

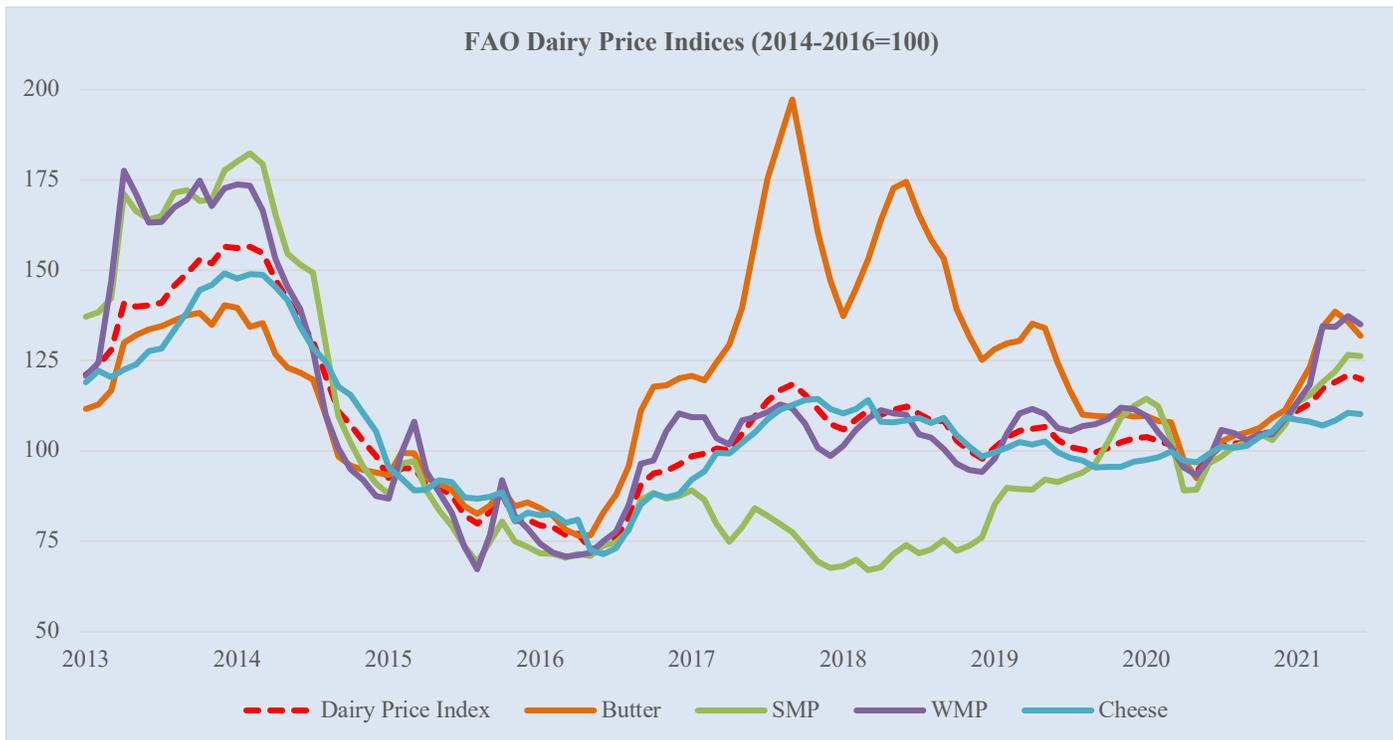
# DAIRY MARKET REVIEW

## Price and policy update<sup>1</sup>

### International dairy price review

#### Twelve-month long increases in international dairy prices ended in June, reflecting a slowdown in global demand

International dairy prices, measured by the FAO Dairy Price Index, fell slightly in June, ending 12-month of uninterrupted increases. At 119.9 points in June, the global dairy price index stood 22 percent above its level one year ago. International quotations for all dairy products represented in the index fell in June, with butter registering the largest decline, underpinned by a fast decline in global import demand and a slight increase in inventories, especially in Europe. Whole milk powder prices declined on reduced purchases by China and lower demand for spot supplies, while global export availabilities remained adequate to meet existing orders. Price quotations for cheese and skim milk powder dropped slightly on reduced global import demand amid somewhat higher export supplies from major producing regions.



From January to June 2021, the FAO Dairy Price Index increased 8.7 points (7.8 percent), with the sub-index for WMP registering the sharpest increase (+19.1 percent), followed by butter (+12.5 percent), SMP (+11.4 percent) and cheese

<sup>1</sup> Dairy Market Review: Price and Policy Update is an information product prepared by the FAO Markets and Trade division of the Economic and Social Development stream. It reviews international dairy price movements and provides a review of policy developments between June 2020 and May 2021. Previous reports can be accessed by following the link: <http://www.fao.org/economic/est/est-commodities/dairy/milk-and-milk-products/en/>. The views expressed in this publication are those of the authors and do not necessarily reflect views of FAO.

(+1.4 percent). Solid import demand from Asia, mainly China, underpinned the increase in international dairy prices during the period. In China, the fast pace of economic growth and the real appreciation of the Yuan induced a surge in consumption, leading to higher dairy imports. In addition, the rapid recovery in China's pig herd population boosted higher imports of whey powder. More home cooking and baking during lockdowns increased retail sales such as butter and cheese in many dairy importing countries, partially offsetting lower food services sales. Import purchases by some countries in the Middle East and North Africa also increased, supported by revived petroleum prices, improved economic activities, and increased inbound movement of expatriate workers. In recent months, demand for spot supplies from Oceania has risen sharply due to concerns over short-term sourcing challenges amid limited container availability in Europe and North America.

On the supply side, the January heatwave in Australia and the March to April dry weather in New Zealand aggravated the seasonally declining milk production, tightening export supplies and driving up dairy prices, especially butter and WMP. In Europe, milk production fell slightly below last year's levels between January and February, while extreme cold spells in parts of Europe during March and April made trucking more difficult, further restraining milk deliveries to processing centres. This encouraged producers to divert their supplies to buyers with long-term contracts, which, in conjunction with firm internal demand in Europe, led to limited spot supplies for world markets and consequently higher international butter and milk powder prices.

## Policy developments affecting the dairy sector

This report updates policy measures introduced by governments from 1 June 2020 to 1 May 2021.<sup>2</sup>

### Policy developments affecting production, domestic marketing and consumption of milk and milk products

#### COVID-19 related production and income support policies

Social distancing requirements and lockdowns related to the global COVID-19 pandemic represented significant challenges for the dairy sector worldwide. While these measures disrupted milk production, transportation and consumption of milk and milk products, many governments launched support measures to assist the dairy sector, primarily aiming to restore market stability.

- **Canada**, in October 2020, established the Emergency On-Farm Support Fund, allocating CAD 35 million (USD 26.5 million) to improve health and safety on farms and employees' living quarters and work stations, temporary or emergency housing (on- or off-farm), personal protective equipment, sanitary stations and other measures to safeguard the health and safety of Canadian and temporary foreign workers against COVID-19. The assistance under the programme was available for activities carried out between 15 March 2020 and 26 February 2021. In addition, Canada also allocated more than USD 5.2 billion for agriculture, forestry and fisheries, and financial support for the supply-managed sectors, including dairy, to counter likely economic impact from COVID-19 and build a resilient economy.

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<sup>2</sup> For previous policies, please see the [Dairy Market Review: Price and Policy Update, July 2020](#). A few selected measures launched in June 2020 are mentioned in this report as well where they have either extended to the current period or received wider attention in recent policy debates.

- The **European Union**, in June 2020, adopted a regulation, as an exceptional measure, which allows Member States to pay up to EUR 7 000 (USD 7 881) to farmers and up to EUR 50 000 (USD 56 295) to small and medium enterprises active in processing, marketing or development of agricultural products or cotton, except fishery products. The EU's long-term budget for 2021-2027 consisted of its standard Multiannual Financial Framework (MFF) (EUR 1 074 billion, USD 1 209 billion) and a COVID-19 recovery package, termed as NEXTGenerationEU (EUR 750 billion, USD 844 billion). The COVID-19 recovery package includes EUR 390 billion (USD 439 billion) grants and EUR 360 billion (USD 405 billion) for the recovery and resilience facility. While funding under the recovery package is likely to benefit the agricultural sector, including dairy, MFF is likely to be the primary vehicle for providing much of the funding for the agricultural sector. In addition, in January 2021, the European Union extended the *State Aid Temporary Framework* till 31 December 2021, launched in March 2020 for supporting the economy in the context of the coronavirus outbreak. Moreover, the European Commission expanded the framework's ceilings for specific support measures and allowed flexibility for some repayable instruments to convert into direct grants until the end of 2022.
- **India**, in September 2020, extended till 2020-23 the *Dairy Processing and Infrastructure Development Fund*, a system set up in 2018 under the National Bank for Agriculture and Rural Development (NABARD). While the fund aimed initially at providing subsidised loans to capital stressed milk cooperatives to replace their old chilling and processing plants, the extended programme focused on building an efficient milk procurement system by setting up processing and chilling infrastructure and installing electronic milk adulteration testing equipment at village level. The scheme envisages providing loan assistance to eligible end borrowers (EEBs), including state dairy federations, district milk unions, milk producers companies, multi-state cooperatives and National Dairy Development Board (NDDB) subsidiaries. In June 2021, India also established the *Animal Husbandry Infrastructure Development Fund*, allocating INR 150 billion (around USD 2 billion) for incentivising investments by individual entrepreneurs, private companies, micro, small and medium enterprises, farmer producers organisations (FPOs) to establish dairy and meat processing and value addition infrastructure and animal feed plants. The Indian government also approved a *Production Linked Incentive Scheme* for the food processing industry, *focusing on dairy products such as mozzarella cheese, ice cream, milk-based beverages, and Indian traditional sweets*. The scheme has an outlay of INR 109 billion (around USD 1.5 billion) for over six years from 2021 to 2027.
- **New Zealand** implemented several COVID-19 financial support schemes targeting the dairy sector, with the availability and the level of assistance, including maximum payment periods, contingent on COVID-19 alert levels and the specific eligibility criteria. Dairy enterprises received assistance under multiple channels: COVID-19 resurgence payments (August to September 2020), wage subsidy (March 2020 to March 2021), a loan scheme for sustaining small business cash flows (May 2020 to December 2023), business finance guarantee scheme and business debt hibernation (May 2020 to October 2021).
- The **United States of America** supported the dairy sector through several programmes: a) Section 32 support, b) trade mitigation purchases, c) CARES act, d) Farmers to Families Food Box Programme, and e) Coronavirus Food Assistance Programme (CFAP). *Section 32* is a mechanism introduced in 1935 with budgetary appropriation to purchase "surplus" commodities. In May 2020, the US federal government approved USD 470 million, including USD 120 million for dairy products for purchasing and distributing food among needy American families and food

banks. It aimed at reducing inventory build-up due to decreased demand for food purchased by restaurants and schools while meeting demand from food banks and organisations supporting the communities in need. Although not implemented as a response to the COVID-19 impact, *Trade Mitigation Purchases (TMP)*, launched in 2018, helped American farmers during the crisis as the USDA purchased various commodities, including dairy, meat, fruits and vegetables, and distributed among states to distribute under various food assistance programmes. The *CARES Act*, passed in March 2020, also assisted American families, agricultural producers and small businesses to receive loan guarantees to deal with the COVID-19 impact. The Farmers to Families Food Box programme is operationally equal to the TMP and has completed four rounds from 15 May 2020 and spent close to USD 4 billion. The *CFAP*, launched in May 2020, was another vehicle used by the US government to help qualified dairy farmers. Under the programme, the United States paid farmers for the volume of milk produced. In March 2021, the US government announced an expansion of the CFAP to cover additional payments for eligible cattle and row crop producers.

### Other production and income support policies

Public assistance to farmers and processors to cope with droughts or market opening arrangements, including trade agreements, has been widely used. During the reference period, two such measures received attention.

- **Australia**, in June 2020, extended the *Drought Community Support Initiative* until the end of 2020, allocating AUD 148.5 million (approximately USD 102.5 million) to support drought-affected farming households. In July 2020, Australia also extended the *Farm Household Allowance* to eligible farmers and their families experiencing financial hardship, no matter the cause of that hardship. The package of assistance included: fortnightly income support up to a maximum of four years in every 10 years; ancillary allowances such as pharmaceutical allowance, telephone allowance, rent assistance and remote area allowance; a professional financial assessment of the farm business; funding to help develop skills, access training and pay for professional advice; and regular support of a case manager.
- **Canada**, in November 2020, made changes to the government compensation payment for dairy farmers for ceding market access under the Canada-European Union Comprehensive Economic and Trade Agreement (implemented in 2017) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (implemented in 2018). While the initial plan was to pay compensation over seven years, in November 2020, the Canadian government introduced an accelerated payment schedule with a 3-year duration, totalling USD 360 million each year from 2020 to 2023. In addition, in April 2021, Canada allocated USD 230 million under the federal budget, committing funds through 2029 to compensate processors of dairy and poultry for market access concessions under the same trade agreements.

### Price policy measures

Several countries used price policy as an instrument to keep farm incomes falling below critical thresholds in the face of significant demand and supply imbalances.

- **Argentina**, in October 2020, allowed the prices of most dairy products to rise by 2 percent under the new provisions gazetted under Disposition 14/2020. The government allowed the increase to sustain farm profitability margins given rising labour costs and other inputs compared with farmgate milk prices. In addition, some dairy

processors sought to maintain profitability by introducing new product lines, unaffected by the price freezes and limited at-home delivery of milk.

- **Canada**, in February 2021, fixed annual support prices for butter and skim milk powder at CAD 8.72 per kg (around USD 6.9) and CAD 4.53 per kg (around USD 3.6), respectively.
- **Colombia**, in March 2021, increased the support price for milk by 3.5 percent, considering key market variables, especially input costs, the producer price index, import demand and inventories.
- **Mexico**, in December 2020, published the operation rules of the Guaranteed Prices Programme for the fiscal year 2021, setting the price for 1 litre of milk at Mexican peso 8.20 (around USD 0.41), with a maximum purchasing limit of 25 litres per cow in a day.
- **Turkey**, in March 2021, announced that the Meat and Milk Board, an affiliated government entity that regulates meat and milk prices domestically, would purchase raw milk directly from producers to guarantee a minimum price.

### Dairy-sector development strategies

Several countries launched dairy development strategies to improve milk production efficiency.

- **Algeria**, in June 2020, under *Decree no. 20-153*, prohibited using subsidised milk powder for manufacturing pasteurised whole milk or other milk products and selling pasteurised milk packaged in sachets in cafes, restaurants and drinking establishments. The decree aims to manage subsidies more efficiently and control spending to offset the drop in petroleum earnings following the petroleum price slump in 2020.
- **Australia**, in September 2020, launched the *Australia Dairy Development Plan (ADDP) 2020-2025*, aiming at creating a more cohesive industry structure, enabling the sector to overcome milk price volatility and severe drought and sustain farm profitability and risk management. It also aims to identify and tackle the barriers to entry for people to work and invest in dairy farming, carry out an effective marketing and promotion campaign, and develop tools to increase the understanding of raw milk production costs and farm gate milk prices to restore trust and transparency between dairy farmers and processors.
- **China (mainland)**, in December 2020, announced a three-year strategy to further develop the local dairy industry, emphasising the strengthening research and development and regulatory and safety standards, aiming to encourage consumers to increase purchases of local dairy products.
- **Colombia**, in January 2021, fixed monthly minimum wage and transportation aid for perishable agricultural and livestock products, considering the consumer price index for 2020 and a constitutional requirement.
- **Cuba**, in April 2021, announced the cancellation of a ban introduced in 1963 on the slaughter of cattle and sale of bovine meat and dairy products without state permission as part of agricultural reforms and deregulation of the dairy sector to increase national production.

### Policies affecting milk marketing and food safety standards

- **China (mainland)**, in March 2021, notified the WTO SPS Committee of an addendum to the National Food Safety Standard: Good Manufacturing Practice for Powdered Infant Formula (0G/SPS/N/CHN/1159/Add.1), replacing the existing national food safety standard framework, introduced in 2010. The inclusion of formula food for infants and

children, together with their technical production requirements, food safety controls, testing for products and their manufacturing facilities and equipment, is the most notable change that would affect the dairy sector.

- The **European Union**, in December 2020, allocated EUR 182.9 million (USD 222.6 million) to fund promotional activities in 2021 for EU agrifood products, including dairy, promoting organic products, sustainable agriculture, and the role of the agrifood sector in terms of climate action and the environment. In March, the European Union opened its public intervention stocks for butter and skim milk powder for the window between 1 March and September 2021. The public intervention scheme provides a safety net when a significant market imbalance occurs by purchasing a maximum of 50 000 tonnes of butter and 109 000 tonnes of SMP, complying with specific quality requirements at a fixed price, and selling back to the market via a tendering procedure.
- **India**, in July 2020, extended till 1 January 2021, the compliance date for stakeholders to adopt standards established by the Bureau of Indian Standards related to the commercial feeds and feed materials intended for milk or meat-producing animals.
- **Singapore**, in April 2021, notified the World Trade Organization (WTO) Committee of technical Barriers to Trade (TBT) of the Nutri-Grade Beverage system, a scoring system, establishing nutrition labels based on sugar and saturated fat thresholds for pre-packaged, non-alcoholic beverages. The system classifies food products into four categories (A to D) and operational by 30 June 2022. Displaying score labels on the package front is mandatory, and advertising is prohibited, for products scoring C and D. The new measure would affect a wide variety of pre-packed beverages, including milk-based beverages.

### Institutional and organisational measures

- **Australia**, in May 2021, urged dairy farmers and processors to be aware of rights and obligations under the Dairy Code of Conduct (DCC) ahead of the 1 June deadline for publishing the milk supply agreements. The new compulsory dairy industry code. DCC aims to establish a fairer process for entering into contracts between milk farmers and processors and establish a dispute resolution and mediation process. It also prohibits unilateral retrospective payment step-downs, except under exceptional circumstances, once farmers and processors have entered into agreements. The new code also empowers the Australian Competition and Consumer Commission (ACCC) to monitor the conduct of farmers and processors to support compliance.
- The **European Union**, in June 2020, adopted the Taxonomy of Regulation, aimed at meeting the EU's climate targets for 2030 and reach the objectives of the European Green Deal. The regulation established taxonomy for sustainable activities by setting out overarching conditions that economic activity must meet to qualify as environmentally sustainable." Furthermore, as part of the *Farm to Fork (F2F) Strategy* published in May 2020, the European Union adopted the European Council conclusions, the official position of parliamentarians on the F2F strategy. Several provisions of the strategy, especially the front-side mandatory labelling requirements, nutrition profiles, animal welfare labelling, reduction of antimicrobials and chemical fertiliser use, are likely to affect the dairy sector.

## Policy developments affecting international trade

### Tariff and tariff-rate quotas

- **China (mainland)**, in December 2020, announced its annual tariff adjustment plan that sets tentative import and export tariff rates for selected tariff lines in 2021. The main changes introduced include: a) lowering tariff rates from 10 percent to 5 percent for certain dairy products such as anhydrous lactose (HS-17021100), whey powder (HS 04041002) and lactoferrin (HS 35022000); and b) setting at zero percent the rate for dairy-based infant formula (HS 19011010) for premature/low birthweight babies and nutrition supplement for breastmilk. However, the tariff rate for regular infant formula powders that share the same code HS19011010 is unchanged (5 percent).
- The **European Union**, in March 2021, suspended all tariffs related to agriculture, including dairy products, linked to the Airbus and Boeing trade disputes with the United States for four months to allow both parties to concentrate on resolving the ongoing trade dispute. US tariffs were introduced in October 2019 when the EU failed to end subsidies for Airbus. Since then, the United States has applied an additional 25 percent duty on a wide range of EU dairy products, mainly cheese and butter. In November 2020, the EU increased tariffs on US cheese by 25 percent.
- **Japan**, in September 2020, announced reductions in planned imports of butter to 14 000 metric tonnes for the Japanese fiscal year 2020, reflecting a 30 percent decrease from the previously announced volume of 20 000 metric tonnes, over concerns on growing butter stocks.
- **Japan**, in April 2021, announced tariff-rate quota (TRQ) volumes for dairy products for the Japanese fiscal year (JFY) 2021 (April to March), including natural cheese for processing, skimmed milk powder, evaporated milk, butter and butter oil, and certain whey products. The TRQ for natural cheese increased by 19 percent from JFY 2020, while TRQs for the other products were unchanged.
- **Thailand**, in January 2021, eliminated import tariffs and import quotas under Special Safeguard measures for Australian and New Zealand dairy products, such as whole milk powder, whey, cheese and anhydrous milk, under the Thailand-Australia Free Trade Agreement and the Thailand New Zealand Closer Economic Partnership.
- **Viet Nam**, in July 2020, announced a decree, revising Most Favoured Nation tariffs on imports of several agricultural products, including dairy products and ingredients such as skim milk powder, whole milk powder, cheese, milk albumin and protein isolate.

### Market access

- **Argentina**, in October 2020, regained market access to the Republic of Korea with the acceptance of a new health certificate. Argentina lost market access to the Republic of Korea in 2016 when the latter implemented a Special Law to Control the safety of Imported Food. The new agreement allows Argentina to restart exporting dairy products, including butter, fluid milk (cow's milk), whey, cheese and cream, for human consumption.
- **Belarus**, in August 2020, signed an agricultural cooperation agreement with China within the Belt & Road Initiative, which foresees the development of mutually beneficial cooperation, consisting of market access to China for dairy products.

- **Canada**, in July 2020, provided new tariff rate quotas exclusively for the United States under the United States-Mexico-Canada trade agreement (USMCA), which entered into force on 1 July 2020. The USMCA is likely to create new market access opportunities for US exports to Canada for dairy, poultry and eggs, and in exchange, market access for Canadian exports of dairy and other products to the United States. Canada agreed to eliminate milk price classes 6 and 7 and set prices of skim milk solids no lower than a level based on the US price for non-fat dry milk. Canada also committed to adopting measures designed to limit the impact of any surplus skim milk production on external markets.
- **India**, in August 2020, issued an administrative order allowing imports of lactose and whey for non-food use such as pharmaceutical or nutraceutical use, provided the importer declares the same at the time of import. Food use lactose and whey imports should meet all import requirements as mentioned on the Indian veterinary certificates. India insists on religious and cultural grounds that dairy products should not have been produced from dairy cows that received feed produced from internal organs, blood meal and tissues of ruminant origin.
- **Japan**, in October 2020, signed a trade deal with the United Kingdom of Great Britain and Northern Ireland (UK), preserving most of the benefits of the existing EU-Japan free trade agreement. Among selected features of the agreement announced so far, UK exporters have given access to any EU-Japan tariff rate quotas that EU exporters do not use in a given year. In addition, the trade agreement recognised over 70 UK food and drink products as Geographical Indications in Japan, including Yorkshire Wensleydale cheese.
- **Ukraine**, in October 2020, signed an agreement with the UK, allowing businesses to continue trading as they do now after the end of the Transition Period and deliver the same level of trade liberalisation that businesses currently enjoy under the existing EU-Ukraine Association Agreement. In principle, the agreement is applicable to trade in dairy products.

### Import restrictions

- **China (mainland)**, in September 2020, announced the extension of Section 301 tariff exclusions for US products on the First Exclusion List for another year. The products subject to this tariff exclusion include whey for feed use and alfalfa. The extension is valid until 17 September 2021.
- The **Russian Federation**, in November 2020, extended the ban on imports of agricultural products, including dairy products, from the countries that applied economic sanctions against the Russian Federation, adding the United Kingdom until the end of 2021.

### Trade agreements

- **Canada**, in April 2021, the entry into force a trade agreement with the UK to mitigate possible trade disruption associated with the UK leaving the European Union and thereby the Comprehensive Economic and Trade Agreement (CETA). It recognises that the rights and obligations between the two countries as provided for by CETA should continue following Brexit and following the transition period, subject to the provisions of this agreement. Canada imports cheese from the UK under TRQs.
- The **European Union**, in December 2020, concluded a Trade and Cooperation Agreement (TCA) with the UK on the future trade relationship, with implications on breeding and transport of animals. The TCA envisages trade across borders without tariffs or taxes, but barriers to the movement of services and labour between the two

trading partners may result in higher costs and a reduced trade volume. Moreover, the European Union recognised UK organic certification for 12 months post-Brexit.

- **Indonesia**, in July 2020, granted a zero percent import tariff for dairy product imports from Australia, with exceptions for certain dairy products, under the Indonesia-Australia Comprehensive Economic Partnership Agreement, which entered into force on 5 July 2020. The agreement envisages the complete elimination of tariffs for dairy products by 2033.
- **Japan-UK Comprehensive Economic Partnership Agreement (CEPA)** entered into force on 1 January 2021. The agreement enabled the United Kingdom to maintain most of the market access terms for agriculture under the Japan-EU Economic Partnership Agreement (EPA). However, the UK lost access to 15 out of 25 TRQs. The UK can use the remaining 10 TRQs, but preferential tariffs are applied only to the volume remaining after subtracting EU-27 imports.

#### Other trade-related measures

- **Australia**, in February 2021, announced the allocation of AUD 72.7 million (around USD 56 million) to help Australian agribusinesses to expand their export markets as part of the Agri-Business Expansion Initiative. The support includes direct exporter support services, greater access to market intelligence, and matched grants for government and industry associations to work together on the market expansion.
- **China (mainland)**, in March 2021, implemented mandatory traceability requirements for all food products transported via cold-chain, including dairy products, in an expansion of its efforts to prevent COVID-19 from entering the country through imported foods.
- **China (mainland)**, in April 2021, introduced legislation titled the “Regulation on the registration and administration of overseas producers of imported food”, making it mandatory for all overseas food manufacturers, processors and storage facilities wishing to export to China to register with the Chinese authorities.
- **Chile**, in September 2020, launched a public-private initiative to diversify exports markets. The pilot phase of the program involves the Chilean dairy and meat sectors. The programme aims to create sustainability standards for each production sector; evaluate the sustainable performance through goals and indicators; join public and private efforts towards sustainable production; and Communicate participating companies’ results and efforts towards sustainable production.
- The **European Union**, in September 2020, signed an agreement with China to protect 100 European Geographical Indications (GIs) in China, along with the same number of Chinese GIs on the EU’s single market. European GIs to be recognised in China include cheeses such as Feta, Danish Blue and Italian Taleggio. The agreement covers an additional 175 GIs from both sides, totalling 275, under the second tranche.
- **India** (state government of Gujarat), in October 2020, introduced a resolution to approve export subsidies for SMP for six months starting from 1 November 2020. The Gujarat state government allocated INR 1 500 million (around USD 20 million) for providing export subsidies as milk cooperatives in Gujarat found it challenging to sell an estimated 90 000 tonnes of SMP in stock.
- **Indonesia**, in April 2021, issued a new questionnaire for foreign dairy establishments seeking approval to export dairy products to Indonesia. For exporting milk and milk products to Indonesia, the exporting country must be free

from foot and mouth disease (FMD), brucellosis and tuberculosis. Exporters from FMD-endemic countries must register and establish export eligibility for exporting processed milk products to Indonesia.

- **Mexico**, in October 2020, announced proposed changes to its milk powder import procedure, which would establish a requirement for verification of the laboratories issuing conformity assessment certificates accompanying milk powder shipments before being released by Mexican Customs.

## Statistical annexes

FAO Dairy Price Index <sup>(a)</sup>

	International prices <sup>(b)</sup> (USD per tonne)				FAO Dairy Price Index
PERIOD	Butter	SMP	WMP	Cheddar cheese	(2014–2016=100)
<b>Annual average <sup>(c)</sup></b>					
2010	4 268	2 971	3 499	3 739	112
2011	5 023	3 408	3 962	4 380	130
2012	3 740	3 063	3 336	3 877	112
2013	4 784	4 148	4 730	4 563	141
2014	4 278	3 606	3 854	4 542	130
2015	3 306	2 089	2 537	3 076	87
2016	3 473	1 986	2 481	2 807	83
2017	5 641	2 011	3 163	3 664	108
2018	5 587	1 834	3 060	3 736	107
2019	4 443	2 440	3 186	3 435	103
2020	3 844	2 606	3 041	3 506	102
<b>Monthly</b>					
2020 – June	3 595	2 473	2 892	3 447	98
2020 – July	3 778	2 519	3 129	3 516	102
2020 – August	3 841	2 590	3 103	3 505	102
2020 – September	3 872	2 625	3 043	3 524	102
2020 – October	3 920	2 682	3 097	3 609	104
2020 – November	4 021	2 635	3 091	3 664	105
2020 – December	4 098	2 744	3 219	3 801	109
2021 – January	4 316	2 900	3 353	3 771	111
2021 – February	4 542	2 957	3 497	3 758	113
2021 – March	4 952	3 045	3 979	3 720	117
2021 – April	5 106	3 123	3 971	3 765	119
2021 – May	5 003	3 240	4 061	3 840	121
2021 – June	4 856	3 231	3 993	3 826	120

## Notes:

(a) The FAO Dairy Price Index represents a trade-weighted average of international price quotations for butter, cheese, SMP and WMP.

(b) All sub-component prices represent average FOB prices for the European Union and Oceania

(c) Annual average of monthly index values from January to December

Sources: Product prices are the mid-point price ranges reported by Dairy Market News (USDA) and European Commission-reported European Union prices (starting from 2008).

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Previous reports are available at <http://www.fao.org/economic/est/est-commodities/dairy/milk-and-milk-products/en>

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