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Report Highlights:

EU milk production in 2025 is forecast to decline marginally to 149.4 million metric tons (MMT), from an estimated 149.6 MMT in 2024, as a result of declining cow numbers, tight dairy farmer margins, environmental regulations, and disease outbreaks. Lower milk production is expected to be only partially offset by lower expected fluid milk consumption, and as a result factory use consumption is also forecast to slightly decrease in 2025. This is requiring dairy processors to carefully decide for which products they will use the available milk. Cheese production is forecast to remain the primary output goal of the EU dairy processing industry, supported by solid domestic consumption and continued export demand. EU27 cheese production in 2025 is forecast to reach 10.8 MMT, up by 0.6 percent from 2024. This comes at the expense of the production of butter, non-fat dry milk (NFDM), and whole milk powder (WMP).

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Executive Summary

Note: Effective January 1, 2021, the United Kingdom (UK) completed its exit from the European Union (EU), including trade between both entities. If not indicated otherwise, in this report, the EU refers to the current EU27 and excludes the UK.

In 2025, EU all milk deliveries are forecast to amount to 149.4 million metric tons (MMT), 0.2 percent below the revised 2024 estimate, with a marginal decline in cows' milk production and stable "other" milk production (primarily from sheep and goats). Low farmer margins combined with environmental restrictions and disease outbreaks among the major producers continue to push some smaller farmers out of production. This trend is expected to result in declining cow numbers in 2025, which will not be fully compensated by increased productivity, leading to marginally lower cows' milk deliveries in 2025 at 145.3 MMT. In 2024, cows' milk deliveries are estimated to amount to 145.6 MMT, 0.3 percent above 2023 levels. EU average farm gate milk prices partially recovered in early 2024 and then stabilized. Fluid milk domestic consumption is expected to continue a declining trend and amount to 23.5 MMT in 2025, down by 0.3 percent. With lower milk production in 2025, factory use consumption is also forecast to minimally decrease by 0.2 percent in 2025. This will require dairy processors to carefully decide for which products they will use the available milk.

Cheese production continues to be the primary output goal of the EU dairy processing industry, supported by solid domestic cheese consumption and continued export demand. Despite less milk available, EU27 cheese production in 2025 is still forecast to increase by 0.6 percent over 2024 levels, reaching 10.8 MMT. Both cheese exports and domestic consumption are forecast to rise in 2025. Increasing consumption could be boosted by growing incomes and economic recovery, paired with recovered hospitality sector and tourism, while exports are benefitting from increasing demand for specialty cheeses. In 2025 cheese exports from the EU are expected to reach 1.4 MMT, an increase of a moderate 0.4 percent, as export growth is expected to be slightly constrained by improved domestic demand in the European Union.

EU27 butter production in 2025 is forecast to amount to 2.1 MMT, one percent below the estimated 2024 level, as a smaller milk supply will favor cheese production over butter and non-fat dry milk (NFD). Declining butter consumption is expected to support lower production. The trend of consumer health concerns negatively weighing on the demand for butter is expected to continue. In 2024, EU27 butter production is estimated to decrease by 1.4 percent due to an increase of cheese production. However, strong butter prices have arrested some of the shift out of butter to cheese. 2025 EU27 butter exports are forecast to rebound slightly by four percent from 2024, with falling domestic consumption levels allowing for a small export increase.

EU27 NFD production in 2025 is forecast at 1.4 MMT, down by four percent from 2024, as a result of lower milk availability, and expectations that weaker Chinese demand will continue to weigh on global markets. In 2025 EU27 exports of NFD are forecast to decrease by 6.8 percent. This follows an estimated six percent export decline in 2024. Domestic consumption in 2025 is estimated at 0.68 MMT, down by 1.4 percent from 2024 level, as a result of slightly lower milk deliveries and cheese production being favored over other dairy products. This should also be prompted by weakening demand from the feed sector, due to an expected reduction in animal numbers.

EU27 whole milk powder (WMP) production in 2025 is forecast to amount to 580,000 MT, a decline of five percent from 2024 levels, with lower milk supplies favoring cheese production over other products. In 2025, EU27 WMP exports are expected to decrease further from 2024 levels, with less demand from China and strong competition from New Zealand in other markets. Simultaneously, the domestic market in 2025 is forecast to decline marginally, with higher prices benefiting the use of WMP alternatives in food processing.

From a policy perspective, the EU dairy sector continues to have concerns connected to the implementation of the new Common Agricultural Policy (CAP) and the EU Green Deal initiatives, which the industry feels are negatively weighing on farmers' decisions to continue production. Strengthening EU environmental and climate mitigation policies could require additional, non-productive investments and further erode dairy farming profitability. However, due in part to farmers' concerns, new provisions are being watered down or their implementation delayed. In 2025, the impact of the war in Ukraine on production costs is forecast to further weaken. However, the EU continues to support Ukraine, with tariff and quota-free access for Ukrainian agricultural products to the EU market extended until June 5, 2025, but this is having no significant impact on the EU dairy sector.

Notes to the Reader:

The dairy products covered in this report are:

- Fluid Milk, which includes milk produced from cows and other milk production (from sheep, goats, and buffalo), but excluding milk suckled by young animals.
- Cheese covered by HTS Code: 0406 Cheese.
- Butter covered by HTS Codes: 040510 Butter and 040590 Butterfat/Anhydrous Milk Fat (AMF). A conversion factor of 1.25 is used for Butterfat/AMF.
- Non-Fat Dry Milk (NFDM) covered by HTS Code: 040210.
- Whole Milk Powder (WMP) covered by HTS Codes: 040221 and 040229.

Fluid Milk

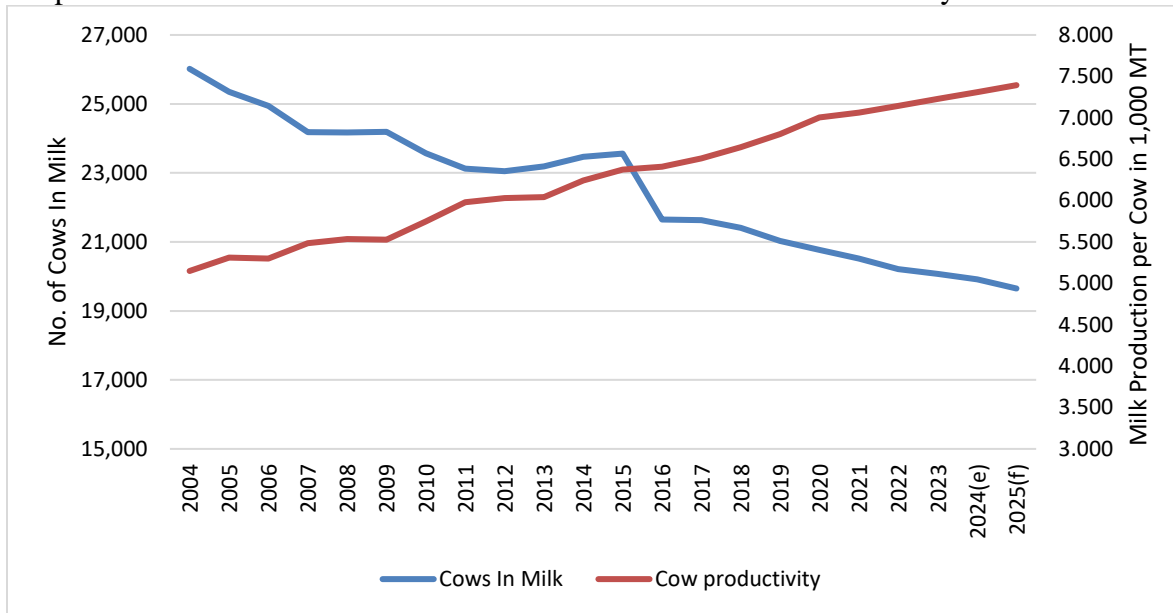
Table 1. Fluid Milk Production, Supply, and Distribution

Dairy, Milk, Fluid Market Year Begins	2023		2024		2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Cows In Milk (1000 HEAD)	20074	20074	19800	19913	0	19650
Cows Milk Production (1000 MT)	145240	145080	145300	145550	0	145280
Other Milk Production (1000 MT)	4090	4110	4080	4080	0	4080
Total Production (1000 MT)	149330	149190	149380	149630	0	149360
Other Imports (1000 MT)	739	740	730	740	0	730
Total Imports (1000 MT)	739	740	730	740	0	730
Total Supply (1000 MT)	150069	149930	150110	150370	0	150090
Other Exports (1000 MT)	1226	1232	1200	1120	0	1100
Total Exports (1000 MT)	1226	1232	1200	1120	0	1100
Fluid Use Dom. Consum. (1000 MT)	23700	23735	23650	23600	0	23540
Factory Use Consum. (1000 MT)	125143	124963	125260	125650	0	125450
Feed Use Dom. Consum. (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	148843	148698	148910	149250	0	148990
Total Distribution (1000 MT)	150069	149930	150110	150370	0	150090
(1000 HEAD) ,(1000 MT)						
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Production

At the beginning of 2025, dairy cow numbers are forecast to amount to 19.7 million cows in milk, down 1.3 percent from 2024 numbers, and continuing a declining trend. A number of farmers that have kept older cows in production longer, or postponed exiting milk production altogether, are expected to reduce herds or exit in 2024. This is being prompted by slim margins, restrictive environmental regulations, and continuing disease outbreaks. Consistent growth in cow productivity is not expected to fully compensate for declining cow inventories in 2025, and as a result EU27 cow milk production is forecast to shrink slightly by 0.2 percent to 145.3 MMT.

Graph 1. Historical EU27 Number of Cows in Milk and Cow Productivity



Source: USDA and FAS EU Offices

The cows' milk delivery estimate for 2024 has been revised up to 145.6 MMT, 0.3 percent above 2023 levels. In July 2024, European Commission (EC) data on dairy cow numbers were revised higher, which, in combination with greater cow productivity, is resulting in higher-than-expected milk deliveries in 2024. In January-July 2024, cows' milk deliveries to dairies increased by one percent compared to January-July 2023. Among major producers, there were higher deliveries in France, Germany, Poland, and Italy, and production benefited from stabilizing milk prices. These more than offset declines in the Netherlands and Ireland. However, the overall EU milk delivery increase seems to be slowing down later in the year, as dairy farmers across the EU face many difficulties including limited milk production profitability, national policies responding to environmental restrictions, low feed availability, disease outbreaks, and generation renewal (i.e., young farmers not continuing milk production due to the heavy workload and tight profits). As a result, in Germany, France, Poland, Spain, Belgium, Romania, and Bulgaria expectations are that the number of dairy farmers will continue to decrease in 2024 and 2025. However, the losses are expected mainly in smaller and less efficient farms, while bigger and more professional farms are expected to largely maintain their herd numbers, slowing the future pace of the reduction in cow numbers.

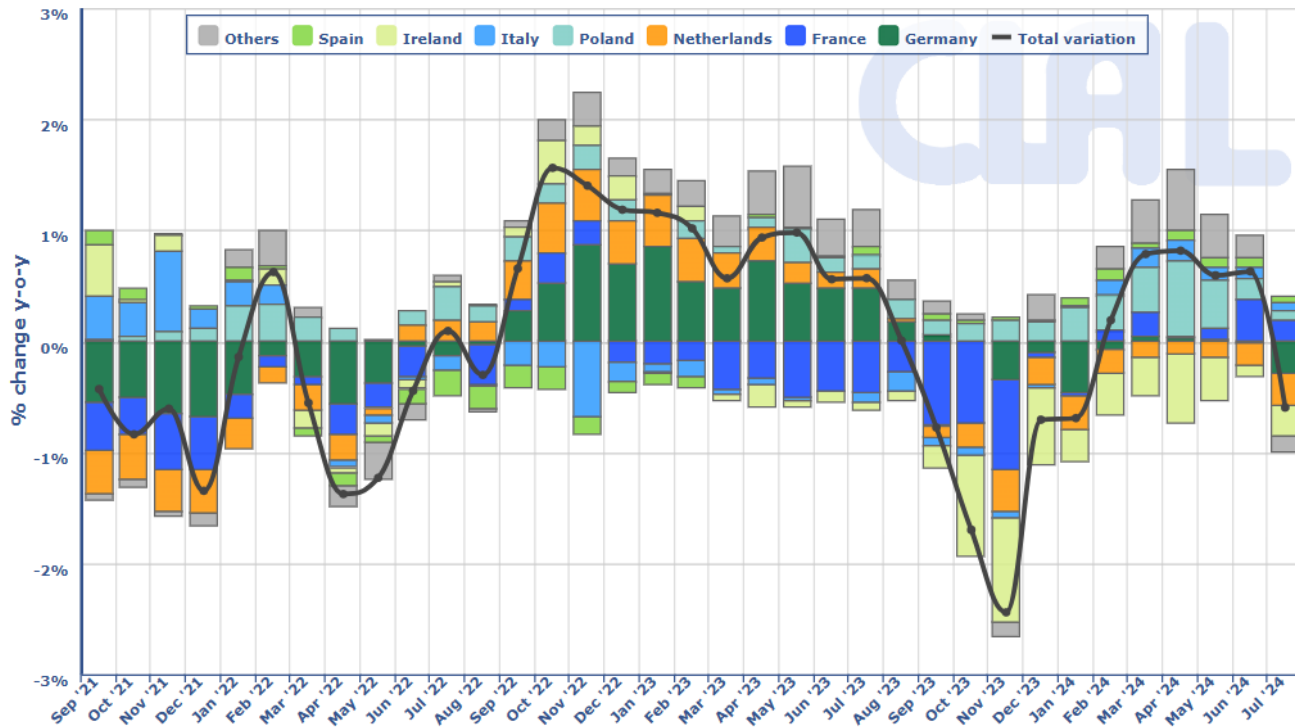
Graph 2. EU Cow's Milk Deliveries by Members States Monthly, as of July 2024 Compared to the Same Period of Previous Years

EU-27 - Raw cows' milk delivered to dairies in key producer countries

% change y-o-y subdivided by the contribution of each player

The month of February for the leap year is calculated on 28 days

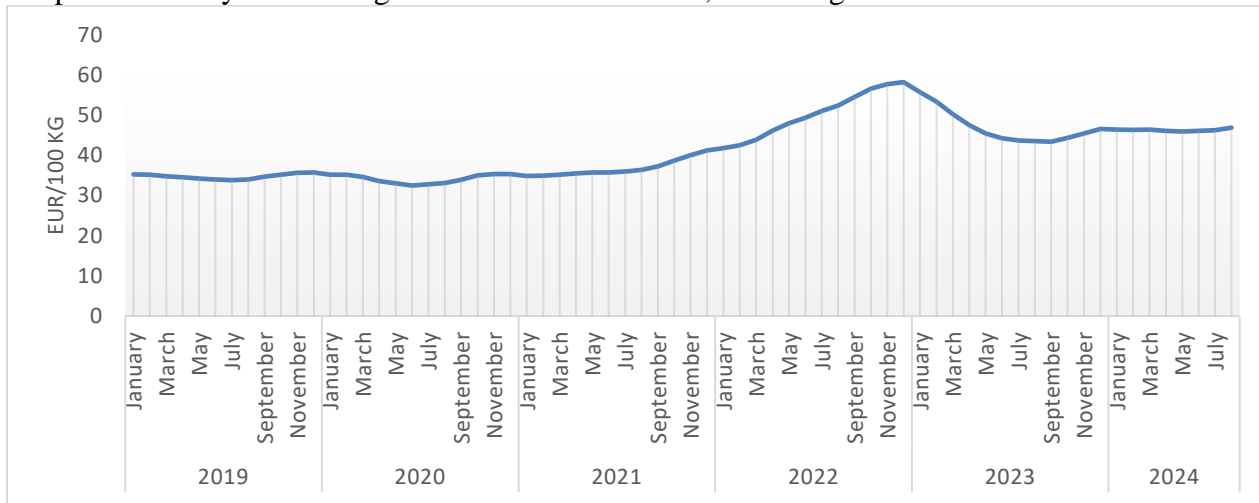
Processed by CLAL



Source: clal.it

After a drop in EU average farm gate milk prices in 2023 to a low of EUR 43.39 per 100 kilograms (kg) in September 2023, prices partially recovered in 2024, stabilizing at around EUR 46 per kg. In the second half of 2024 slightly increased prices were observed, amounting to EUR 46.93 per 100 kg in August 2024. The EU prices offered to milk producers are still below the peak reached in December 2022, but they remain above the five-year average (2019-2023).

Graph 3. Monthly EU Average Farm Gate Milk Prices, as of August 2024



Source: European Commission

EU farm gate milk prices are related to milk production levels among the world's largest exporters of dairy products and demand for dairy commodities among the world's largest importers. As reported by the EU dairy industry, milk production growth in the main exporting countries/regions (Australia, the EU, the United States, New Zealand, Argentina, Belarus, Chile, and Uruguay) at the beginning of 2023 began slowing. In fact, since July 2023, milk production went negative, driven by declines in the EU, the United States, and New Zealand. In 2024, higher deliveries in the EU are not compensating for further drops elsewhere, especially in New Zealand and the United States, resulting in a global milk collection decrease of 0.6 percent in July 2024.

Graph 4. World Milk Deliveries' Growth by Major Exporters

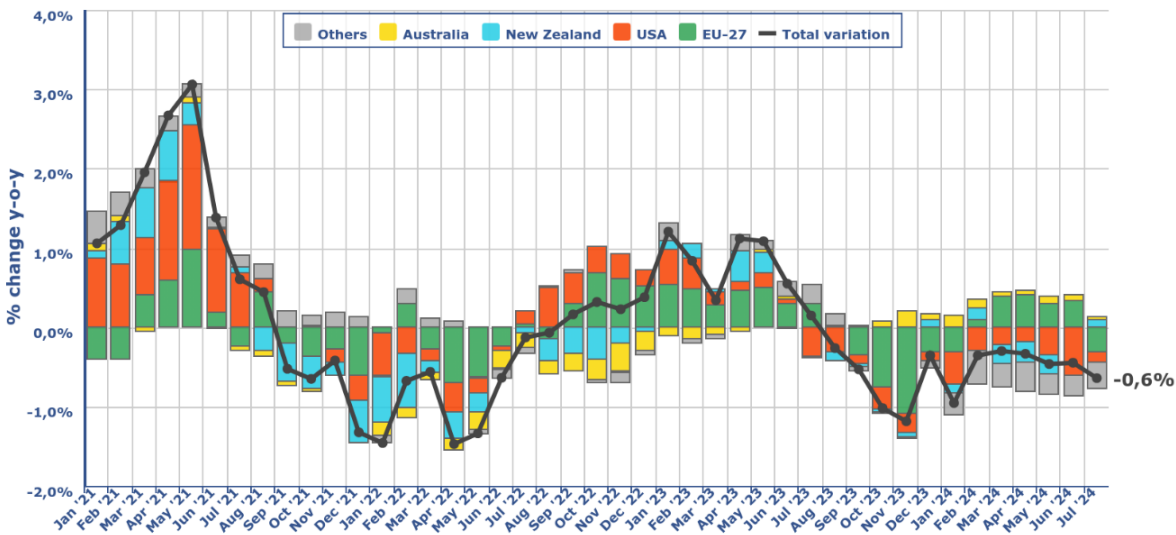
World - Global Supply Variation in the Key Exporters of Dairy Products

% change y-o-y subdivided by the contribution of each Player

Players considered: EU-27, USA, New Zealand, Australia, Others: Argentina, Belarus, Chile, Uruguay

The month of February for the leap year is calculated on 28 days

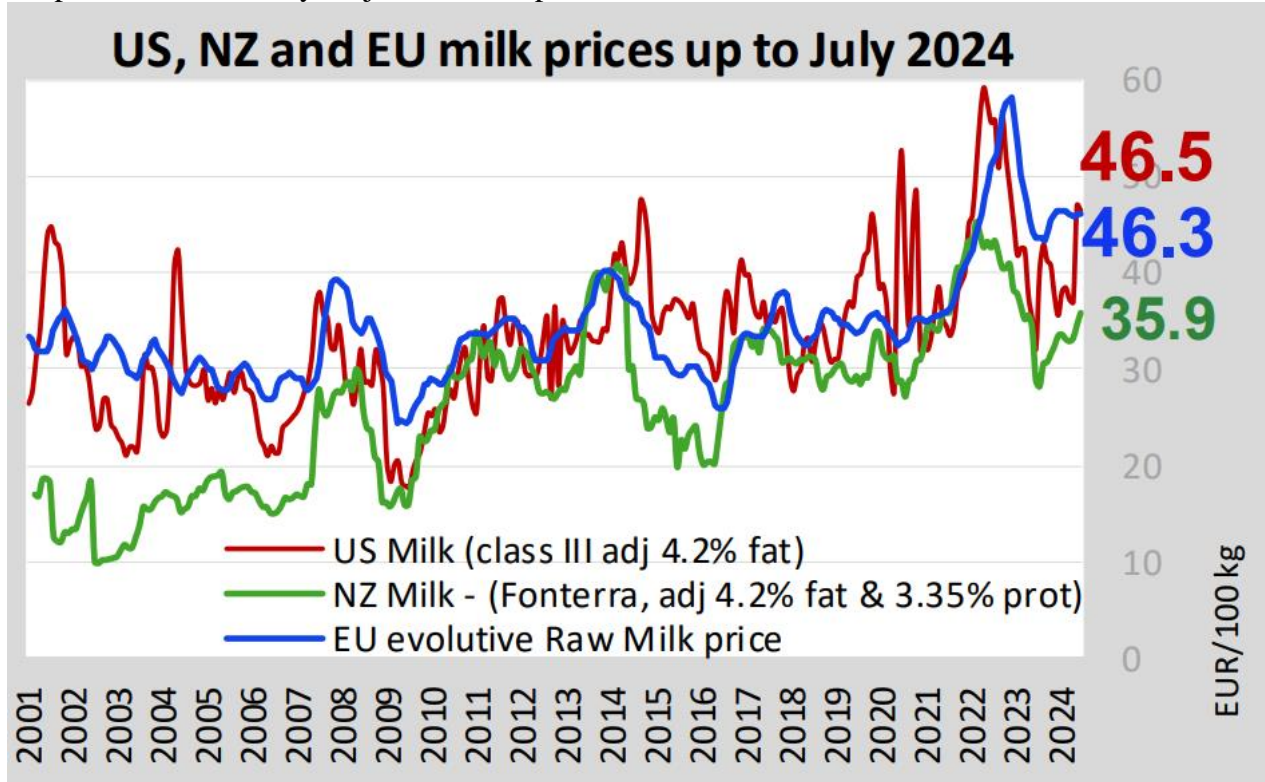
Processed by CLAL



Source: clal.it

Declining global production allowed for a slight EU27 milk price increase. In July 2024, milk prices amounted to EUR 46.3 per 100 kilograms (22 percent higher than New Zealand’s price and 0.4 percent lower than the U.S. price).

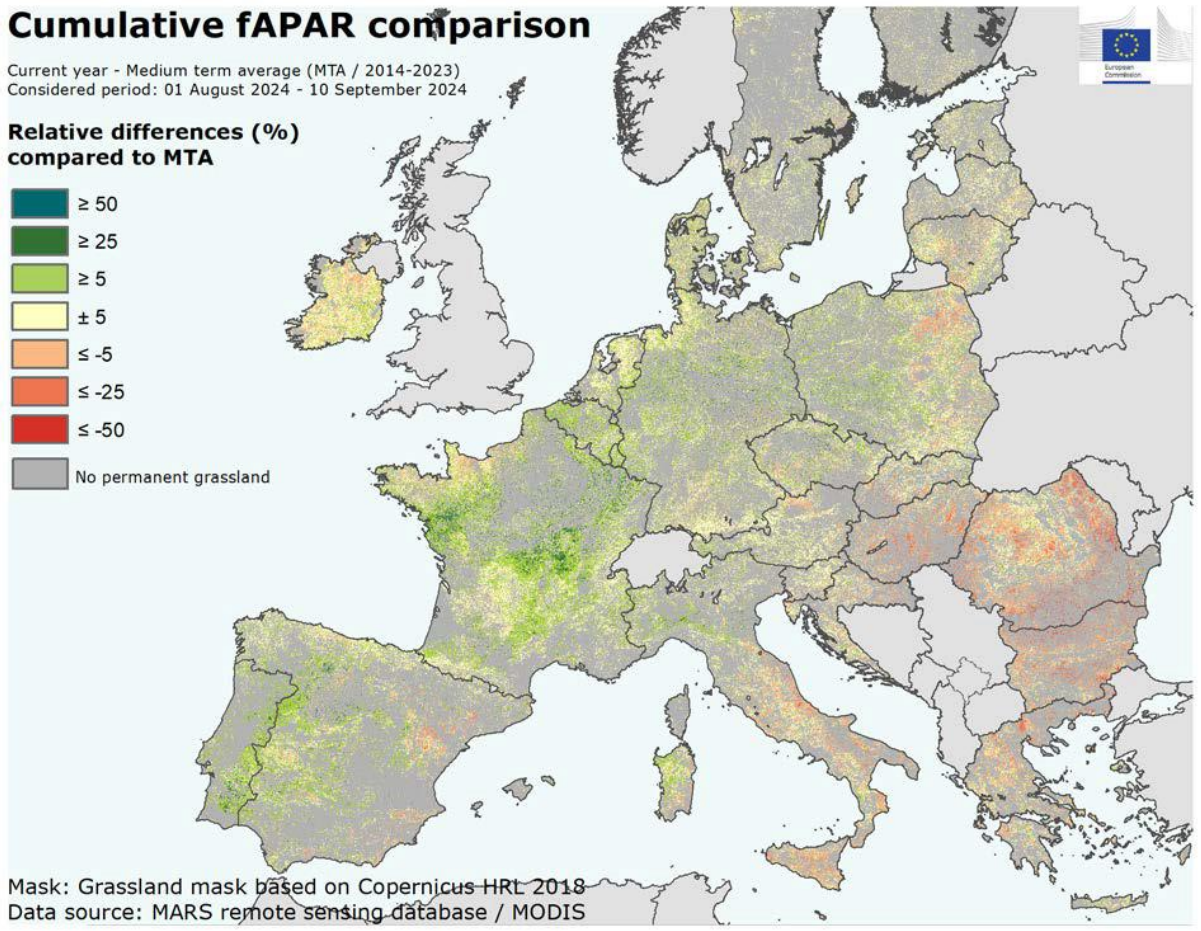
Graph 5. Milk Prices by Major World Exporters



Source: European Commission

Dairy farmers’ profits are determined by the milk price they receive for milk delivered to dairies and the feed and operational costs they need to deduct. Green feed (forage) availability and pasture conditions in the early fall of 2024 were varied throughout Europe. As assessed by the EC's Joint Research Centre, in western and northern Europe, adequate conditions for grassland biomass accumulation and the development of fodder crops continued. On the other hand, in central and eastern Europe, grasslands were hit by an extreme heatwave from mid-August to September, regionally paired with a rainfall deficit that lowered the yield potential in grasslands. This was followed by a significant temperature drop and heavy precipitation, which led to extensive flooding in central Europe. This might lead to a further reduction of grassland productivity in the region.

Map 1. EU Grassland Condition Deviations from Normal in September 2024
 (Positive anomalies (in green) reflect above-average photosynthetic activity and biomass accumulation, while negative anomalies (in red) reflect the opposite).

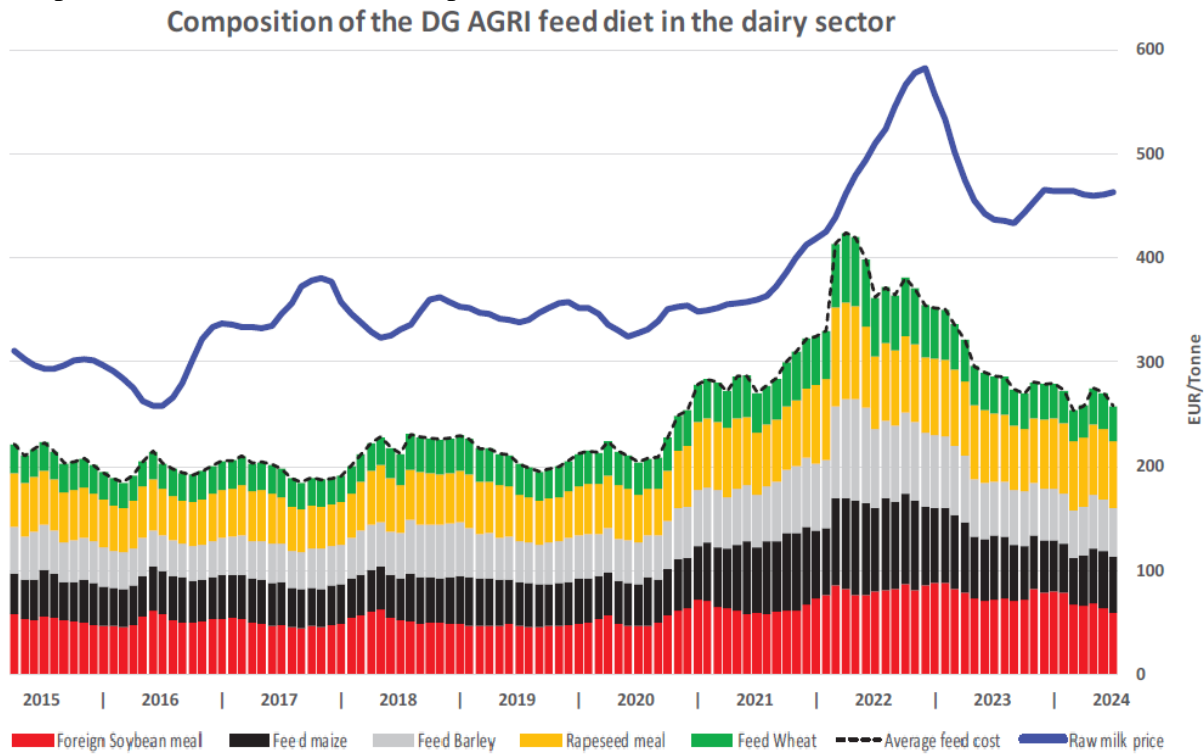


Source: European Commission's Joint Research Centre

Green feed availability is expected to remain tight in many EU Members States in 2025, particularly in the south. However, in other parts of the EU -- notably in Ireland where 95 percent of dairy cows' diet is grass -- farmers expect grassland recovery. As reported by the EC's Joint Research Centre, in this country grassland productivity is expected to return to average levels.

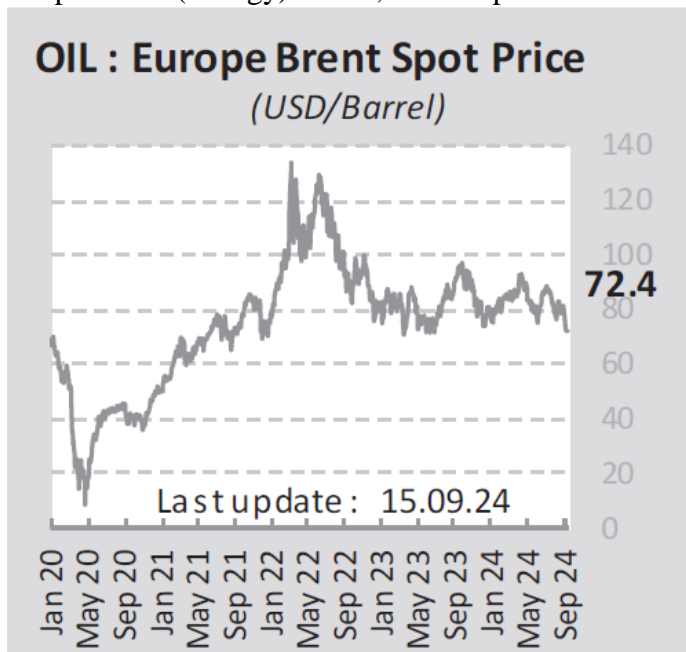
Apart from green feed availability, still high costs of energy and fertilizers negatively weigh on farmer margins. As assessed by the EC, industrial feed costs (based on a mix of cereals, rapeseed meal and soybean meal) have been slowly decreasing for the last months, and in July 2024 were 20 percent lower than a year ago, but noticeably higher than a five-year average. Also, oil prices stabilized at 2021/2022 levels. See Graph 6 and 7.

Graph 6. Fertilizer Prices, as of September 2024



Source: European Commission

Graph 7. Oil (Energy) Prices, as of September 2024



Source: European Commission

Additionally, environmental restrictions, such as the Dutch and Irish governments' plans to cut nitrogen emissions, are forecast to negatively influence dairy cow herd numbers in the longer term. In the

Netherlands, the loss of the EU derogation to spread a surplus of manure on pastures, related to water quality regulations, prompted farmers to slaughter some of their dairy cow herds. This resulted in less animals per farm to comply with environmental regulations. In Ireland, a reduction in applicability of the nitrate derogation has led to a cut in the beef herd in favor of maintaining the dairy herd (see GAIN report – [2024 Livestock and Products Annual](#) published on September 16, 2024).

Another factor impacting cow’s milk deliveries in 2024 and 2025 is the outbreaks of the Bluetongue Virus (type BTV-3) in mainly western and northern Europe (Northern France, the Netherlands, Belgium, Germany, and recently Denmark) and Epizootic Hemorrhagic Disease (EHD) in mainly Spain, Portugal, and southern France. While the symptoms of BTV and EHD are commonly mild in dairy cows, infections often cause a temporarily drop in milk yield, fertility problems, and elevated mortality rates (see the GAIN report - [Bluetongue Disease Outbreak in the Netherlands - Impacting Sheep and Dairy Sector Despite Vaccine](#), published on August 22, 2024).

All these factors – combined with problems of generation renewal (young farmers not continuing milk production due to the heavy workload and tight profits) – will likely lead to further market consolidation and farm closures throughout 2024 and continue in 2025.

Non-cow milk production is forecast to stabilize in 2025, after a decrease of 0.7 percent in 2024. In 2024 non-cow milk deliveries are estimated at 4.1 MMT. Non-cow milk, mainly from sheep and goats, is generally used for production of high-value cheeses valued for their health qualities. As reported by Eurocommerce, in 2024 consumer demand for premium products is rebounding as inflation has stabilized, real wages are recovering, and fewer consumers indicate an intent to limit shopping – with some groups, like high-income households, even inclined to increase their spending. However, among major producers, in Spain the sector is also dealing with the additional difficulty of generation renewal, negatively affecting further development. In Greece, the outbreak of the contagious ovine rinderpest disease (Peste des Petits Ruminants - PPR) among sheep and goats in 2024 is expected to lead to the reduction in animal numbers, compensated however by the growth in sheep and goat milk deliveries among other major EU producers.

Trade

Imports of fluid milk from outside of the EU are minimal and over 98 percent is imported from the UK (Northern Ireland) for processing in Ireland. These imports are forecast to marginally decrease in 2025, down by 1.4 percent from the 2024 level, in line with expectations for recovering milk production in Ireland. 2024 imports are estimated to be unchanged from the level of 2023.

2025 EU27 fluid milk exports are forecast to decline further by 1.8 percent from 2024 levels, as a result of expected lower demand from China and the UK, combined with smaller EU27 milk production. China and the UK are anticipated to still remain the main recipients, however other Asian countries are increasing their share of supplies from EU27. In 2024, fluid milk exports are estimated at 1.1 MMT, down slightly from the previous estimate, and down by nine percent from 2023. In January-July 2024 EU27 exports of fluid milk dropped by 8.8 percent and are expected to remain lower in subsequent months. The 2024 decline is driven by reduced demand from China and the UK, which traditionally accounted for almost half of the EU27 exports, partially offset by increased demand from other Asian (South Korea, Philippines, Vietnam, Hong Kong) and European (Switzerland, Bosnia and Hercegovina, Kosovo) countries. As reported by industry sources, a continuing increase in Chinese milk production

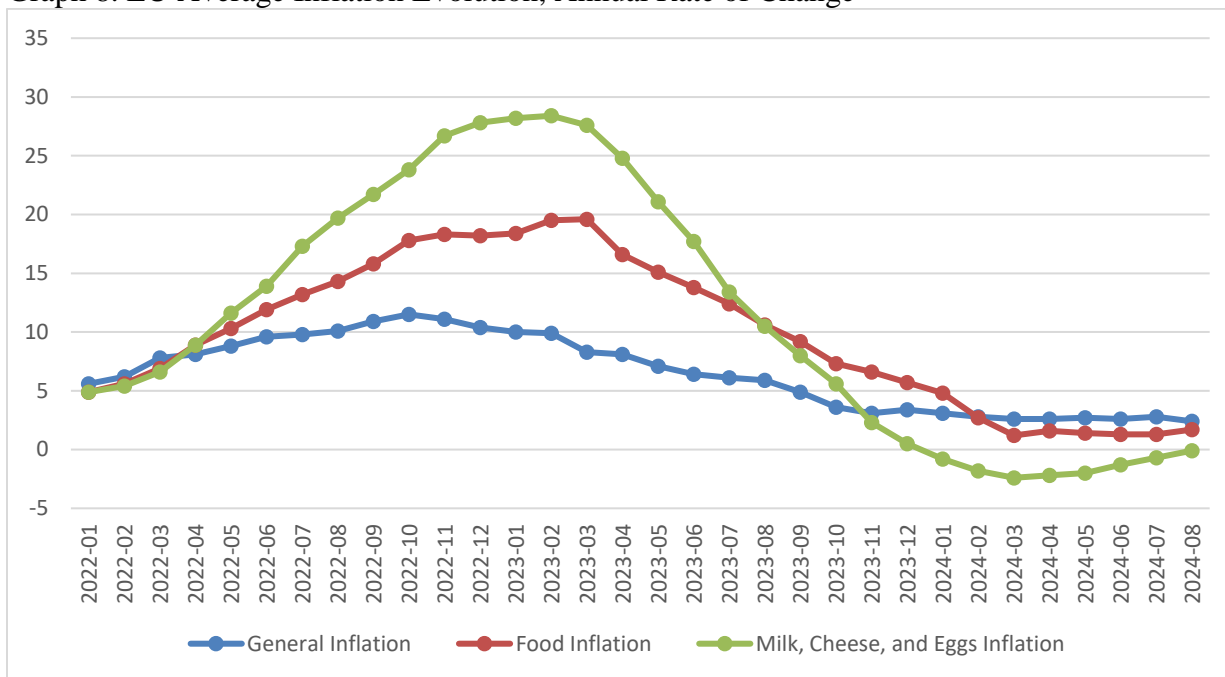
has decreased fluid milk imports by China by 16 percent from all world suppliers, negatively affecting EU27 exports to China (-24 percent). This was reflected in lower exports of mostly ultra-high temperature (UHT) milk - in particular, from Germany, Poland, and Belgium - which went down from approximately 151,000 MT in January-July 2023 to approximately 98,000 in January-July 2024. These factors are expected to continue to negatively weigh on 2025 fluid milk exports.

Domestic Consumption

Fluid milk domestic consumption in 2025 is forecast to continue the downward trend experienced in past years, as diet preferences shift and milk alternatives gain popularity. Although inflationary pressure eased in 2024 and is forecast to slightly further decline, the increased demand from higher-income buyers is expected to be directed to premium products and plant-based milk alternatives. Domestic consumption of fluid milk is forecast at 23.5 MMT in 2025, down by 0.3 percent from 2024 levels. In 2024, domestic consumption of fluid milk is expected at 23.6 MMT, also down from 2023 levels.

In August 2024, the average EU27 inflation rate was 2.4 percent, down from a peak level of 11.5 percent in October 2022.

Graph 8. EU Average Inflation Evolution, Annual Rate of Change



Source: Eurostat

In 2024, a significant decline in the average inflation rate for milk and dairy products was noted in the EU27, reaching -2.4 percent in March 2024 and stabilizing at -0.1 percent in August 2024 – still below the food inflation rate. Although consumer prices for milk and dairy products have been declining, consumers still see elevated price levels as compared to pre-inflation peak times. Additionally, certain measures introduced in 2023 by some European governments to alleviate food inflation pressure on consumers were lifted in early 2024. For example, a VAT reduction for basic food products introduced in Poland was withdrawn in April 2024.

Factory Use Consumption

With lower milk production, factory use consumption is also forecast to decrease by 0.2 percent in 2025, after a slight increase of 0.6 percent in 2024. As a result, dairy processors will still have to carefully assess for which products they will use the available milk.

The 2024 estimate of factory use of milk is reviewed up to 125.7 MMT, as a result of higher than previously expected milk deliveries. Cheese continues to be the growth area of factory use, at the expense of other products.

Cheese

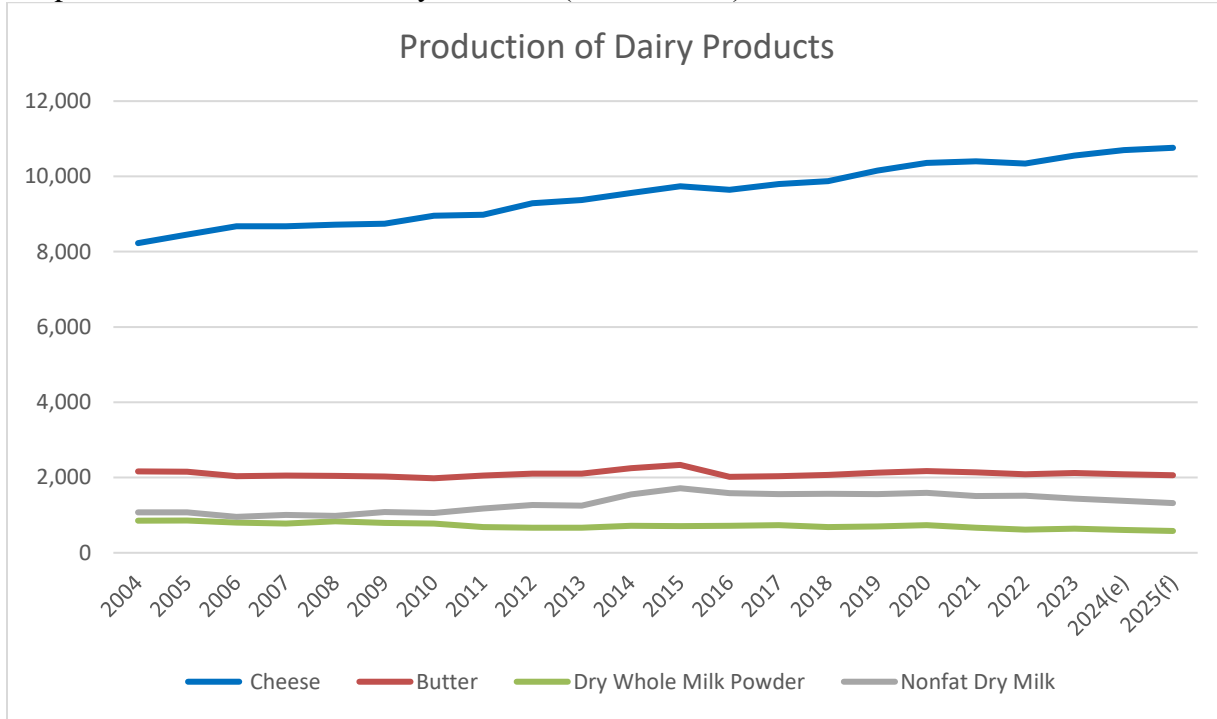
Table 2. Cheese Production, Supply, and Distribution:

Dairy, Cheese Market Year Begins	2023		2024		2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	10400	10555	10500	10700	0	10760
Other Imports (1000 MT)	174	174	185	185	0	200
Total Imports (1000 MT)	174	174	185	185	0	200
Total Supply (1000 MT)	10574	10729	10685	10885	0	10960
Other Exports (1000 MT)	1379	1379	1400	1385	0	1390
Total Exports (1000 MT)	1379	1379	1400	1385	0	1390
Human Dom. Consumption (1000 MT)	9195	9350	9285	9500	0	9570
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	9195	9350	9285	9500	0	9570
Total Use (1000 MT)	10574	10729	10685	10885	0	10960
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	10574	10729	10685	10885	0	10960
(1000 MT)						
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Production

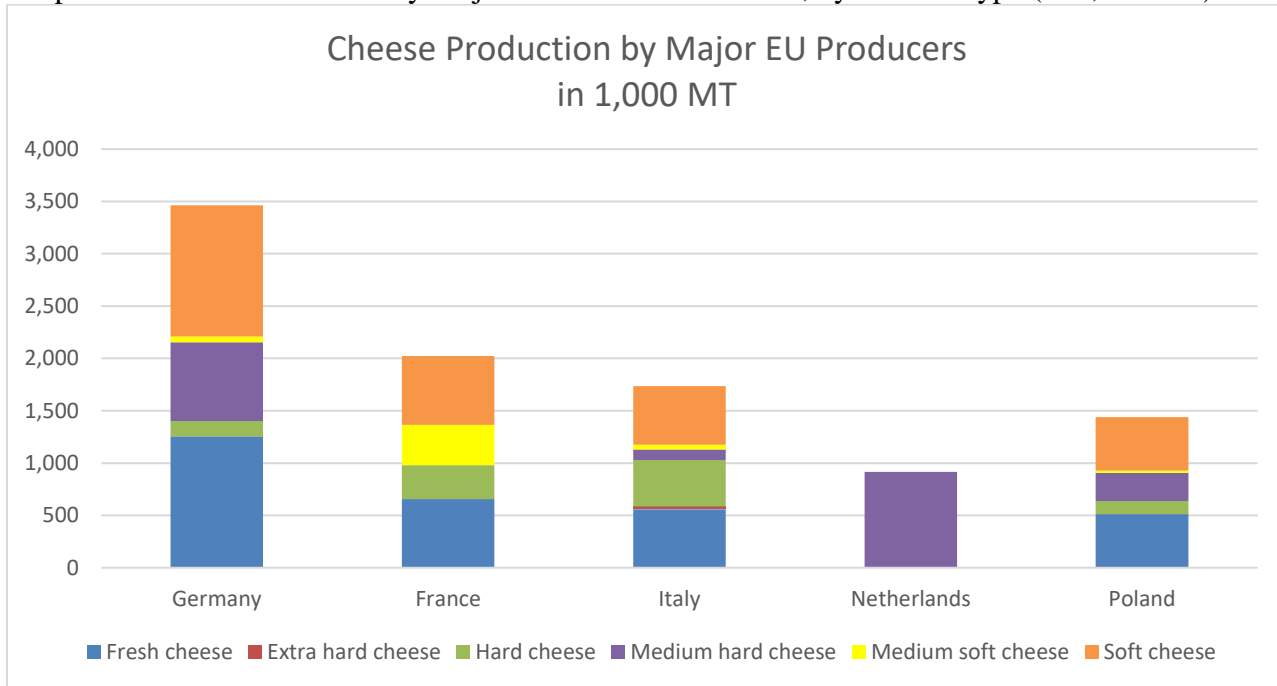
In 2025, EU27 cheese production is forecast to increase, amounting to 10.8 MMT, up by 0.6 percent from 2024 levels. Cheese production continues to be the primary output goal of the European dairy processing industry, supported by the solid domestic consumption of this product, and continued strong export demand. This trend is forecast to continue in 2025, however, due to lower milk availability the pace of production increase should slow down from 2024.

Graph 9. EU Production of Dairy Products (in 1,000 MT)



Source: USDA and FAS EU Offices

Graph 10. Cheese Production by Major EU Producers in 2023, by Cheese Type (in 1,000 MT)



Source: Eurostat. (For the Netherlands, fresh cheese, soft cheese, and hard cheese production data is confidential; for Poland extra hard cheese production data is confidential).

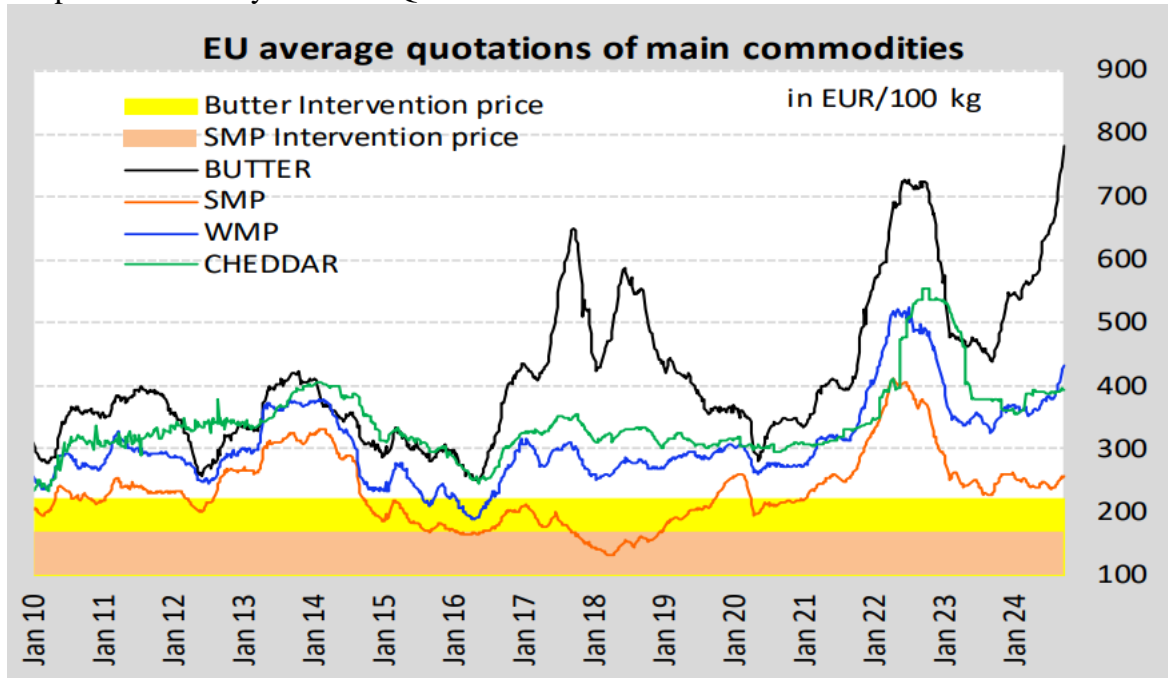
In 2024 cheese production is estimated to amount to 10.7 MMT, 1.4 percent up from 2023, and higher than previously estimated, as more milk is available for processing. The increasing trend is observed in January-July 2024, with production reported up by 3.2 percent compared to the same period of 2023. However, the rate of increase is expected to slow in future months as strong butter prices should result in less shifting from butter to cheese production in the last half of the year.

Germany, France, Italy, the Netherlands, and Poland remain the major producers, accounting for approximately 73 percent of total EU27 cheese production.

According to available data 36 percent of EU27 production is accounted for in fresh cheese, defined as the product obtained from sour milk from which most of the serum has been removed, as well as curds. The remaining 64 percent of the EU27 production is distributed mainly to medium-hard, hard, and soft cheeses.

With tight milk availability, European producers are favoring cheese production over other dairy products, driven by increases in cheese exports and domestic consumption. However, cheese production data for 2024 indicates a slowdown in the switch from butter to cheese production. For example, in the first quarter of 2024, cheese production increased by 3.8 percent year-on-year, but in the second quarter this slowed to 2.6 percent (compared to the second quarter of 2024). Meanwhile, butter production declined by 4.3 percent in the first quarter of 2024, but in the second quarter of 2024 was on the same level as in the same period of 2023. These shifts are likely due to significant increases in butter prices in January-July 2024, while cheese prices remained stable.

Graph 11. EU Dairy Products Quotations



SMP – Skimmed Milk Powder or Non-Fat Dry Milk

WMP – Whole Milk Powder

Source: European Commission

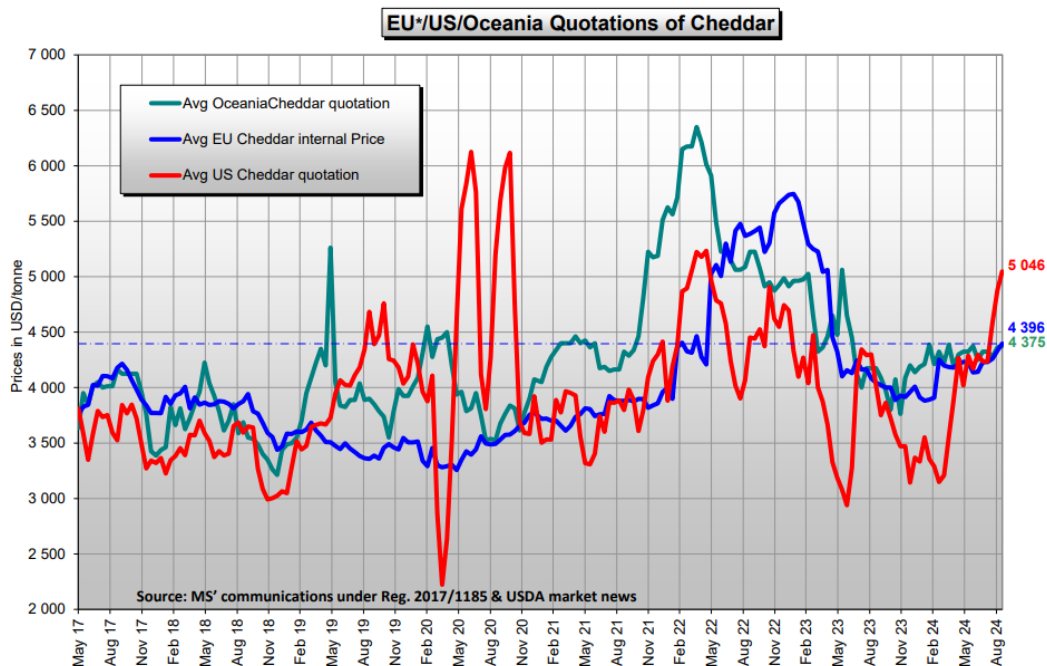
As indicated by the European Dairy Association, cheese stockpiles kept by the industry increased in April 2024 with the higher production, but started to decline in July, in line with previous years trends of selling out stocks towards the end of the year. However, these stockpiles remained in a normal range.

Trade

Cheese imports into the EU are relatively small and mainly originate from the UK and Switzerland. In 2025, EU27 cheese imports are forecast to increase by eight percent to support growing domestic consumption of different varieties of cheese, like cheddar and gruyere. In 2024, imports are estimated 6.3 percent up from 2023. So far in 2024, imports have been strong, with an increase of 9.6 percent in January-July 2024, both from the UK (+7 percent) and Switzerland (+11.7 percent). This is being boosted by EU27 economic growth supporting recovery of the hospitality sector and consumption of high-value cheeses. In the following months, import growth is estimated to somewhat weaken, with increased European production.

About 13 percent of EU27 cheese production is exported, with the UK, the United States, and Japan being the top three destinations. The EU remains the largest world’s cheese exporter, followed by the United States and New Zealand. In 2025, EU exports are forecast to increase slightly by 0.4 percent, reaching 1.4 MMT. This will be a continuation of a rising trend of EU exports observed in the previous years, and exports are estimated in 2024 to increase by 0.4 percent from 2023. In January – July 2024, EU cheese exports increased by 1.3 percent, with stable UK-demand for EU cheese (such as cheese for processing), and the United States’ increasing orders mostly for hard cheeses like Grana Padano and Parmigiano Reggiano. Improved domestic demand is likely to slightly constrain exports through the latter part of the year, resulting in more moderate end-of-year increases than observed in the first half of 2024.

Graph 12. Comparison of Cheddar Quotations of the EU, the United States, and Oceania

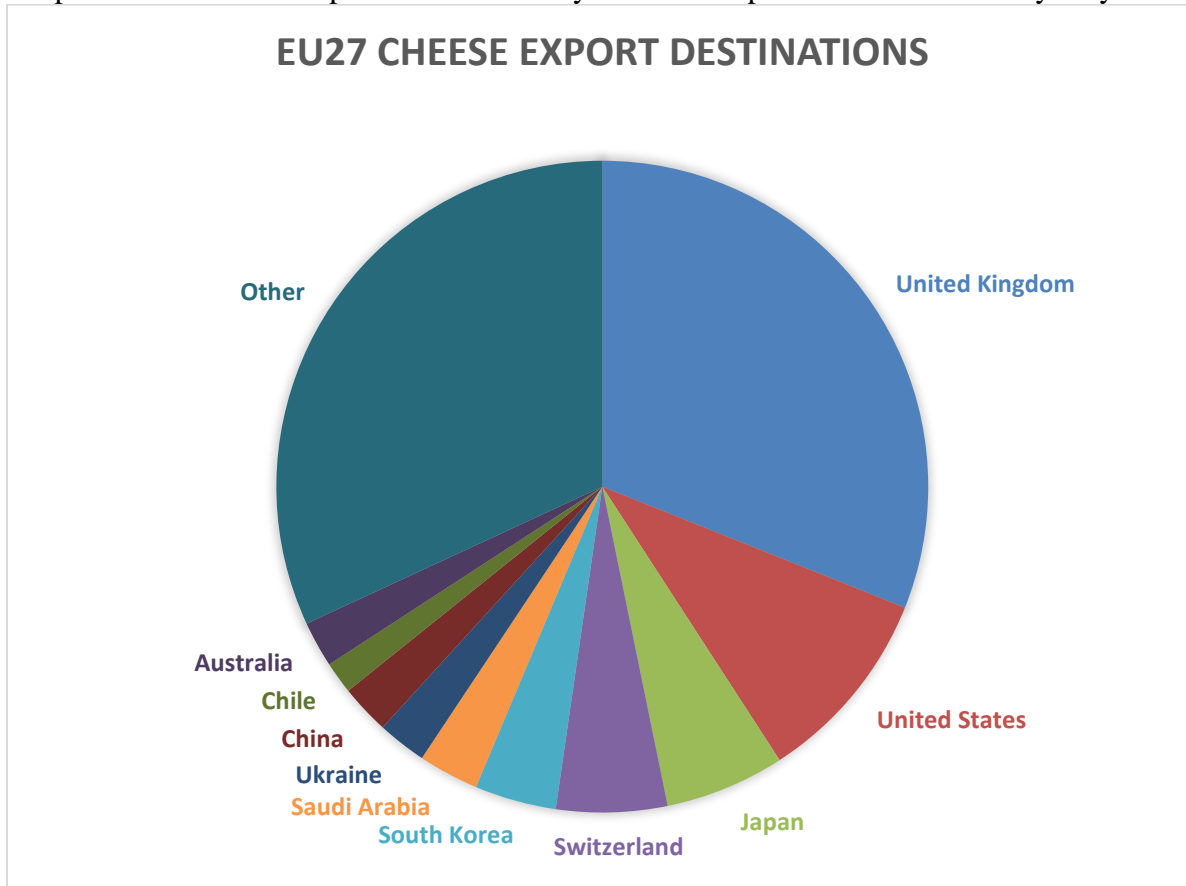


* EU evolutive

Source: European Commission

In September 2024, the EU was almost on par with Oceania on cheese prices on the global market, while the U.S. prices were significantly higher. With over 50 percent of EU exports directed to four countries (the UK, the United States, Japan, and Switzerland), EU exporters continue to be focused on developments in these markets.

Graph 13. EU Cheese Export Destinations by Share of Export Volume in January-July 2024

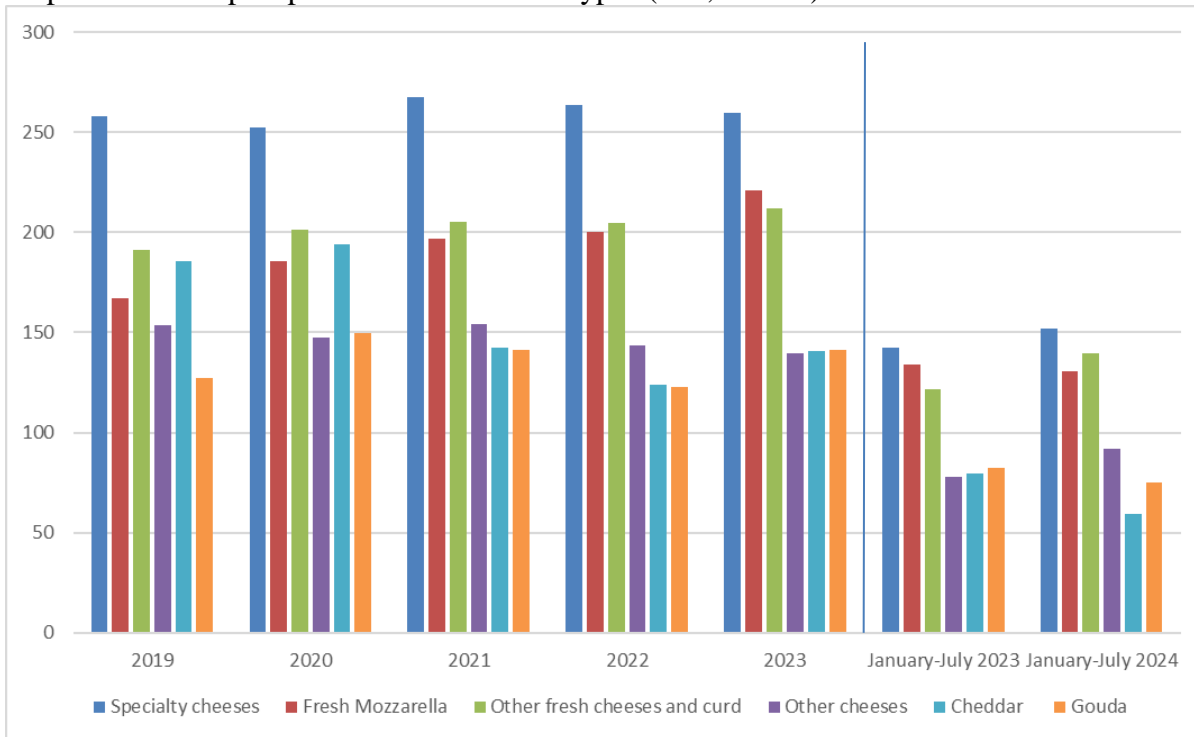


Source: TDM Ltd.

EU 27 cheese exports after 2025 might be potentially affected by a trade dispute between China and the EU. On August 21, 2024, China launched an investigation on imported EU dairy products, examining EU agricultural subsidies and the subsequent industrial damage to Chinese producers. Dairy products subject to investigation include, among others, fresh cheese and curd, processed cheese, blue cheese, and other cheese not otherwise named. For more details see the EU Policy section.

Specialty cheeses remain popular on global markets and are expected to support growing exports in 2024. In general, those premium cheeses are primarily exported to mature and affluent markets such as the United States, Japan, Australia, or Canada, but also to Middle East/North Africa.

Graph 14. The Top Exported EU27 Cheese Types (in 1,000MT)



Source: TDM Ltd.

Domestic Consumption

After a moderate fall in 2022, caused by lower consumer purchasing power, EU27 domestic cheese consumption returned to its long-term increasing trend in 2023, and is expected to grow further in 2024 and 2025. In 2025, consumer demand is expected to be stimulated by growing incomes and economic recovery, as well as the hospitality sector and tourism returning to pre-COVID levels.

The top cheese-consuming Member States are Germany, France, Italy, Poland, and Spain.

Butter

Table 3. Butter Production, Supply, and Distribution

Dairy, Butter Market Year Begins	2023		2024		2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	2120	2120	2090	2090	0	2060
Other Imports (1000 MT)	59	53	30	45	0	45
Total Imports (1000 MT)	59	53	30	45	0	45
Total Supply (1000 MT)	2179	2173	2120	2135	0	2105
Other Exports (1000 MT)	288	281	280	270	0	280
Total Exports (1000 MT)	288	281	280	270	0	280
Domestic Consumption (1000 MT)	1891	1892	1840	1865	0	1825
Total Use (1000 MT)	2179	2173	2120	2135	0	2105
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	2179	2173	2120	2135	0	2105
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

EU27 butter production in 2025 is forecast to decrease by one percent from 2024, as a slightly smaller milk supply will favor cheese production over butter and NFDM, in line with falling domestic consumption of butter.

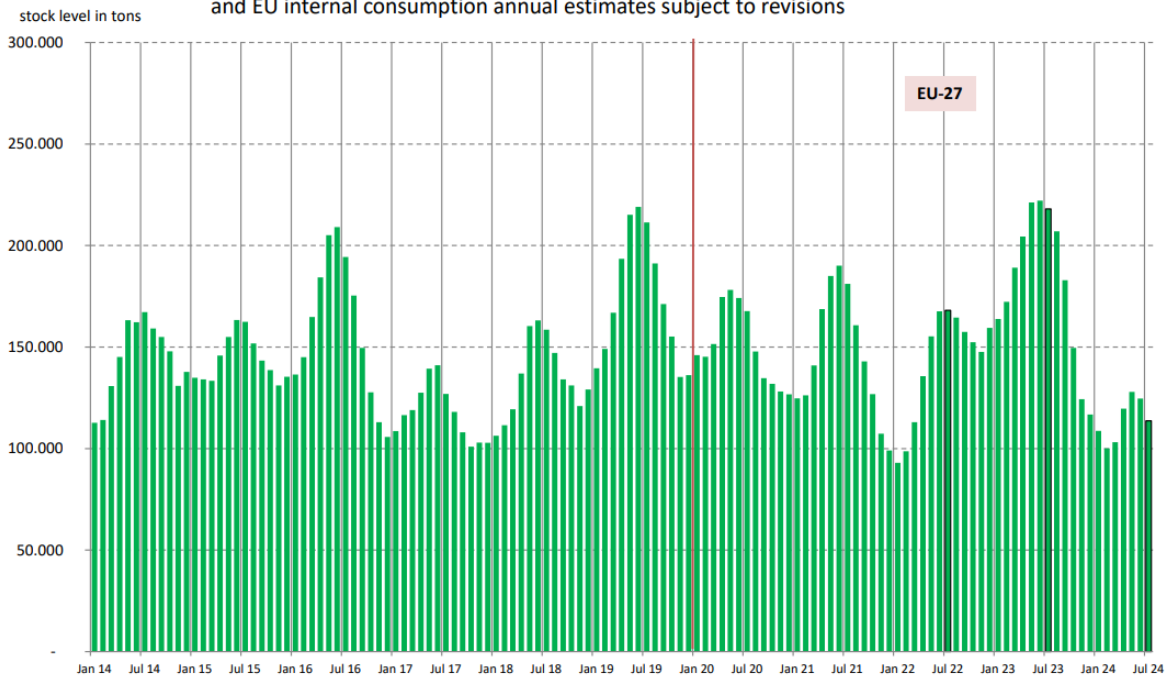
In 2024, EU27 butter production is estimated to decrease by 1.4 percent, due to an expansion in cheese production, higher production of fresh dairy products, and lower fat content of delivered milk. In January-July 2024 butter production was down by 1.6 percent. However, the annual decline is expected to be slightly less profound, as strong butter prices have arrested some of the shift out of butter to cheese.

As indicated by the European Dairy Association, in July 2024 butter stockpiles kept by the industry were substantially lower than in the previous years and are not expected to rebuild in the future months, which is related to lower butter production and lower imports.

Graph 15. European Butter Stockpiles Estimates in July 2024

European stock level estimates - Butter - July 2024

Calculations based on Eurostat production, export and import statistics and EU internal consumption annual estimates subject to revisions



Source: European Dairy Association

Germany, France, Ireland, Poland, and the Netherlands are the largest butter producers in the EU. Together they provide around three-quarters of EU27 butter supply.

Trade

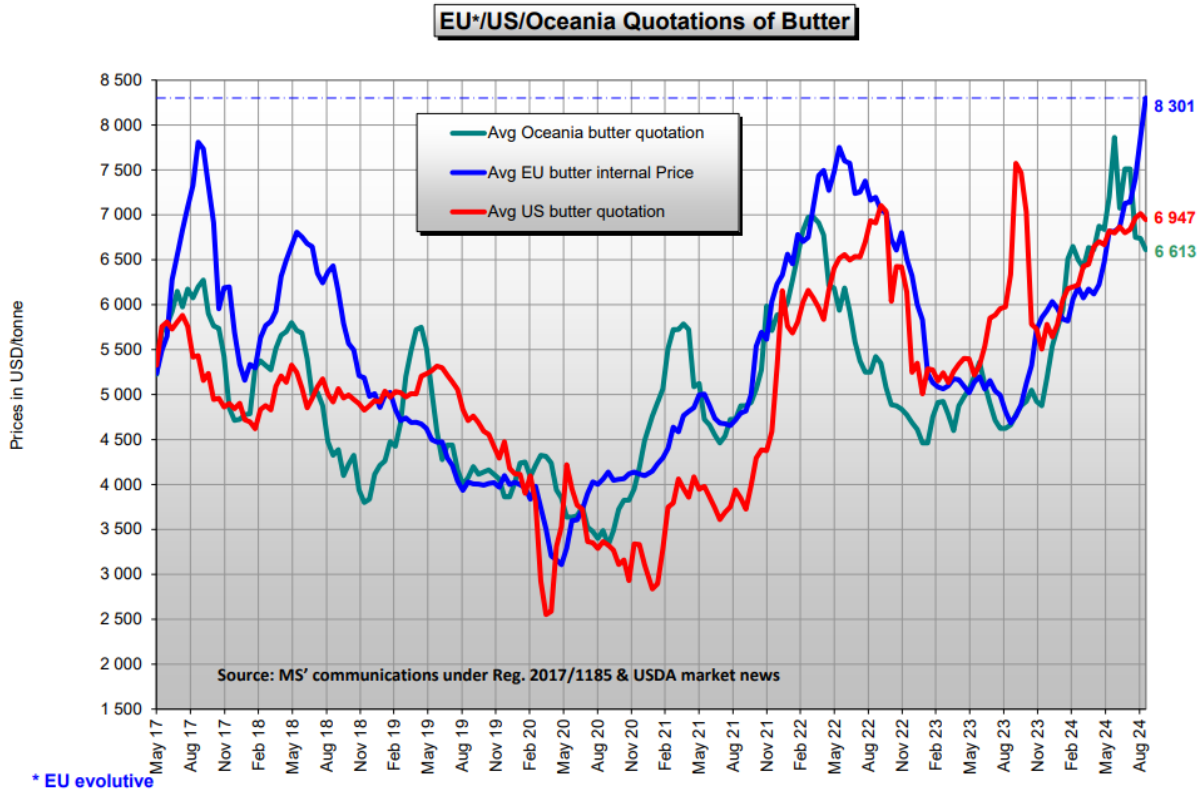
EU27 butter imports are very small compared to overall production and are dominated by imports from the UK. The 2025 forecast for butter imports is at a similar level to 2024, as lower EU production is expected to be offset by declining domestic consumption. In 2024, imports are estimated to be down 15 percent, driven by this declining consumption. Although in January-June 2024 a decline of 48 percent in butter imports was reported, butter imports may strengthen in the second half of the year, supported by competitive import prices on the EU market.

2025 EU27 butter exports are forecast to increase slightly by four percent from 2024 with falling domestic consumption levels allowing for a small export increase. In 2024, butter exports are estimated down by four percent. In January-July 2024, butter exports from the EU are down by four percent, with this pace expected to be maintained in the second half of the year.

In January-July 2024, the main destinations for EU butter exports were the United States, the UK, China, Saudi Arabia, and South Korea. The export increase to the UK, the United States, and China were not enough to compensate for declines in butter exports to other markets in Arab peninsula and North Africa. As reported by the Agriculture and Horticulture Development Board (AHDB), in the UK butter production declined by 10 percent year-on-year in the second quarter of 2024 in spite of rising

commodity prices, supporting increased butter imports from the EU27. However, price-sensitive markets, notably in North Africa, were searching for better priced products from outside the EU.

Graph. 16. Comparison of Butter Quotations of the EU, the United States, and Oceania



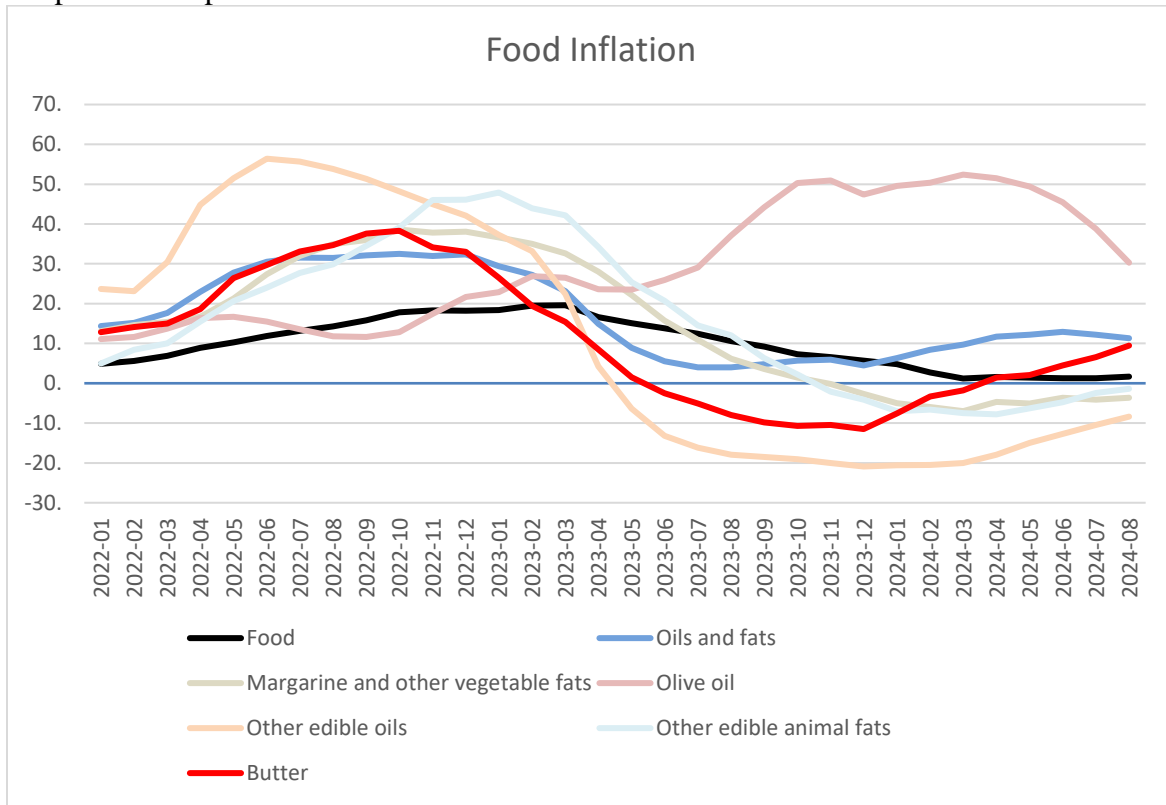
Source: European Commission

Domestic Consumption

EU27 butter consumption in 2025 is forecast to continue its declining trend, decreasing by two percent from 2024, with consumer health concerns negatively weighing on the demand for butter. Also, very high prices for fats could negatively influence the butter demand once price increases are passed on to consumers. Additionally, high pricing might prompt the food processors using fats in their formulas to search for cheaper alternatives to butter.

In 2024 butter consumption is estimated at 1.87 MMT, 1.4 percent down below 2023 level. In 2024 economic factors are also estimated to weigh on butter consumption. Despite the recovery of the economy in 2024 and increasing purchasing power, consumers still perceive the current level of butter prices as elevated and increasing faster than real wage increase. Additionally, butter prices have increased more than those of other fats and oils (except for olive oil), making butter less competitive to margarine and other vegetable fats.

Graph 17. Comparison of Fats and Oils Inflation Rate



Source: Eurostat

It should be noted, however, that butter consumption patterns vary across the EU, driven by local cooking and eating habits. Member States around the Mediterranean Sea typically consume less butter, as cooking mostly involves olive oil, while those in the central and eastern parts of the EU consume more plant-based spreads because of the lower price.

Non-Fat Dry Milk

Table 4. Non-Fat Dry Milk (NFDM) Powder Production, Supply, and Distribution

Dairy, Milk, Nonfat Dry Market Year Begins	2023		2024		2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	1500	1436	1450	1380	0	1320
Other Imports (1000 MT)	36	36	50	40	0	40
Total Imports (1000 MT)	36	36	50	40	0	40
Total Supply (1000 MT)	1536	1472	1500	1420	0	1360
Other Exports (1000 MT)	775	775	745	730	0	680
Total Exports (1000 MT)	775	775	745	730	0	680
Human Dom. Consumption (1000 MT)	761	697	755	690	0	680
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	761	697	755	690	0	680
Total Use (1000 MT)	1536	1472	1500	1420	0	1360
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	1536	1472	1500	1420	0	1360
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

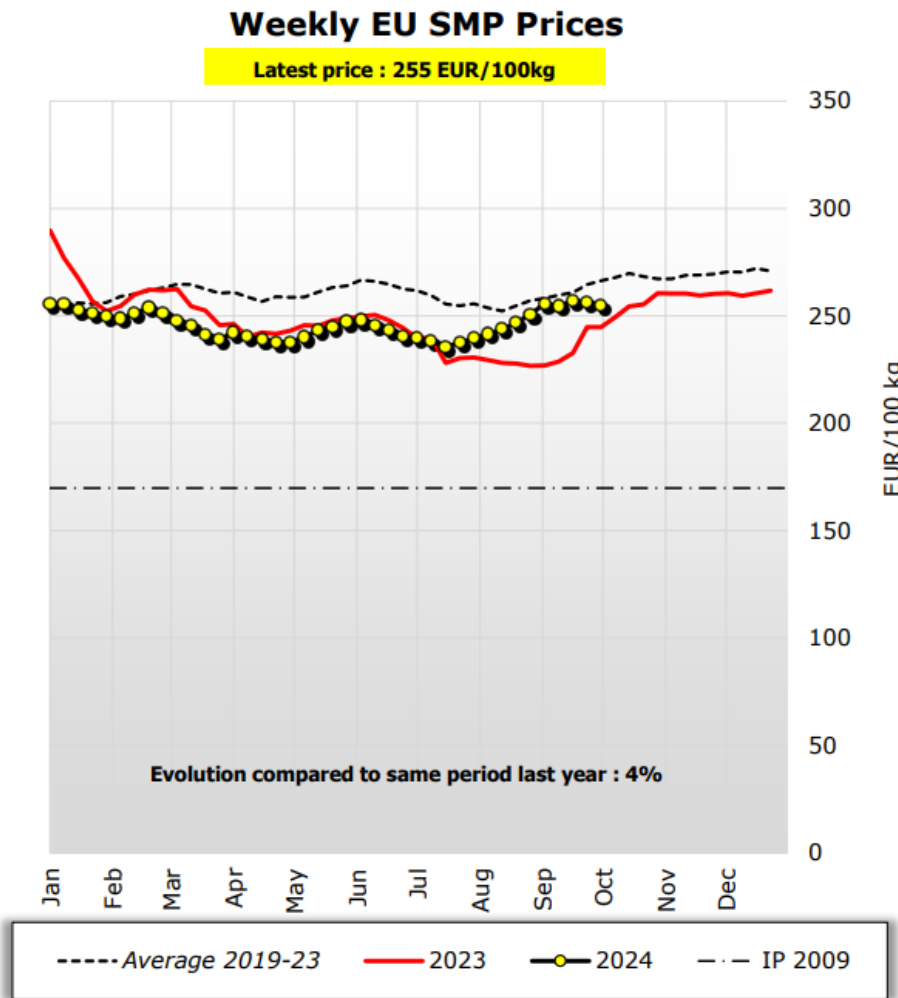
2025 NFDM production is forecast down by four percent from 2024 production levels, resulting from increased cheese production leaving less milk available for other dairy products, as well as expected weaker export demand for NFDM from EU27.

NFDM production in the EU27 is often tied to butter production and is usually not a production goal on its own, however it responds to export market demands. Among the top EU NFDM producers, production declines are expected in 2025 in France and the Netherlands, with stagnation in Germany, Belgium, and Poland. Ireland is the only main producer where a slight increase is expected. In response to global market situation Lactalis, the world's largest dairy company, [announced](#) in September 2024 the planned reduction of the volume of milk it processes in France with the view of lower NFDM production. From the end of 2024 until 2030, Lactalis intends to cut purchase of milk of around 450 million liters out of the 5.1 billion liters of milk collected each year by Lactalis throughout France. The company claims that limiting the volume of so-called surplus milk that Lactalis processes to sell abroad as bulk commodities like milk powders would lead to better farm gate prices for dairy farmers. Lactalis plans to focus more on consumer products like cheese and yoghurts in its processing mix, as the French branch faced stiff competition from countries like New Zealand to export bulk ingredients.

In 2024 NFDM production is expected to amount to 1.4 MMT, four percent below 2023. In January-July 2024, available EU Member States' data indicated lower NFDM production, down by 3.2 percent as compared to January-July 2023. It is estimated to further decline in the following months, driven by decreasing exports and slightly weaker domestic consumption, in particular for feed purposes.

Additionally, European NFDM prices in 2024 increased only in a modest way due to a reduced international demand, and remain lower than the EU average for 2019-2023. This is estimated as additional negative factor on NFDM production increases.

Graph 18. Average NFDM Prices at the EU Market



SMP stands for skimmed milk powder, which is equivalent to NFDM
 Source: European Commission

The assessment by the European Dairy Association of EU industry stockpile levels based on a residual approach (EU production + EU imports – EU internal consumption – EU exports) shows NFDM stockpiles at a lower level in July 2024 than in previous years. However, weak prices and lower exports are expected to prompt EU dairies to further limit NFDM production.

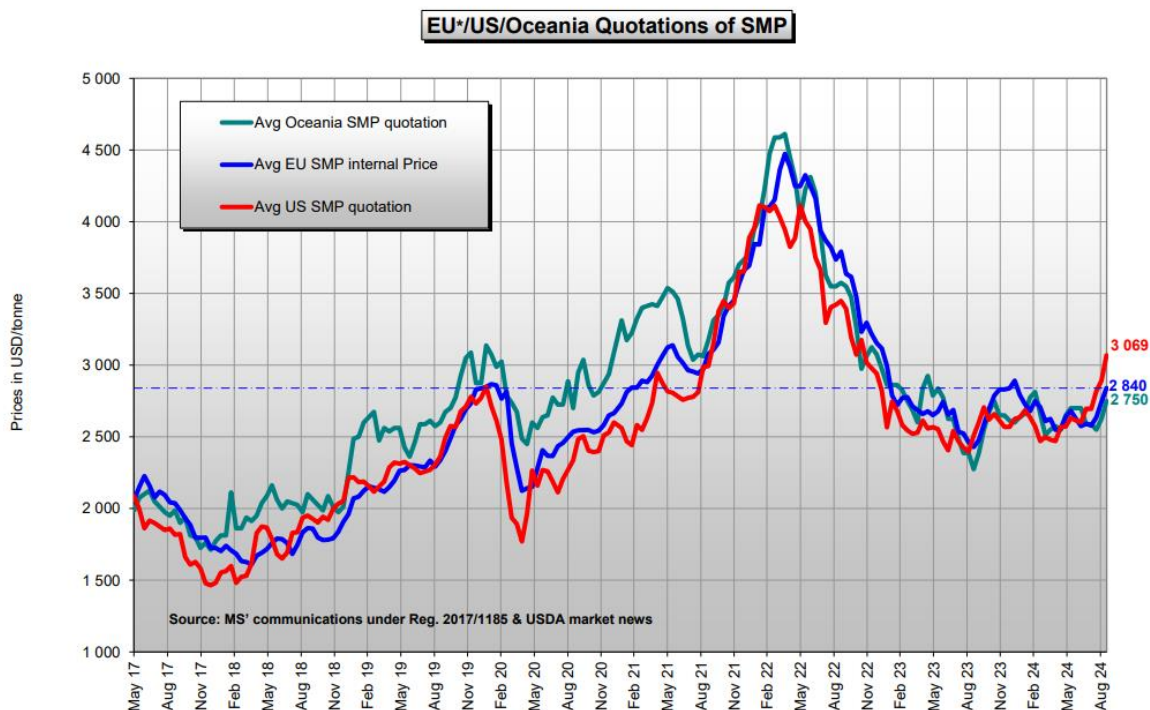
Trade

The EU27 imports little NFD, and 2025 imports are forecast to stagnate at 2024 levels, as lower production will be sufficient to satisfy lower export and consumption demand. Until 2021, most of imported NFD was sourced from the UK. However, after Brexit, UK imports were on decline, and from 2022 there were increasing imports from Ukraine, as a result of quota and tariff-free access to the EU market granted to Ukraine on June 4, 2022, and extended until June 5, 2025.

In 2025, EU27 exports are expected to continue a declining trend, decreasing by 6.8 percent from 2024 levels, with weaker Chinese demand weighing on global markets. For the EU, the traditional buyers are North Africa (Algeria topping the list), China, the Middle East, and South-East Asia. However, European NFD exports compete heavily with NFD exports from the United States and New Zealand, with the EUR/USD exchange rate and the market proximity being important factors. China shapes the global market for milk powders and is expected to further temper its purchases in 2024 and 2025. This could prompt Oceania's competition in markets that traditionally lean more towards European suppliers for NFD and fat-filled milk powders (FFMPs).

In 2024 an NFD export reduction of six percent from 2023 levels is estimated. Already in January-July 2024, EU NFD exports recorded declines by eight percent, as compared to the same period of 2023, with Algeria's increasing imports (+10 percent) not offsetting declines in China (-65 percent). However, further increased purchases from North African and South-East Asian countries are expected to cause the export decline to narrow in future months.

Graph 19. Comparison of Skimmed Milk Powder (SMP) Quotations of EU, the United States, and Oceania



* EU evolutive

Source: European Commission

Around half of EU NFDM production is exported, but it fluctuates depending on the EU competitiveness on global markets. The main NFDM exporting EU Member States are France, Belgium, Germany, the Netherlands, Ireland, and Poland.

Domestic Consumption

Domestic consumption of NFDM in the EU is mainly for the food industry, where it is added to dairy products such as UHT milk, yogurts, or cheeses, and also as non-fat milk solids in chocolate or in bakery goods. Calf feed for veal production is another outlet on the domestic market. The 2025 forecast for NFDM domestic consumption is estimated at 0.68 MMT, down by 1.4 percent from 2024 level, with slightly lower milk deliveries and cheese production favored over other dairy products. This should be also prompted by lowering demand from the feed sector, due to the expected reduction in animal numbers.

In 2024 domestic consumption is estimated down by one percent. This small decrease is mostly due to smaller demand from the feed sector, as animal numbers are declining. Additionally, high prices for cocoa beans negatively influence chocolate production, and thus lower the demand for NFDM in food sector.

Whole Milk Powder

Table 5. Whole Milk Powder (WMP) Production, Supply, and Distribution:

Dairy, Dry Whole Milk Powder Market Year Begins	2023		2024		2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	630	640	620	610	0	580
Other Imports (1000 MT)	18	18	15	20	0	20
Total Imports (1000 MT)	18	18	15	20	0	20
Total Supply (1000 MT)	648	658	635	630	0	600
Other Exports (1000 MT)	260	260	235	240	0	220
Total Exports (1000 MT)	260	260	235	240	0	220
Human Dom. Consumption (1000 MT)	388	398	400	390	0	380
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	388	398	400	390	0	380
Total Use (1000 MT)	648	658	635	630	0	600
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	648	658	635	630	0	600
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

2025 EU27 WMP production is forecast to decline by five percent from 2024 levels, with lower milk supplies favoring cheese production over other products. This follows an estimated 4.7 percent fall in 2024 as more milk is being used for processing of other dairy products. In January-July 2024 WMP production declined by 2.2 percent, but it is expected to drop further in the future months in response to weak export demand.

WMP production usually generates the lowest processing margins, and EU processors generally prioritize cheese production, which offers the most stable long-term returns. Additionally, for the food industry WMP also faces competition from fat-filled milk powders (FFMPs), which are produced by blending vegetable fats with high quality NFD. FFMP is used to replace full cream milk powder while being more economical than WMP.

Trade

EU27 imports of WMP are negligible, sourced mostly from the UK. Since 2022, Ukraine consistently has increased WMP deliveries to the EU27, becoming the second significant supplier. In 2025, with

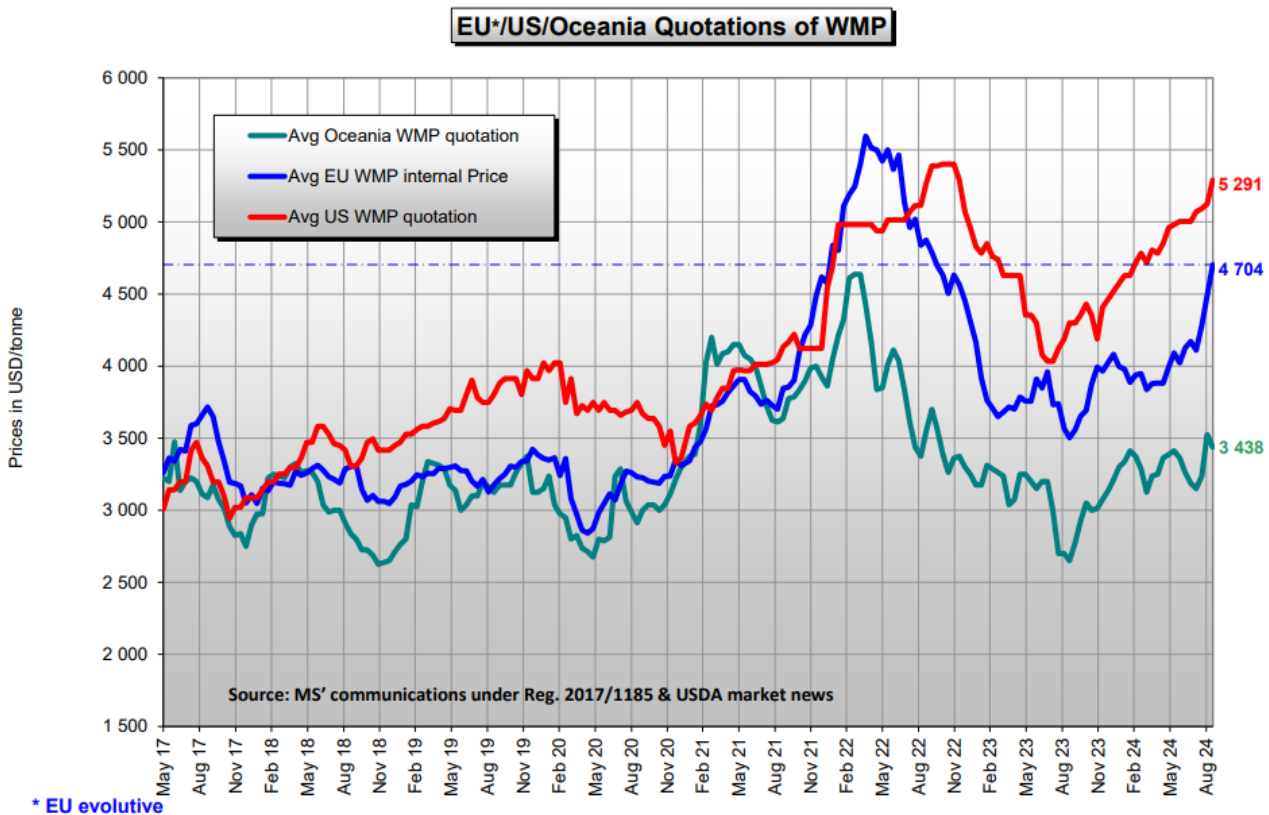
lower production, EU27 imports of WMP are forecast to stabilize at 20,000 MT, the same as in 2024. In 2024, marginally higher imports from the UK being paired with increased imports from Ukraine, are expected to drive EU27 imports up by 11 percent.

In 2025, EU27 WMP exports are forecast to decrease further from 2024 levels as a result of global trends. Traditional export markets are North African countries, China, and the UK. In 2024 EU27 exports are estimated down by eight percent from 2023 levels. In January-July 2024, EU27 exports declined by 20 percent, driven mostly by reduced demand from Algeria, the UK, and Nigeria. However, lower demand from these countries is expected to be slightly offset by higher deliveries to Oman, which was the leading importer of the EU WMP in January-July 2024, and China in future months.

According to industry sources, with milk supplies increasing, the Chinese government is subsidizing WMP production, as the longer shelf life of WMP makes it a good destination for excess raw milk to be absorbed. As a result, Chinese imports from all suppliers were down by 8.6 percent in January-July 2024, affecting mostly New Zealand, while EU supplies actually rose (+7 percent). Further reduction of Chinese imports from New Zealand could result in more competition from that supplier on the global market in 2024 and 2025, negatively affecting EU27 exports.

Since 2021, EU WMP prices have not been competitive against Oceania.

Graph 20. Comparison of Whole Milk Powder (WMP) Quotations of EU, the United States, and Oceania



Source: European Commission

Domestic Consumption

EU27 WMP domestic consumption is mainly in the food processing industry, which usually is stable. However, in times of an economy slowdown, the processors seek cheaper alternatives (like FFMP).

In 2025, consumption is forecast marginally lower from 2024 levels in response to higher prices decreasing the use of WMP in food processing and search for cheaper alternatives.

EU Policy

Common Agricultural Policy (CAP)

The new EU's Common Agricultural Policy (CAP) for 2023-2027 was [adopted](#) on December 2, 2021, and published in the Official Journal on December 6, 2021. EU Member States were requested to submit so-called [Strategic Plans](#), incorporating Member States' specific goals and initiatives, by the end of 2021. By December 2022, all national strategic plans were approved by the EC. The 'new' CAP is being implemented since January 1, 2023.

In March 2024, following weeks of farmer protests across the EU demanding less administrative burden and better prices, the EC published a legislative proposal to amend certain provisions of the CAP. The Commission acknowledged that the first year of implementation of the current CAP made clear that adjustments are necessary to ensure effective implementation of the National Strategic Plans and reduce red tape. The updates to the CAP were adopted in May 2024 and published as [Regulation 2024/1468](#). For more information, please see GAIN Report: [EU Commission Proposes Common Agricultural Policy Revisions Following Farmer Protests](#).

The EU Green Deal

Because the EU livestock sector is specifically identified as critical for the EU to reach its Green House Gas (GHG) emission reduction targets, the EC commissioned an external [Study on the Future of EU Livestock](#) that was published in October 2020.

Revision of the Industrial Emission Directive

On April 24, 2024, [Directive 2024/1785](#) was published, which is the revision of the Industrial Emissions Directive (IED). The new text regulates the environmental impacts of around of Europe's large-scale, high-pollution-risk industrial installations, and extends the scope of IED to include the largest livestock farms in Europe, considered "agro-industrial installations." Farms in the scope need to comply to specific emissions conditions and permitting requirements. The updated Directive applies to pig farms with more than 350 livestock units (LSU), poultry farms with more than 300 LSU for laying hens, and 280 LSU for broilers. Cattle farming is not included in the revised IED's scope, however, the EC should assess, and report to the European Parliament and the Council on the need for EU-wide action to comprehensively address the emissions from the rearing of livestock, in particular cattle, taking into account the range of instruments available and the specificities of the sector.

Deforestation-Free Supply Chains

As part of the EU Green Deal, the EC adopted [Regulation 2023/1115 \(the EU Deforestation Free Supply Chain Regulation - EUDR\)](#) aimed at preventing products causing deforestation from entering the EU market. The proposal targets products which are identified by the EC as the main drivers of deforestation, including cattle, raw hides, and skins of cattle and leather. To sell any of the covered products in the EU or to export them from the EU, business operators will be required to provide extensive information about the product's origins, including the precise location(s) and general time of production. The requirements for economic operators will start on December 30, 2024. The regulation establishes a country benchmarking system through which the EC will assess the risk that each country, or parts thereof, produces relevant commodities and products that contribute to deforestation. Products sourced from standard- or high-risk origins must comply with additional risk assessments and mitigation procedures. For more information, please see GAIN Report: [European Institutions Finalize Deforestation-Free Supply Chain Regulation](#). On October 2, 2024, the EC proposed an additional 12 months for stakeholders to implement the EUDR. If approved, the regulation will apply to large companies by December 30, 2025, and to micro- and small enterprises by June 30, 2026.

Trade Policy

EU Free Trade Agreements (FTAs)

The EU is negotiating and has implemented several FTAs with other countries and regions, which include concessions on dairy. Additional information is available on the EC's website: <https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/>. The EU finalized an FTA with New Zealand as well as the update of the FTAs with Mexico, while negotiations on an FTA with Australia and the update of the Chile FTA continue.

On May 1, 2024, the [EU's FTA with New Zealand](#) entered into force. The EU opened a tariff-rate quota (TRQ) of 15,000 MT for NFDG at 20 percent duty; a new butter TRQ for 15,000 MT at 5 percent duty (on top of the existing 47,177 MT WTO butter TRQ, for which 21,000 MT will also see the duty gradually reduced to 5 percent); a 25,000 MT duty-free TRQ for cheese (on top of the existing WTO TRQ for 6,031 MT, for which the duty will gradually also be eliminated); and a 3,500 MT TRQ for high protein whey at zero duty. New Zealand further protects EU geographical indications (GIs).

In April 2018, the EU concluded an [agreement in principle](#) with Mexico. After its ratification, the agreement will offer free access for EU blue cheese, with further TRQs of 5,000 MT for fresh and processed cheese and 20,000 MT for other cheeses. Mexico has also agreed to protect European GIs. The EU-Mexico Agreement is undergoing the necessary internal procedures on both sides to be ratified.

On June 28, 2019, the EU reached a trade [agreement in principle](#) with the four member countries of Mercosur (Argentina, Brazil, Paraguay, and Uruguay). The details of this agreement – in which the EU will receive TRQ's for 38,000 MT of cheese and 10,000 MT of milk powder – still need to be worked out and its implementation, on a provisional basis, is years away. Nevertheless, intensifying discussions on climate change mitigations and environmental restrictions continue as the EU advances its Green Deal and Farm to Fork (F2F) proposals, and criticism from EU farmers, Member States' governments, and the European Parliament have put into question the future of this FTA. Several Member States continue to criticize the EU-Mercosur agreement, as well.

EU-China Trade Dispute on Dairy Products

On August 21, 2024, China launched an [investigation](#) on imported EU dairy products, examining the EU agricultural subsidies and the subsequent industrial damage to Chinese producers in a period from January 1, 2020 to March 31, 2024. Dairy products subject to investigation include: fresh cheese (including whey cheese) and curd, processed cheese (whether or not ground or pulverized), blue cheese, and other textured cheese produced by *Penicillium loudi*, other cheese not otherwise named, milk, and cream (with a fat content of more than 10 percent by weight) that is not concentrated and unsweetened or otherwise sweetened (HS codes: 04015000, 04061000, 04062000, 04063000, 04064000, 04069000). The Chinese survey began on August 21, 2024, and is normally due to be completed by August 21, 2025, with a six-month extension in exceptional circumstances. As assessed by the EC, exports to China of the products subject to the investigation amounted to around EUR 513 million in 2023 and represent around 30 percent of total EU dairy exports to China (EUR 1.7 billion in 2023). The exports under investigation represent around eight percent of total EU exports to the world of the products concerned. In response to Chinese measure, on September 25, 2024, the EU [requested consultations](#) within World Trade Organization (WTO) with China on the initiation of an anti-subsidy investigation against imports of certain dairy products from the EU. This was the first time the EU has decided to challenge an investigation at its initiation stage. Proceedings at the WTO start with a mandatory period of 60 days for the parties to consult each other. If no agreement is made, WTO panels can be requested, which usually takes more than a year to reach conclusions.

EU Policy Response to the War in Ukraine

On June 3, 2022, in response to Russia's invasion of Ukraine, the EU adopted [the Autonomous Trade Measures Regulation](#) (ATM) (EU Regulation 2022/870) allowing for temporary trade liberalization for certain Ukrainian products for one year. The trade-liberalization measures established by the ATM included: the full removal of import duties (preferential customs duties) on the importation of industrial products from Ukraine; the suspension of the application of the entry price system to fruit and vegetables; and the suspension of tariff-rate quotas and the full removal of import duties.

After the expiration of the ATM, quota and tariff-free access to the EU market was twice extended to Ukraine for another year. The most recent extensions, applied until June 5, 2025, was approved by the Council of the European Union on May 13, 2024. Under the new rules, the EC can act and impose any measures it deems necessary if there are significant disruptions to the EU market due to Ukrainian imports. As part of reinforced safeguard measures to protect EU farmers, the EC can also trigger an emergency brake for a list of sensitive agricultural products: poultry, eggs, sugar, oats, groats, corn, and honey. If imports of these products surpass the average of import volumes recorded in the second half of 2021, and all of 2022 and 2023, tariffs will be re-imposed. These measures do not have any direct impact on the EU dairy sector; however, they might influence the feed prices and availability in the EU.

New EU Animal Welfare Legislation (AW)

The EC announced its intention to revise the animal welfare legislation as part of the Farm to Fork Strategy in May 2020. On December 7, 2023, the EC published a proposal on [the protection of animals during transport](#). This proposal includes requirements for animals imported from third countries into the EU, necessitating additional training for inspectors, transporters, veterinarians. As such, it may potentially increase the administrative and financial burden across the entire process. This proposal is

still going through the legislative process. More information can be found in GAIN Report: [European Union: EU Proposes New Regulation on Animal Welfare During Transportation](#).

Veterinary Medicinal Products Regulation (VMP Regulation)

On October 8, 2021, the EU published [Regulation \(EU\) 2021/1756](#) concerning official controls to ensure compliance with the prohibition on the use of certain antimicrobials. The Regulation is central to achieve the [Farm to Fork Strategy](#) target to reduce overall EU sales of antimicrobials by 50 percent for farmed animals and in aquaculture by 2030, through very concrete measures such as banning the preventive use of antibiotics in groups of animals. On October 6, 2021, [Commission Delegated Regulation \(EU\) 2021/1760](#) was adopted establishing the criteria for antimicrobials to be reserved for use by humans. On January 28, 2022, the EU implemented the new framework for the [Regulation \(EU\) 2019/6](#) on Veterinary Medicinal Products (VMPs).

The main objectives of the legislation are to:

- establish a modern, innovative, and fit for purpose legal framework for VMPs;
- provide incentives to stimulate innovation for VMPs and increase their availability; and
- strengthen the EU's efforts to fight antimicrobial resistance.

On July 20, 2022, the Commission adopted [Implementing Regulation \(EU\) 2022/1255](#) that provided a list of antimicrobials reserved for human medicine. In February 2023, the EC adopted [Delegated Regulation 2023/905](#) implementing Article 118 of the Veterinary Medicinal Products Regulation imposing limitations on the use of antimicrobials for animals exported from third countries into the EU.

On February 12, 2024, [Commission Implementing Regulation \(EU\) 2024/399](#) was published in the Official Journal amending model certificates for the entry into the Union of consignments of certain products of animal origin and certain categories of animals. The new models will be implemented by the respective exporting countries. On June 28, 2024, the EU notified to the WTO's Committee on Sanitary and Phytosanitary Measures ([G/SPS/N/EU/778](#)) about the upcoming publication of a third-country list for compliance with Article 118 of Regulation (EU) 2019/6 on veterinary medicinal products. The final date for comments is August 27, 2024. The regulation will take effect 20 days after its publication in the Official Journal of the European Union, with implementation starting on September 3, 2026. It is important to note that the EU is requiring the two additional animal health attestations to be included on the health certificates by September 3, 2024, yet not requiring the new attestations to be attested until the actual implementation of the VMP Regulation. Between these two dates, trading partners are permitted to either delete or cross out the new attestations.

Acknowledgements

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