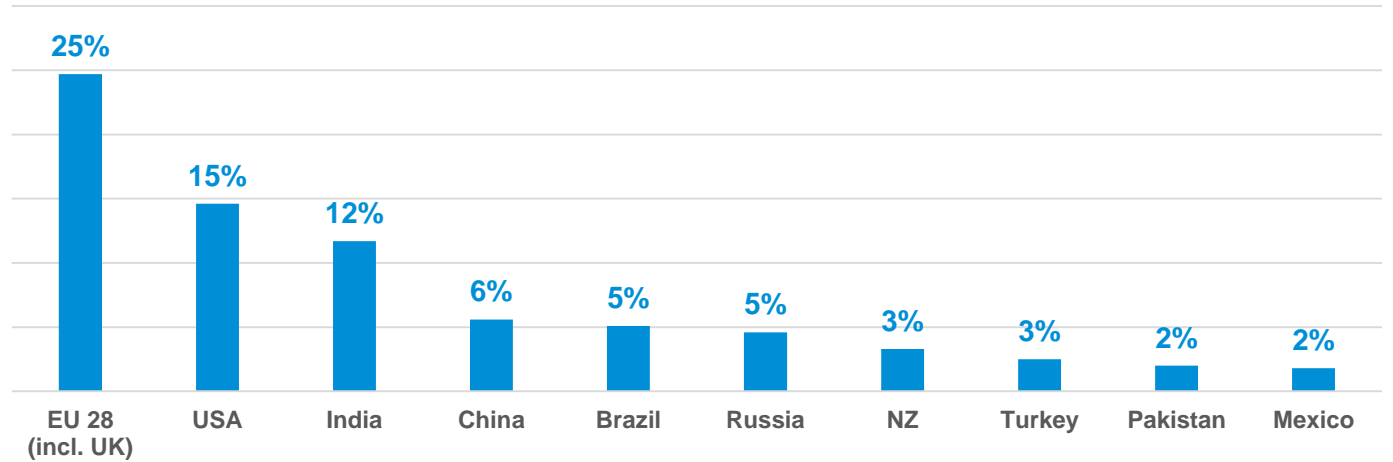
“Milk and dairy products are a vital source of nutrition”





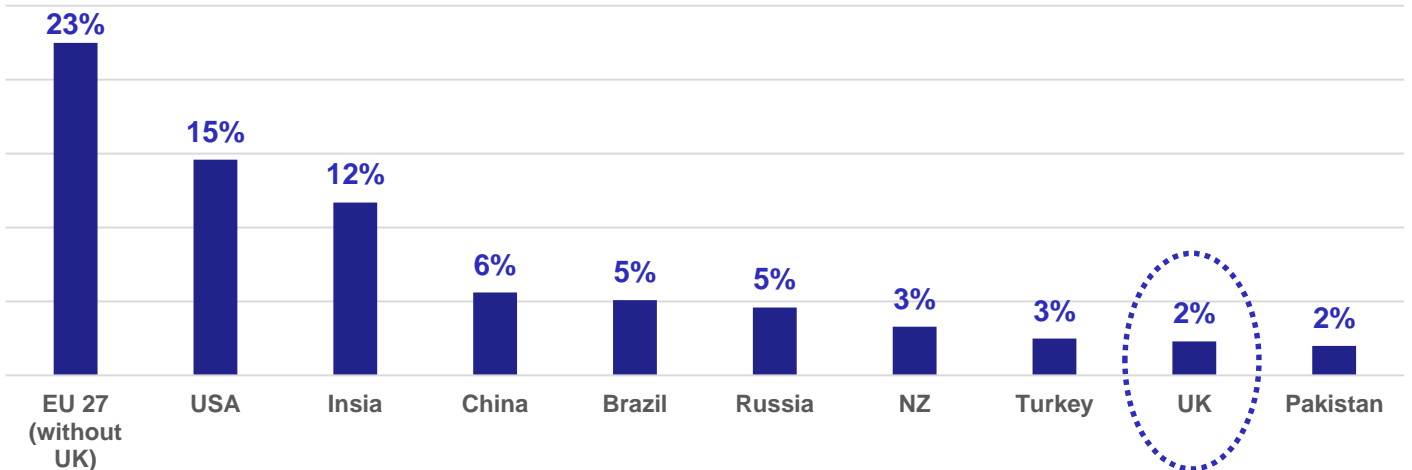
Top 10 cow's milk producing countries

EU including UK



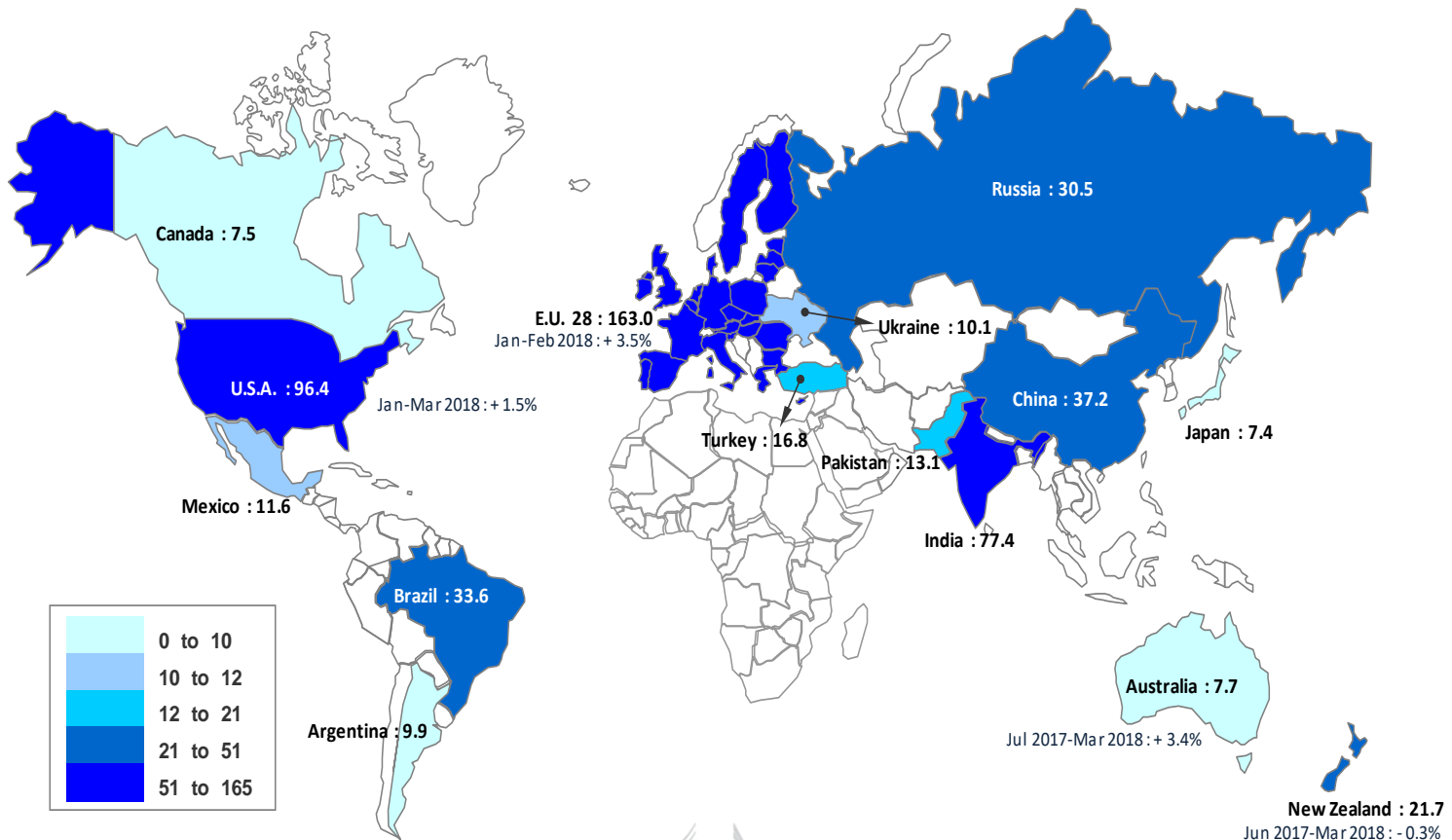
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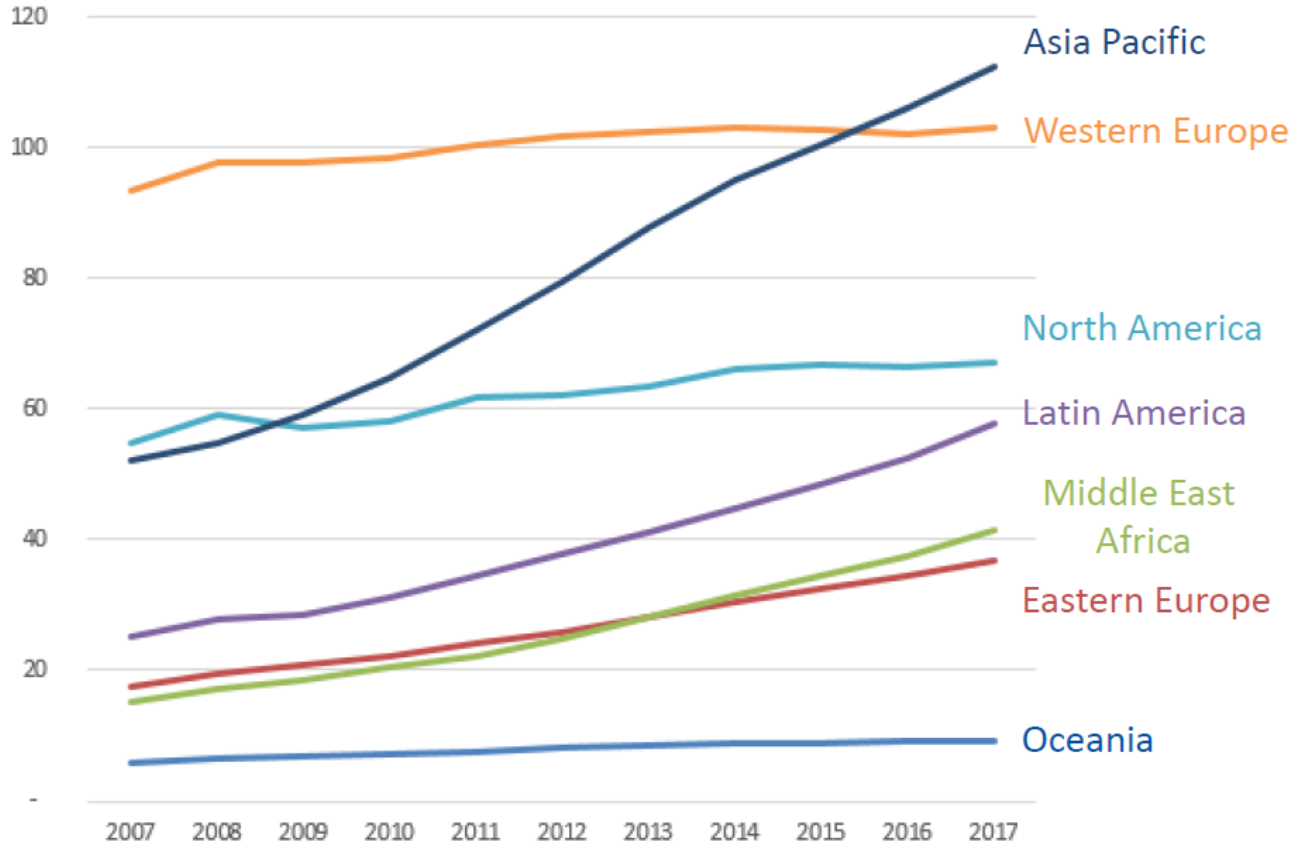


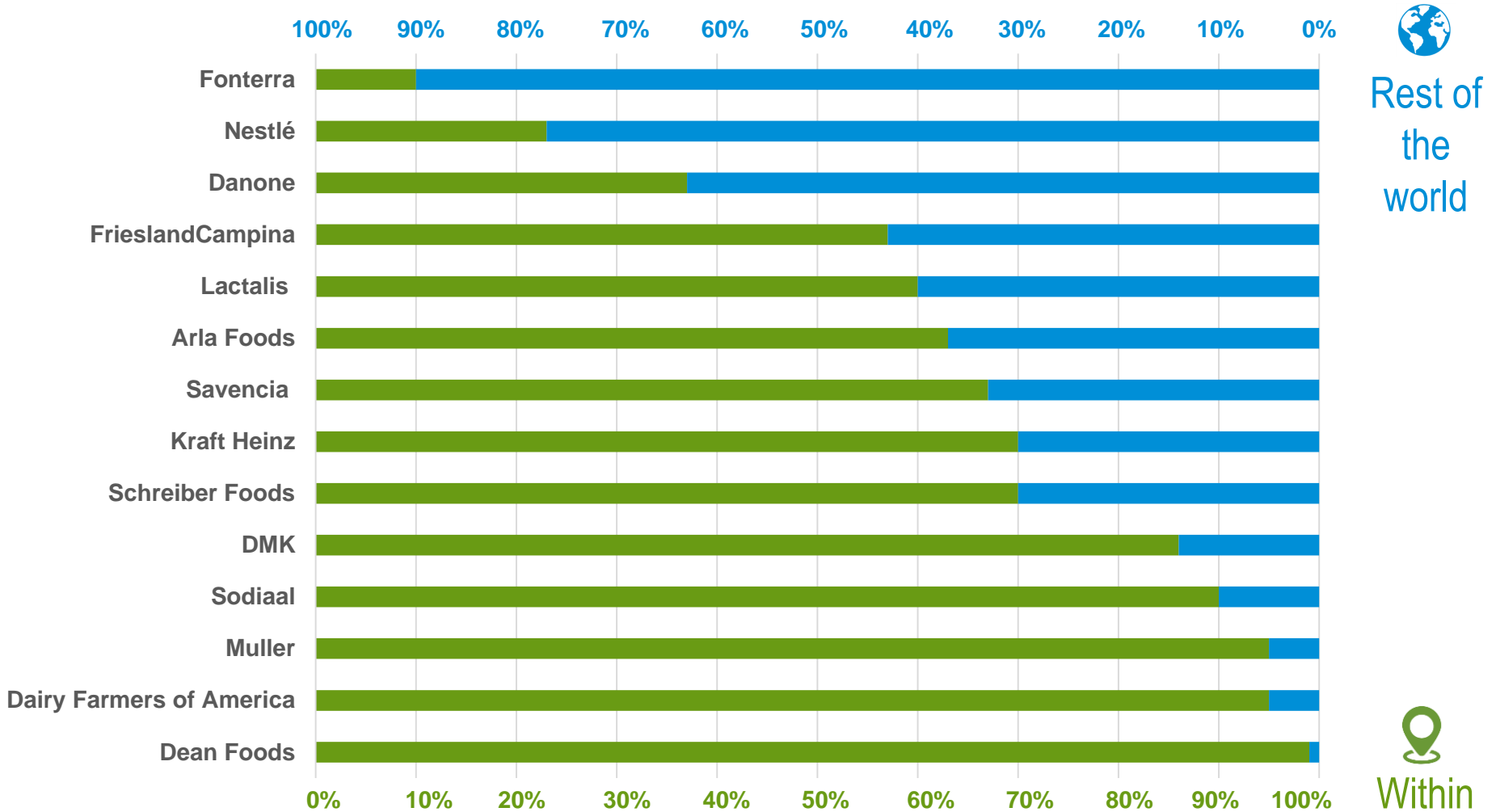
Top 15 World Countries Producing of Cow's Milk (2016) in million Tonnes

Source : FAO



Milliards €





Rest of the world



Within



Butter, incl. butteroil (CN 0405)

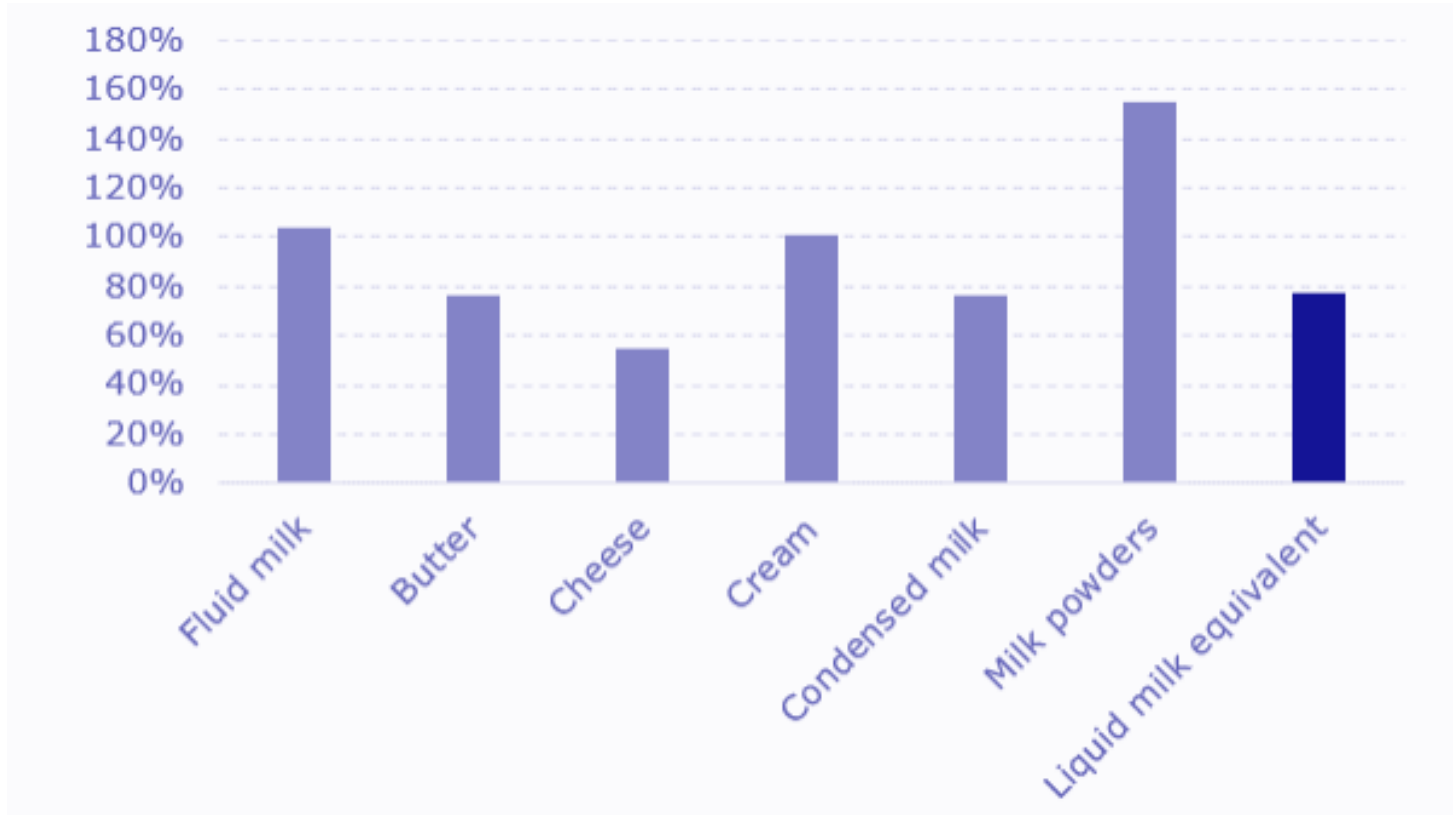


Cheese (CN 0406)



EU Dairy Exports to UK (2016)	EU Dairy Exports to Russia (2013)
151,645 tonnes	37,000 tonnes
466,091 tonnes	257,000 tonnes

UK self-sufficiency in dairy products



Source: Rabobank 2016

Main Export Flows (in Milk Equivalent) - 2017 in million Tonnes of Milk Equivalent

Source : GTA/Eurostat

