

EAAP meeting
29 th August 2016
BELFAST

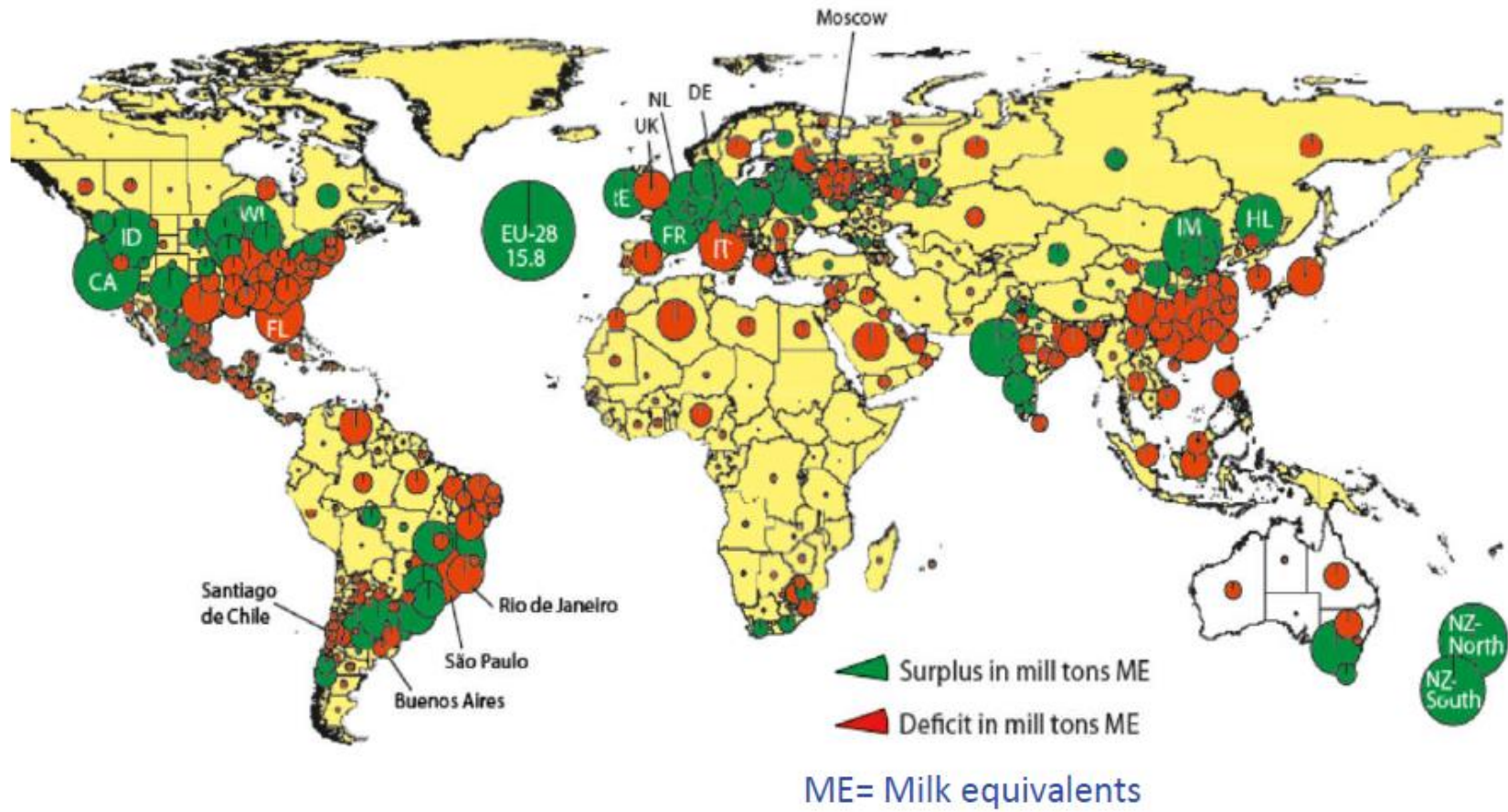
Developments, strategies and
challenges for Italian dairy sector

Alberto Menghi
(a.menghi@crpa.it)
Centro Ricerche Produzioni Animali
www.crpa.it

Contents

- The market and the current strategies -
Farm development
- An example of the world market «exit
strategy»: Vacche Rosse Cheese

Milk surplus and deficit regions 2014



Self sufficiency in ITALY

Product	Self sufficiency in %
Cheese	84.9

EXPORT ABOUT 300.000 tons of cheese

BUT IMPORT 500.000 tons of cheese

THE TERRITORY



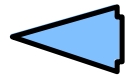
Where are the COWS? (about 1,5 million)

41%

10%

16%

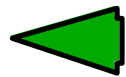
Italy cows per size class 2010



cows 1 - <10 cows



cows 10 - <50 cows



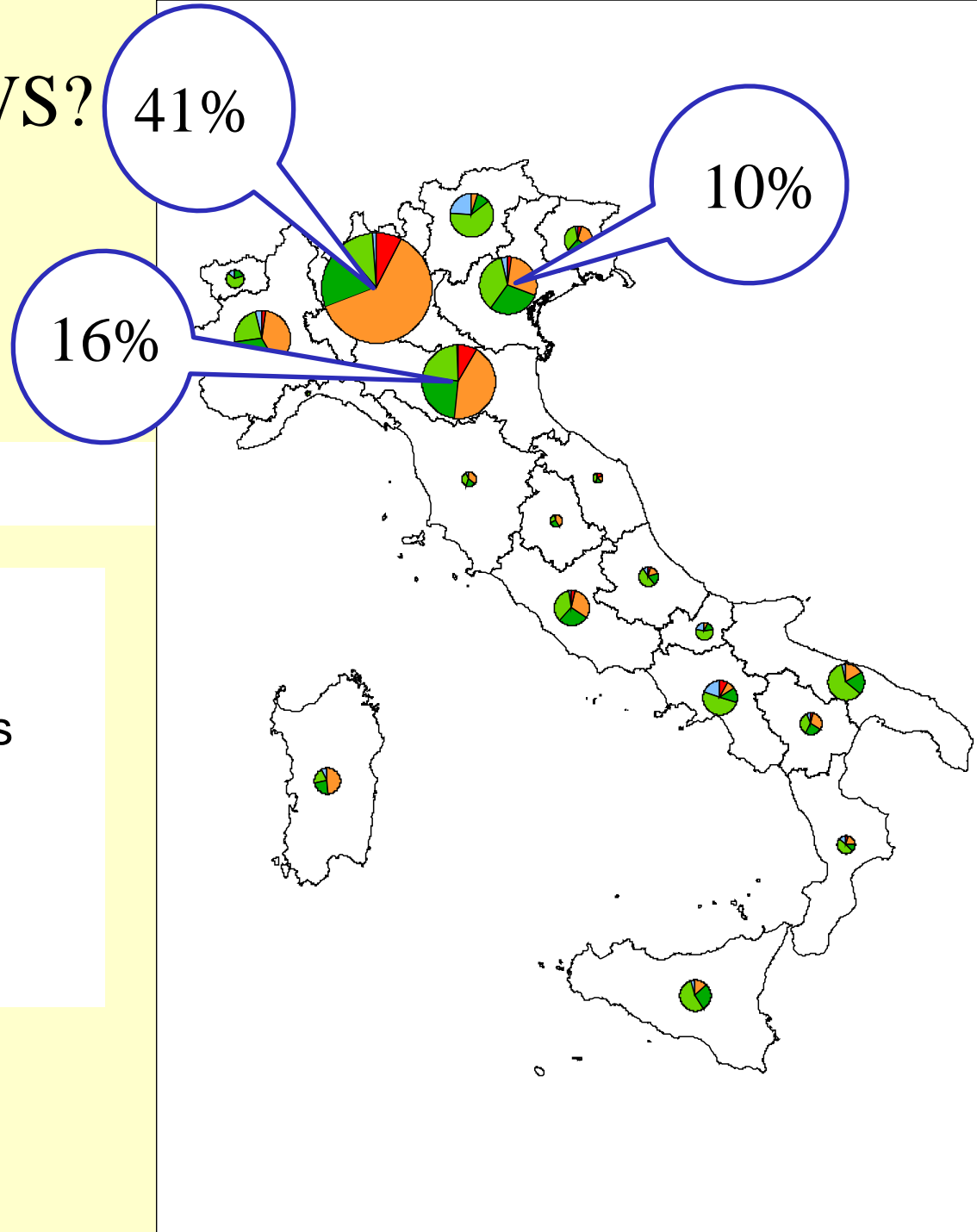
cows 50 - <100



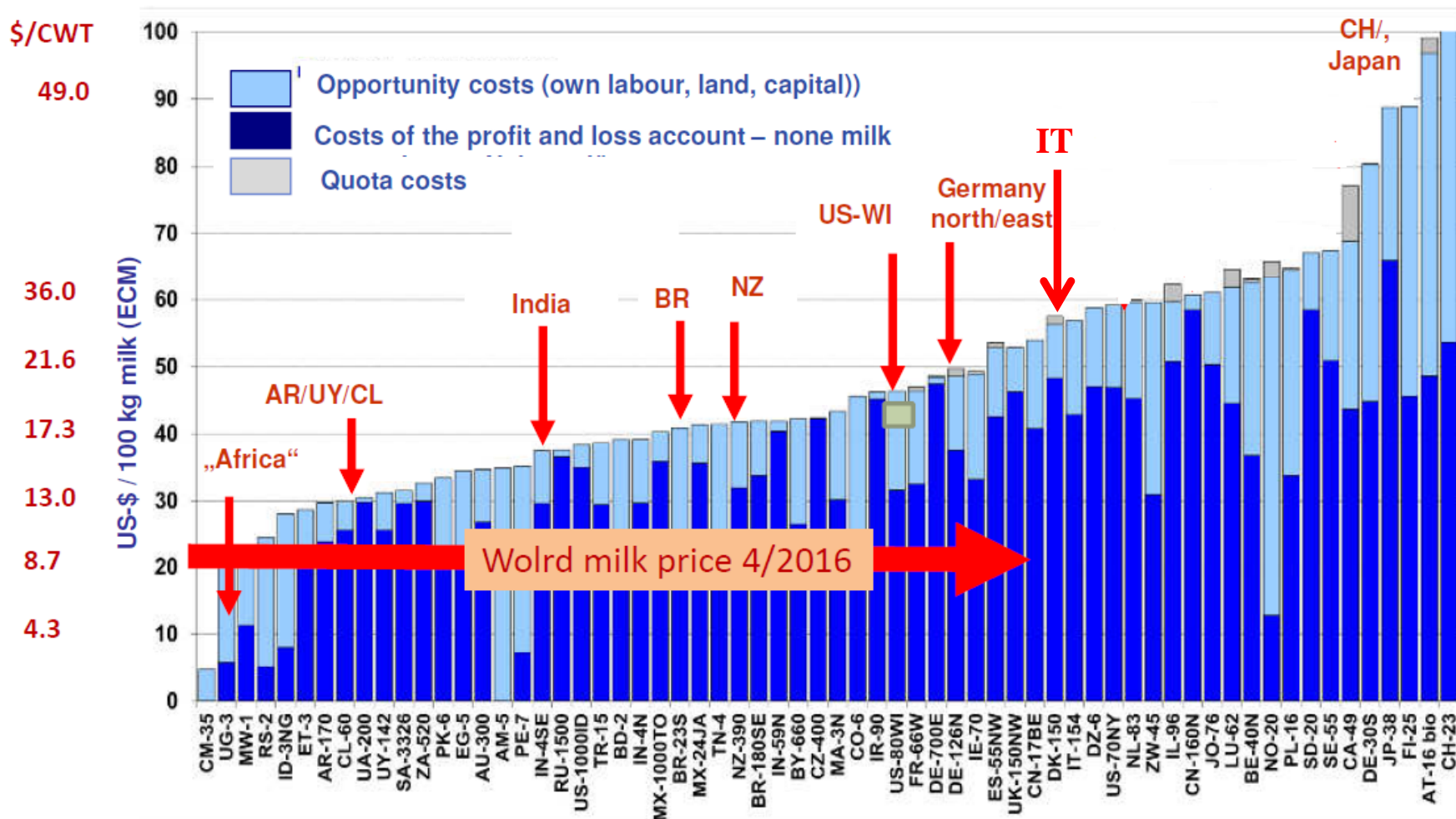
cows 100 - <500



cows \geq 500 cows

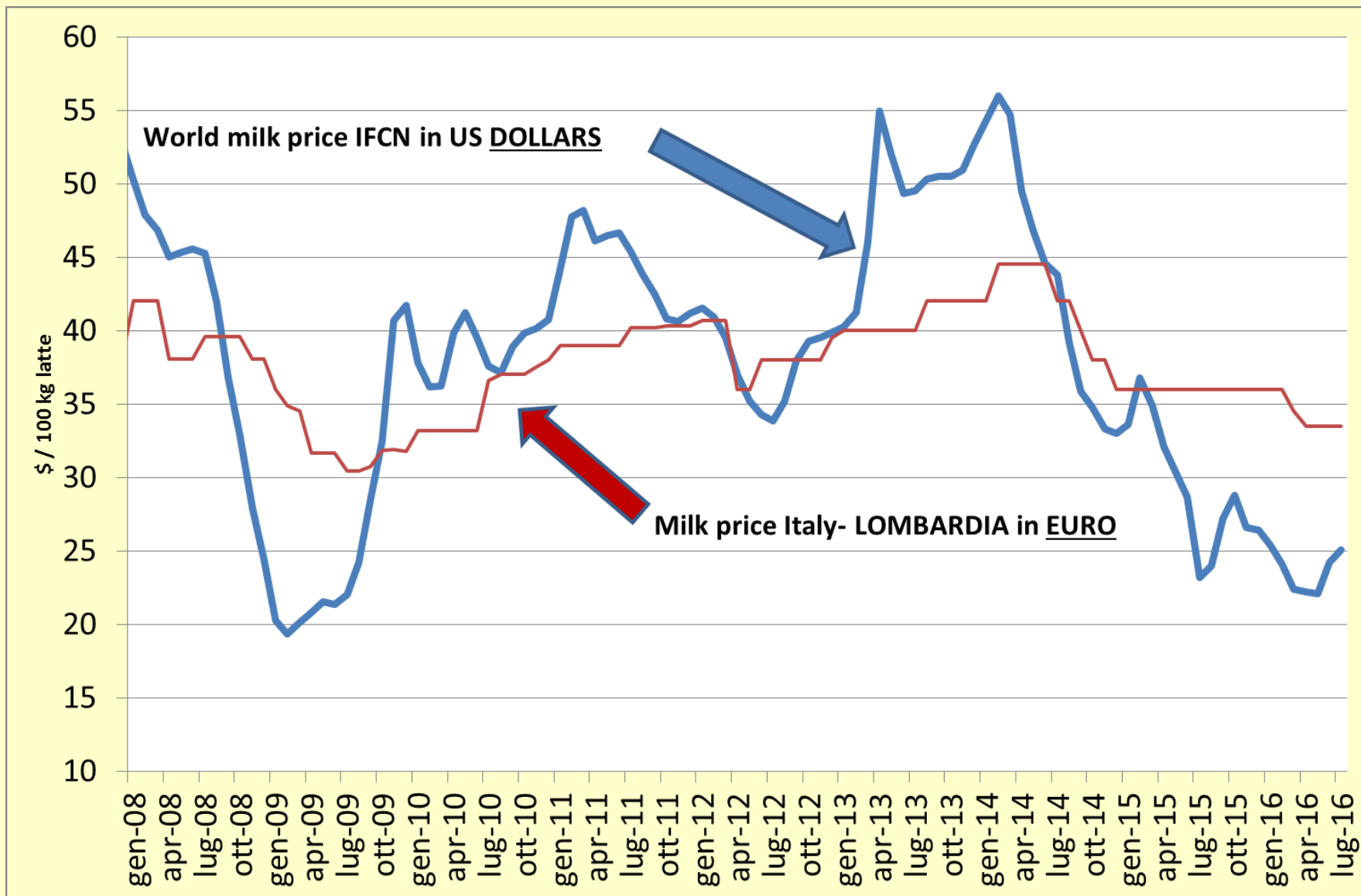


Cost of milk production only in average sized typical farm types in 2014 (US-\$ / 100 kg ECM)

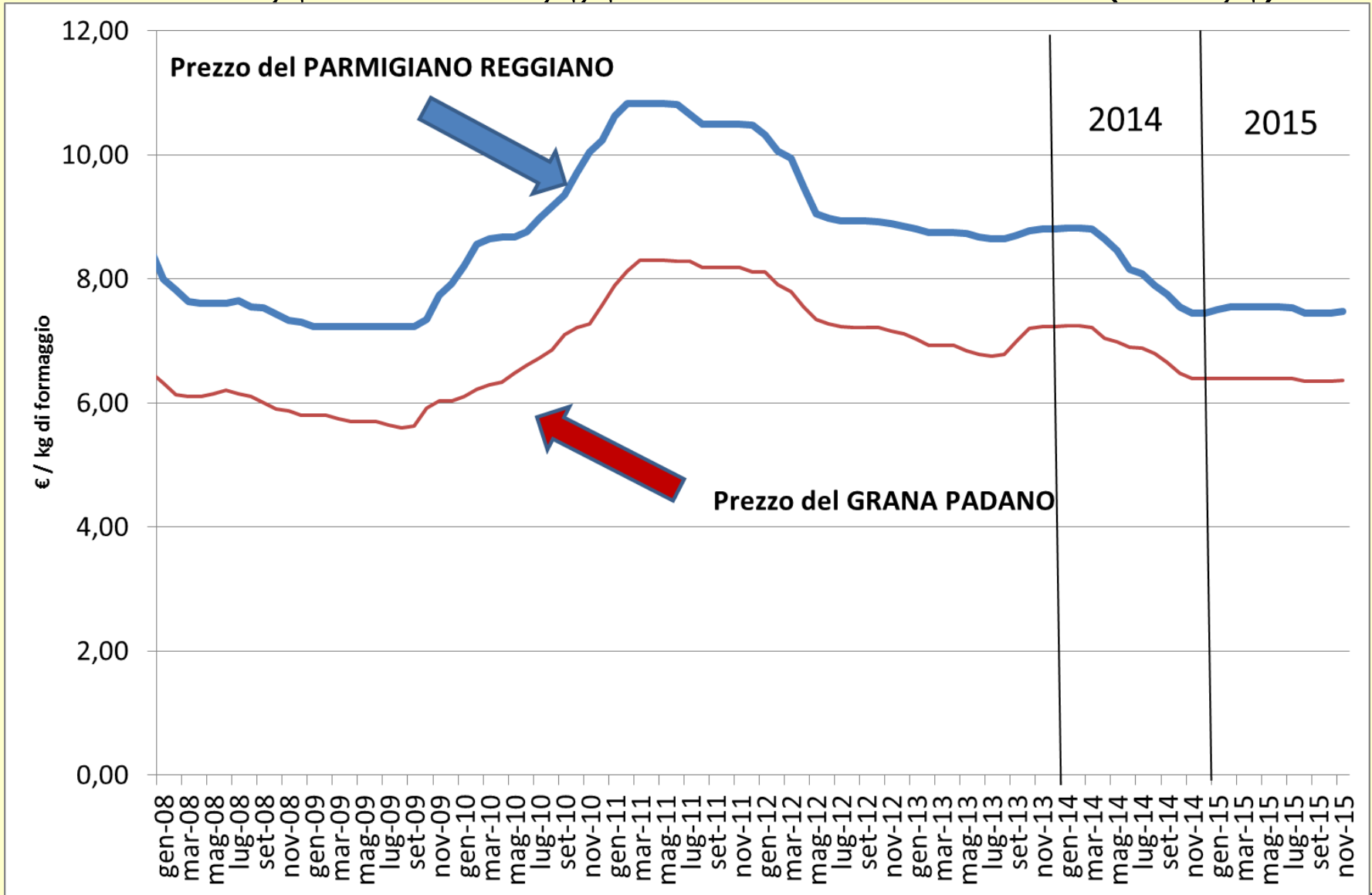


Comment: Average sized farms in the countries, analysed year: 2012 ECM: energy corrected milk (4% fat, 3.3% protein). For the conversion on the left hand side exchange rate used : 1€ = 1.324 US-\$.

Milk prices



Cheese prices Grana Padano and Parmigiano-Reggiano 2008-2015 (€/kg)



Among 400 different “traditional cheeses” recorded
in Italy

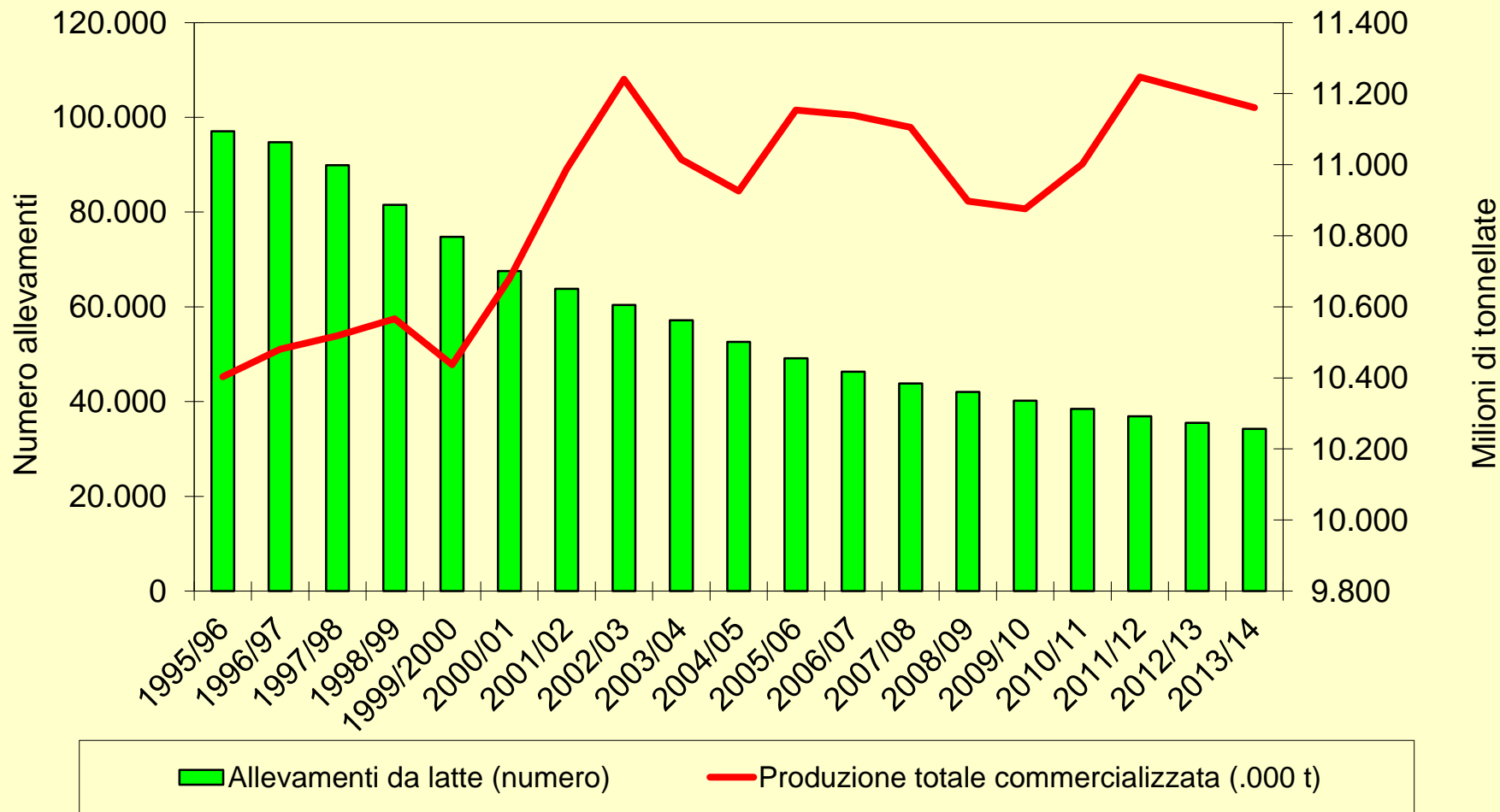
ABOUT 4.2 million tons of Italian milk goes to

PDO CHEESES

There are 29 Protected Designation Origin PDO
Cheeses (COW MILK)

Ensures that only products originating in a specific
area are allowed in commerce as such

Farms number and milk production



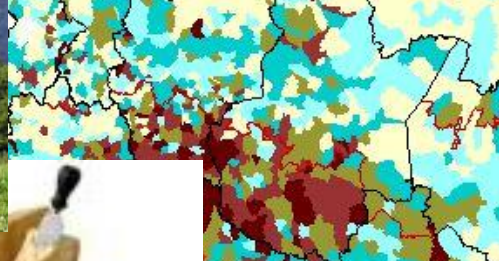
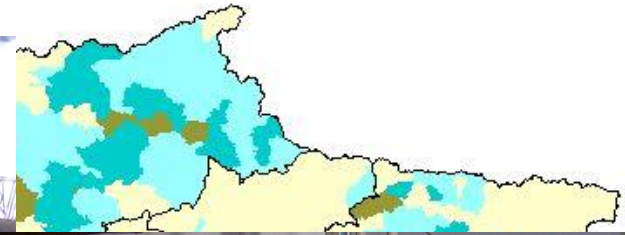
- The current strategy of cost reduction and increasing size it has been a losing strategy for our dairy farmers
- There is no difference between pre or post quota since the quota was based on oversupply and not on self sufficiency
- Disconnection between farming and consumers is increasing
- New models should emerge to permit our farmers to survive
- An example: IL CONSORZIO VACCHE ROSSE

Densità territoriale delle vacche da latte nel Nord Italia

□ Aree di indagine

Numero di vacche da latte per Ha di SAU:

- 0 - 0.17
- 0.18 - 0.40
- 0.41 - 0.70
- 0.71 - 1.00
- 1.01 - 1.40
- 1.41 - 5.00



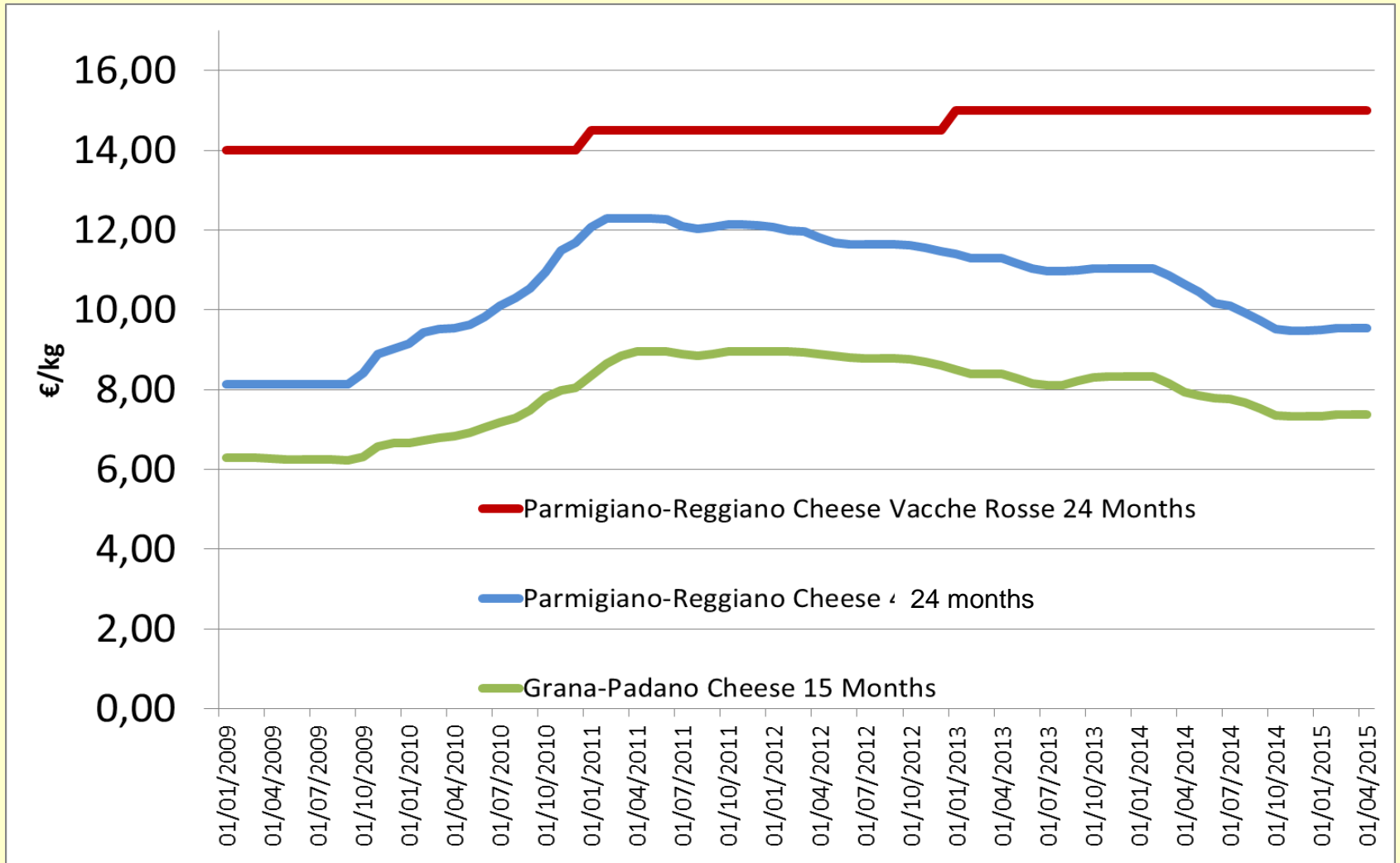
**PARMIGIANO
REGGIANO**

Fonte: ISTAT - 5° Censimento
de l'Agricoltura - Anno 2000.
Elaborazione CRPA

An «exit strategy» from the commodity market

- A group of 40 farmers created a cooperative to process only vacche rosse milk into Parmigiano-Reggiano (530 tons/year)
- Marketing based on tradition, biodiversity, direct selling,
- They saved the breed under threat of extinction

Vacche Rosse Cheese Price



Alberto Menghi

***Centro Ricerche Produzioni Animali
(CRPA)***

Reggio Emilia (www.crpa.it)

a.menghi@crpa.it