

# Milk Production Costs 2016

## → The Netherlands



In 2016, the production costs for one kilogramme of milk in the Netherlands were 42.66 cents, representing a slight increase compared to the previous year.

Milk prices, on the other hand, were 2 cents down on 2015 at 28.75 cents, meaning that only 67% of the producers' costs were covered.

### Milk production costs in the Netherlands in cents per kg (based on FADN 2015)

year	paid costs	+ income rate	= total costs	- subsidies	= production costs
<b>2016</b>	35.52	9.31	44.83	2.17	42.66
<b>2015</b>	35.32	9.31	44.63	2.17	42.46
<b>2014</b>	38.73	9.85	48.58	2.11	46.47
<b>2013</b>	37.30	9.88	47.18	2.61	44.57

### Development of milk production costs in the Netherlands 2010 - 2016

year*	2010	2011	2012	2013	2014	2015	2016
<b>production costs in ct/kg</b>	39.96	43.05	42.96	44.57	46.47	42.46	42.66
<b>farm gate milk prices in ct/kg**</b>	30.75	34.22	32.38	37.40	38.90	30.75	28.75
<b>price/cost ratio</b>	0.77	0.79	0.75	0.84	0.84	0.72	0.67
<b>shortfall in %</b>	23	21	25	16	16	28	33
<b>MMI (index)</b>	100	108	108	112	116	106	107

\* As from 2016, trend calculations by the BAL (Büro für Agrarsoziologie und Landwirtschaft) on the basis of FADN 2015, Eurostat 2016; the provisional values of 2014 and 2015 have been replaced by real costs calculated on the basis of FADN 2014/2015

\*\* All milk prices for 3,7 % fat, source: Price Information Desk (LEI)



(Source: trend calculations by the BAL based on Destatis and FADN data)

The current results also serve as a basis for the calculation of the Milk Marker Index (MMI) and the price/cost ratio. The MMI reflects the development of milk production costs, while the price/cost ratio shows to which extent farm gate milk prices allow to cover production costs.