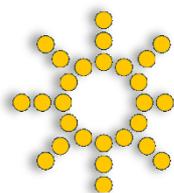




Dairy Focus 01/2021

Portuguese EU Presidency



2021PORTUGAL.EU



The Portuguese dairy sector

The milk sector in Portugal is a relevant factor in the Portuguese economy. It represents **28% of the overall animal production** and **12% of the agricultural production in Portugal**. In the food industry, milk and dairy products represent 12% of total sales, being the 3rd most important sub-sector in this industry, in terms of sales.

The Portuguese milk production has grown steadily, despite more than 90% reduction in the number of farms in this last 30 years. This dynamic was accompanied by **an increase from 4 to 55 in the average number of dairy cows per farm**, during the same period. Today, the Portuguese dairies are partnering with **around 4,250 dairy farms in Portugal** and the number of milk producers in the Azores exceeds 2,000 farms. Despite this 65% of the milk is produced in mainland, and 35% in Azores.

Our dairy sector in Portugal is **strongly organized around cooperatives**: 75% of total production is marketed through this organizations, and 25 years ago, the major dairy processor resulted from the fusion of 3 major cooperatives. The Portuguese dairy sector is also a source of employment, generating around **11,500 direct jobs** (on dairy farms and the processing industry). It counts more than **340 companies**, from a large number of small traditional dairies to larger companies that made constant investments into new technologies, equipment, packaging and environmental practices. Smaller dairies have found ways to stand out by producing so-called niche products, mainly traditional cheeses.

The main productions are drinking milk (696,000 tonnes), yoghurt (115,000 tonnes), cheese (65,000 tonnes), butter (30,000 tonnes) and cream (22,000 tonnes). Our dairy sector is one of the few sectors in the Portuguese agri-food sector that can claim a **105% self-sufficiency status** with regards to drinking milk. The whole dairy sector can almost claim self-sufficiency status with a current level around 92%. Regarding butter, there is a surplus, with a degree of self-provisioning of 136%. However, Portugal is not self-sufficient in yogurt and cheese, with a self-provisioning of 53% and 63%, respectively.

Dairy is an important part of the official **Portuguese Dietary Recommendations**. It plays an important role along **heritage and tradition**, mainly for PDO cheeses.

The consumption of milk and milk products is around 118 kg per inhabitant, per year. While the consumption of liquid milk and yoghurt has decreased, **the consumption of cheese has increased**, and the consumption of butter has remained stable. In 2019, the consumption level for liquid milk represented 72 kg per inhabitant, 20 kg per inhabitant for yoghurt, 13 kg per inhabitant for cheese, and 2 kg per inhabitant for butter.

The dairy sector in Portugal works like a real chain: the milk produced in Portugal is almost completely transformed by Portuguese industrial units and is destined, in a huge percentage, to **national consumers**.

Focus on the Azores

The milk sector is **relatively significant in the economy of the Azores**. The two main islands involved in milk production are São Miguel and Terceira.

Cheese is the most important product in the trade value of Azorean dairy products, with a share of around 45%, followed by liquid milk and butter.

More than 80% of the value of the Azores dairy trade is carried out with the **continental territory**, 10% at the origin and 6% with international markets.

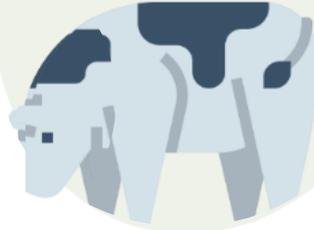
Maria Cândida Marramaque (ANIL) and Fernando Cardoso (FENALAC)

In a nutshell

2019 data: EDA Survey 2019, Anil, Fenalac
& IFCN report 2020

234,000 dairy cows

55 cows per farm



10.3 million
inhabitants



4,251

dairy farms



≈ 8 tonnes
milk yield per cow



≈ 1.9 million tonnes
cows' milk production



14 cheeses
PDOs and PGIs



1 butter
PDO in the making





Wednesday 24 March 2021

EDA Dairy Policy Conference 2021

📍 Brussels, Belgium



28 September – 01 October 2021

EDA European Dairy Platform 2021

"Milk & Dairy – Essential for Your Life"

📍 Madrid, Spain