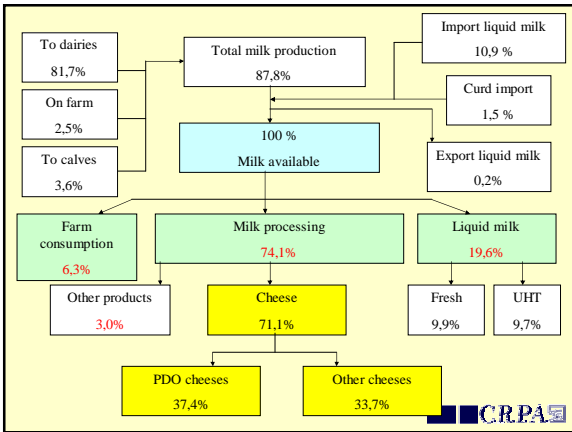
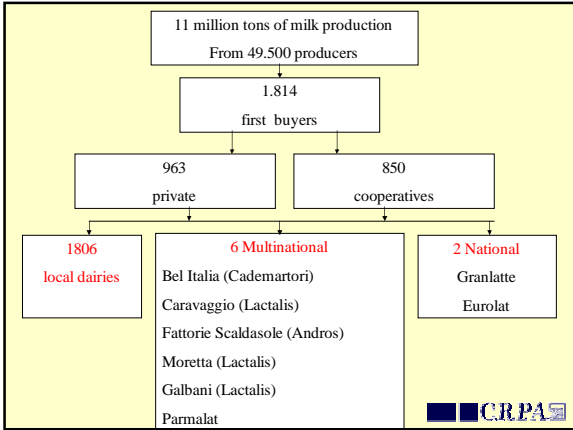


Italian milk price:  
 some general considerations  
 -Alberto MENGHI

EDF CONGRESS 2007 – NITRA - SLOVAKIA

**Italian milk price:  
 some general considerations**


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 28 June 2007

**The regional Lombardia agreement  
 on milk price from  
 01-04-2007 to 31-03-2008**


**33,16 €100 litres milk**

FAT: 3,70-3,80  
 PROTEIN: 3,25 – 3,30  
 SOMATIC CELLS: 300.000 - 350.000  
 BACTERIA COUNT: 30.000 – 100.000




**Quality premiums and penalties**

Fat (g/dl)	<	3,70	-0,02065	€100 Litres
		<b>3,80</b>	<b>0</b>	
	>	3,80	0,02065	€100 Litres
Protein (g/dl)	<	3,25	-0,04648	€100 Litres
		<b>3,30</b>	<b>0</b>	
	>	3,30	0,04648	€100 Litres
Somatic cells	<	150.000	0,51646	€100 Litres
		300.000	0,25823	€100 Litres
		<b>350.001</b>	<b>0</b>	
		400.000	-0,25823	€100 Litres
	>	400.000	-0,51646	€100 Litres
Bacteria count	<	30.000	0,20658	€100 Litres
		<b>100.000</b>	<b>0</b>	
	>	100.000	-0,51646	€100 Litres



**1st example ( €100 litres)**

Basic price		33,16
Fat	3,90	0,207
Protein	3,40	0,465
Somatic cells	280.000	0,258
Bacteria count	25.000	0,207
Quality		1,136
Final price		34,296
Vat 10%		37,726



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**2nd example (€100 litres)**

Basic price		33,16
Fat	3,65	-0,1033
Protein	3,20	-0,2324
Somatic cells	360.000	-0,2528
Bacteria count	35.000	0,0000
Quality		-0,588
Final price		32,572
Vat 10%		35,829

Fat and Protein in **FRANCE**  
 premium/penalties  
 (euro/1000 litres)

	grammi differenziali di materia grassa (centesimi/grammo) 38 grammi il riferimento	grammi differenziali di proteine (centesimi/grammo) 32 grammi proteine vere il riferimento
CILFA	+/- 30 ct	+/- 46 ct tra 30 e 33 +/- 53 < 30 e > 33
GILNA	+/- 29 ct	+/- 46 ct tra 30 e 33 +/- 60 < 30 e > 33
Lorraine	+/- 30 ct	+/- 0,59 ct + 64 ct tra 32 e 34 - 64 < 32 + 57 se > di 34
Rhone Alpes	+/- 30 ct	+/- 0,58 ct
Auvergne	+ 30 ct (da 38 a 41) + 15 ct (oltre 41)	+/- 0,58 ct
Sud Ouest	+/- 29 ct	+/- 0,55 ct
OUEST	+/- 30 ct	+/- 61 ct tra 30 e 34 +/- 76 < 30 e > 34
Basse normandie	+/- 29 ct	60 ct se < di 30 +/- 53 tra 30 e 33,9 69 ct tra 34 e 34,9 76 se > di 35
Haute normandie	+/- 30 ct	+ 63 ct tra 30 e 34 - 61 < 30 + 61 se > di 34

Source: Istitute de l'Elevage

**Bacteria count in FRANCE premium/penalties**  
 (euro/1000 litres)

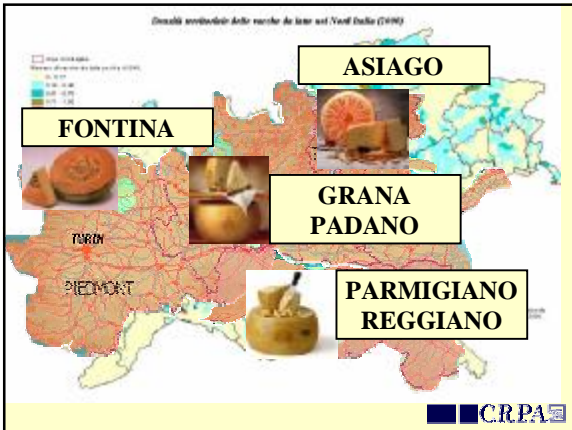
	CILFA	GILNA	Lorraine	Rhone Alpes	Auvergne	Sud Ouest	Ouest	Basse normandie	Haute normandie
50.000	+3	+3	+1,5			+3		+1,5	
70.000									
100.000									
150.000	-15	-15	-15	-9	-9	-15	-24	-30	-35
200.000									
250.000	-46	-46	-76	-61	-30	-61			

Source: Istitute de l'Elevage

**Somatic cells in FRANCE (euro/1000 litres)**

	CILFA	GILNA	Lorraine	Rhone Alpes	Auvergne	Sud Ouest	OUEST	Basse normandie	Haute normandie
250.000	+3	+3	+1,5					+6	+1,5
300.000							-3		
350.000									
400.000									
450.000	-11	-11	-9	-15		-6	-9	-9	-4
500.000									
550.000									
600.000									
650.000									
700.000									
750.000									

Source: Istitute de l'Elevage



Protected Designation Origin Cheeses (PDO) and relative milk price

In Italy about 400 different cheeses have been recorded by the Ministry of Agriculture

	2005 (tons)	2005 (€/litre)
Grana Padano	159.607	0,34
Parmigiano Reggiano	118.979	0,40
Gorgonzola	48.480	0,35
Provolone Valpadana	12.745	0,34
Asiago	23.621	0,35
Taleggio	9.196	0,35
Montasio	8.190	0,35
Fontina	3.606	0,65
Quartirollo Lombardo	3.428	0,35
Valtellina Casera	1.464	0,39
Toma Piemontese	1.234	0,37
Bra	1.028	0,37
Caciocavallo Silano	1.119	0,38
Raschera	994	0,45
Monte Veronese	537	0,37
Casciotta d'Urbino (70%P)	240	0,36
Bitto (10%C)	332	0,39
Robiola di Roccaverano	76,4	0,52
Castelmagno	201	0,60
Murazzano (60%P)	26	0,38
Ragusano <sup>3</sup>	168	0,34
Formai de Mut	60,9	0,38
Valle d'Aosta Fromadzo	4	0,45

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### The fragmented retail system

- 16% of retailers are still small grocery shops
- The top 5 multiple retail chains cover “only” 54% of the market



### To summarize

- **Import** - export
- Number producers – **number of buyers**
- **Farmers cohesion** – **individual behaviour**
- **Branded products** – commodities
- Few retailers – **many retailers**
- **National products** – Imported products

