

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Greece

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Greece Dairy Semi-Annual 2012

Report Categories:

Dairy and Products

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Report Highlights:

The Greek dairy industry is the third most important segment of the food and drink sector. MY 2012/13 Greek milk production and consumption are forecast to remain flat. MY 2012/13 cheese production is forecast to recover by 4 percent. Recent investment in the cheese-processing sector helped improve product's affordability, resulting in a more competitive marketplace.

Milk

Table 1: Greek Production, Supply, and Demand (1000 MT)

Milk	2010	2011	2012
	Estimates 2010/2011	Estimates 2011/2012	Forecast 2012/2013
	Post Data	Post Data	Post Data
Cows In Milk	144	130	130
Cow's Milk Deliveries to Dairies	688	638	638
Other Milk Production	1,372	1,402	1,400
Total Milk Production/Deliveries	2,060	2,040	2,038
Extra EU27 Imports	0	0	0
Total Supply	2,060	2,040	2,038
Extra EU27 Exports	0	0	0
Fluid Use Dom. Consumption	465	461	461
Factory Use Dom. Consumption	1,750	1,734	1,732
Feed Use Dom. Consumption	0	0	0
Total Dom. Consumption	2,215	2,195	2,193
Total Distribution	2,215	2,195	2,193

Source: Unofficial estimates based on Greek industry; GTA

The Greek dairy industry is the third most important segment of the food and drink sector, accounting for 17 percent of total production. While the majority of milk collected in the EU comes from cows, the greater part of Greek milk comes from sheep and goats. MY 2012/13 Greek milk production and consumption are forecast to remain stagnant because of the financial crisis gripping the country. Less efficient producers are going out of business as credit becomes increasingly difficult to secure and investment is scaled back. Germany supplies about 84 percent of Greece's milk import demand. Greece exports small amounts of milk to Romania, Cyprus, and Bulgaria.

Cheese

Table 2: Greek Production, Supply, and Demand (MT)

Cheese	2010	2011	2012
	Estimates 2010/2011	Estimates 2011/2012	Forecast 2012/2013
	Post Data	Post Data	Post Data
Production	220,000	210,000	219,000
Extra EU27 Imports	0	0	0
Total Supply	220,000	210,000	219,000
Extra EU27 Exports	8	8	8
Human Dom. Consumption	281,000	271,000	280,000
Other Use, Losses	0	0	0
Total Dom. Consumption	281,000	271,000	280,000
Total Distribution	289,000	279,000	288,000

Source: Unofficial estimates based on Greek industry; GTA

Cheese is a traditional product of the Greek dairy industry. MY 2012/13 cheese production is forecast to recover by 4 percent. Recent investment in the cheese-processing sector helped improve product's affordability, resulting in a more competitive marketplace. Export opportunities for Greek cheese are also encouraging a greater production. Cheese is produced mainly in Northern Greece and the mountainous areas throughout the country (Macedonia, Thrace, Epirus, Thessaly, Sterea Hellas, Peloponnisos, Lesvos, and Mitilini). Greece produces a large number of DOC (Controlled Denomination of Origin) cheeses from sheep and goat's milk (Anthotiros, Formaella of Parnassos, Graviera of Crete, Kasserri, Kalathaki of Limmos, Kefalograviera, Kefalotiri, Kopanisti, Ladotiri of Mitilini, Manouri, Metsovone, Mizithra, and Xigalo Siteias).

Cheese products account for about 13 percent of sales in Greek supermarkets. Feta is the most well-known Greek cheese and the most consumed in Greece. It is made from 70 percent of sheep's milk and 30 percent of goat's milk. Feta is a type of brine matured cheese, packaged in traditional wooden barrels, tin vessels, or wrapped in plastic.

Greek consumers —along with those in other Western countries— are becoming increasingly concerned about their weight. Cheese can form part of a calorie-controlled diet and feta is lower in fat than many cheese alternatives. Cheese is an easy snack and used on a large range of ready foods such as pizza. People looking for an alternative to meat choose cheese as a relatively inexpensive alternative.

Greece imports cheese mainly from Germany and the Netherlands. Germany continues to be the main destination for Greek cheese exports, accounting for almost 33 percent of the total.

Butter

Table 3: Greek Production, Supply, and Demand (MT)

Butter	2010	2011	2012
	Estimates 2010/2011	Estimates 2011/2012	Forecast 2012/2013
	Post Data	Post Data	Post Data
Production	1,600	1,600	1,600
Extra EU27 Imports	0	0	0
Total Supply	1,600	1,600	1,600
Extra EU27 Exports	0	0	0
Human Dom. Consumption	8,600	8,500	8,450
Other Use, Losses	0	0	0
Total Dom. Consumption	8,600	8,500	8,450
Total Distribution	8,600	8,500	8,450

Source: Unofficial estimates based on Greek industry; GTA

MY 2012/13 Greek butter production, consumption, and trade are forecast to remain flat. Germany, the Netherlands, and Denmark are the main suppliers to the Greek market, accounting for 66 percent of total imports.

Abbreviations and definitions used in this report

HS codes:

Milk Fluid: 040110, 040120

Cheese: 040620, 040630, 040640, 040690

Butter: 040510

MT Metric ton = 1,000 kg

MY Marketing year: January/December