



# COW'S MILK

Industry sheet

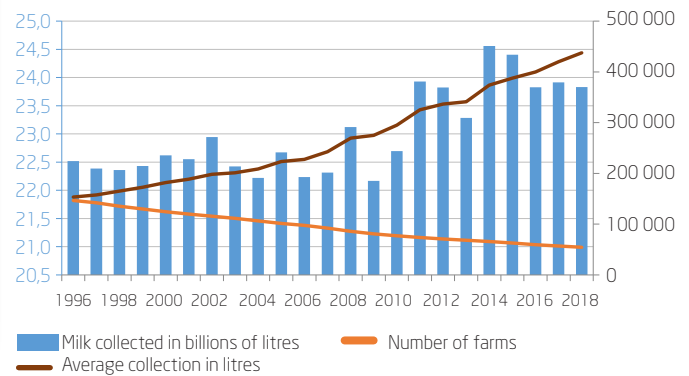
## Key statistics

23,8 million tonnes of milk collected in 2018  
 Europe's second producer  
 + €2,9 billion trade balance

## INDUSTRY STRUCTURE

- In 1973, French producers and processors in the dairy industry formed the CNIEL (Dairy Industry Professions Association). Thanks to this body, the French dairy industry boasts a tailor-made and effective organisational structure. The CNIEL has two main aims: to bring dairy industry producers and processors together, and to promote the image of milk and dairy products.
- This structure is all the more important given that, ever since dairy quotas ended on 1 April 2015, the French dairy industry is increasingly exposed to signals from the international market and price volatility. Indeed, since 2014 it has been subjected to a worldwide crisis, with repeated discrepancies in supply and demand and falling prices. In this context, the European Union has implemented community measures, such as private storage and interventions.

## Development of collection, number of farms, and average collection per farm

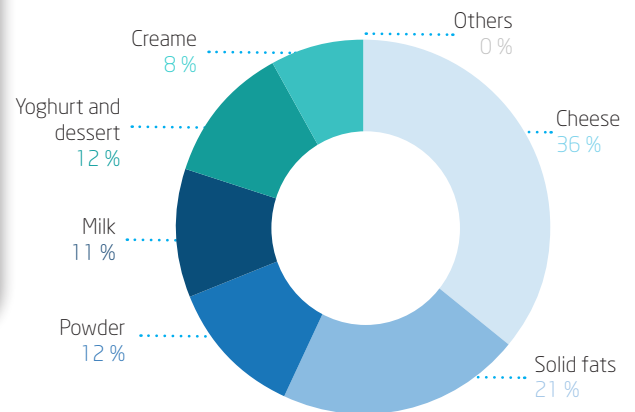


Source : FranceAgriMer

## PRODUCTION

- Dairy cow herd as of 1 April 2018: 3.5 million heads.
- In 2018, just under 55,000 farms delivered a total of 23.8 billion litres of milk, for an average milk production of 438,000 litres per farm.
- Around 2,850 farms produced approximately 300 million litres of cow's milk for processing on the farm and direct sales.
- France is the 2nd biggest milk producer in the EU28, providing 15.7% of total volume, behind Germany with 20.3%.
- Globally, France is the 7th biggest producer, behind the USA, India, China, Brazil, Russia, and Germany.

## Répartition des fabrications de produits laitiers en matière sèche utile (MSU) - 2018



Source : FranceAgriMer from EAL SSP

## PROCESSING

Approximately 650 industrial sites process cow's milk into industrial dairy products.

2018 production :

- 3 103 million litres of packaged milk, including 94% UHT milk, a constantly falling number,
- 2,6 million tonnes of ultra-fresh products (yoghurt, dairy desserts, Cheese with),
- 1,4 million tonnes of cow's milk cheese,
- 421 tonnes of fats,
- 1,4 million tonnes of powdered products.

Around 15% of the cheese produced has protected or controlled designation of origin (AOP or AOC). These products are testament to French expertise and gastronomy, which has "world heritage" status at UNESCO.

## SALE

In 2016, dairy industries generated a turnover of €29.2 billion excluding VAT (down €0.8 billion in a single year – source: Esane). Turnover from exports stood at €7.1 billion.

In 2017, dairy products worth €21 billion were sold by companies with 20 or more employees, 34% of which was sold as cheese, and 21% as fresh products.

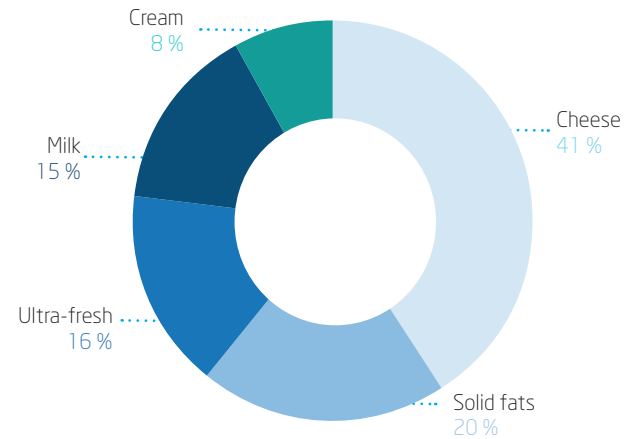
## CONSUMPTION

- The French are consuming increasingly fewer dairy products.
- In 2018, French households consumed 781,000 tonnes of cow's milk dairy products (in dry matter equivalent).
- Cheese accounted for 41% of these purchases, mainly in cooked pressed cheese (41%), soft cheese (24%), and uncooked pressed cheese (23%).
- Solid fats (butter, margarine, low-fat fats) accounted for 20% in dry matter equivalent.
- The French are Europe's top consumers of milk fats (8.0 kg per capita per year in 2017) and third highest consumers of cheese (26.4 kg). However, they consume increasingly less liquid milk, and less than the European average (47.4 kg compared to 60.7 kg).

## TRADE

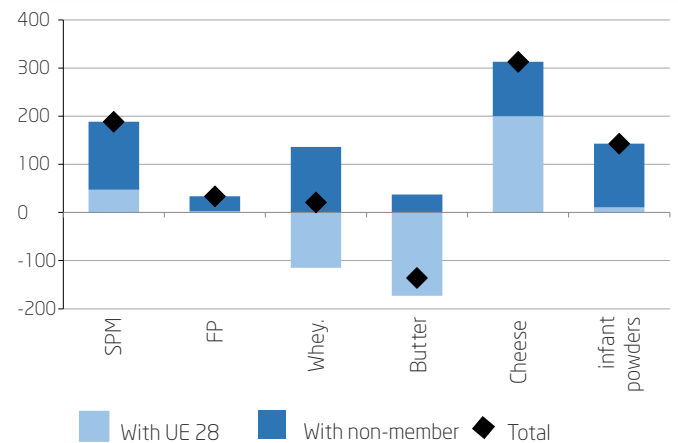
- In 2018, France enjoyed a trade surplus for dairy products: +€2.9 billion (but down 10% from 2017), of which +€2.6 billion with third countries and +€335 million with the European Union.
- France is the top European exporter of whey products to third countries (28% of export volume), the second biggest exporter of infant powder (23%) and the third biggest exporter of cheeses (14%) and skimmed powdered milk (17%).
- It is a net importer of butter, as exports of this product to third countries do not compensate for the high imports from the EU.
- Third countries represent the main market for French powders, with Algeria as the top customer: 73% of France's infant powder, 63% of skimmed powdered milk, and 54% of whey products are exported to these markets in third countries. France also exports cheeses and fats (butter and cream), especially to the Asian market.
- 89% of France's liquid milk exports are for the intra-EU market, as are 83% of cheese and 95% of yoghurt and fermented milk product exports.

## Household purchasing habits in dry matter (2018)



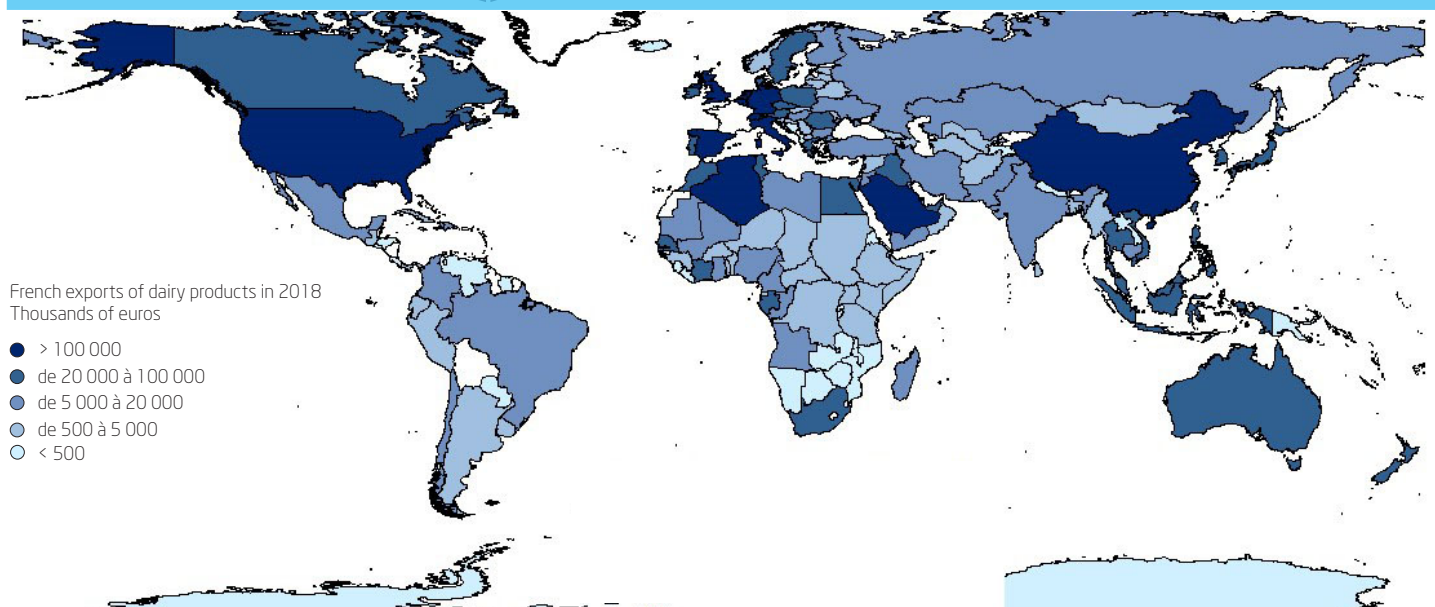
Source : FranceAgriMer from Kantar Worldpanel

## Trade balance of French dairy products in 2018 (1,000 tonnes)



Source : FranceAgriMer from french customs

## MAIN EXPORT MARKETS



Source : FranceAgriMer from french customs