

2016

MILK PRODUCTION COSTS

Belgium



In 2015, a first study on milk production costs in Belgium had been carried out by the BAL (Büro für Agrarsoziologie) on behalf of the European Milk Board (EMB) and the Belgian dairy farmer association MIG.

The present data sheet provides an update of this cost calculation. In 2016, milk production costs in Belgium were 41.37 ct/kg. Due to the drop in milk prices to 26.70 ct on average, there thus was a shortfall of 35 % in coverage of production costs.



Milk Production Costs Belgium 2016					
Region	Paid Costs	+ Income Rate	= Total Costs	- Subsidies	= Production Costs
in cents per kg					
Flanders	28.79	13.70	42.49	2.36	40.13
Wallonia	29.16	16.33	45.49	2.13	43.36
Belgium	28.93	14.71	43.64	2.27	41.37

Implicit Costs in Cents/kg for		
Region	Land (lease)	Capital (interest)
Flanders	0.57	0.18
Wallonia	0.63	0.17
Belgium	0.59	0.18

Development of Milk Production Costs in Belgium 2010-2016							
Year	2010	2011	2012	2013	2014	2015	2016
Milk Production Costs in cents/kg*	36.33	39.21	40.41	42.78	42.42	40.58	41.37
Farm-gate milk prices in cents/kg**	30.46	33.11	30.19	37.22	36.00	27.93	26.70
Price/cost ratio	0.84	0.84	0.75	0.87	0.85	0.69	0.65
Shortfall in %	16	16	25	13	15	31	35
MMI Belgium***	100	108	111	118	117	112	114

*As from 2016 extrapolation, 2015 provisional figures

**Source: MMO of the EU, natural fat and protein contents

**Cost index 2010=100

Impressum

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