

Documentation of statistics for Milk and Dairy Products 2015 Month 03



1 Introduction

The purpose of the statistics is to provide data on the volume and value of the production of milk. The milk production is analyzed by dairy product. The statistics on dairy product have a long history and the key figures covering the past 100 years are comparable. During the late 1920s, the statistics were improved and since the Second World War, statistics achieving complete coverage have been compiled.

2 Statistical presentation

The statistics provide data on milk delivered to dairies and the dairies's use of milk delivered analyzed by a wide range of fresh and processed dairy products. Fat content and protein content in the delivered milk. Among fresh dairy products are consumer's milk, buttermilk, cream, acidified milk products, milky beverages, etc. Among processed dairy products are condensed milk, powered milk, butter, cheese, process cheese, casein, whey, etc. The statistics also contain data on organic milk delivered to dairies and the production of organic whole milk products for human consumption, butter and cheese. Data on quantities (kg) for all dairy products, while there are prices (øre DKK per kg) for the main products and an estimated value for the production (DKK mio.)

2.1 Data description

The statistics provide data on milk delivered to dairies and the dairies's use of milk delivered analyzed by a wide range of fresh and processed dairy products. Fat content and protein content in the delivered milk. Among fresh dairy products are consumer's milk, buttermilk, cream, acidified milk products, milky beverages, etc. Among processed dairy products are condensed milk, powered milk, butter, cheese, process cheese, casein, whey, etc. The statistics also contain data on organic milk delivered to dairies and the production of organic whole milk products for human consumption, butter and cheese. Data on quantities (kg) for all dairy products, while there are prices (DKK øre per kg) for the main products and an estimated value for the production (DKK mio.)

2.2 Classification system

In preparation

2.3 Sector coverage

All the milk farms and dairies.

2.4 Statistical concepts and definitions

Consumption at the Producers/Farmers: After consultation with the Society of Dairies, Statistic Denmark has determined that the consumption of milk by the producers/farmers is 4,32 mio. kilo and the consumption of milk for feed at the farms is 75 mio. kilo. Before Jannary 2012 the comsuption of milk by the producere/farms were 5 mio. kilo and for feed it was 75 mio. kilo..1 January 2009, the comsumption of milk by the producers/farmes was 10 mio kilos and for feed it was 125 mio kilos. Before 2001, the comsumption by the farmers was 75 mio kilos and for feed it was 125 mio kilos.

Fat Content: The average fat content in the delivered milk (natural milk).



Average Yield per Dairy Cow: The average yield per dairy cow is calculated by Statistics Denmark as the total milk production divided by the average number of dairy cows. The average number of dairy cows is calculated as the sum of dairy cows in the 4 quarterly surveys of cattle divided by 4.

Protein Content: The average protein content in the delivered milk (natural milk).

Delivered Milk to Dairies: The total milk (natural milk) delivered to the dairies in millions kg.

Dairy Cow Livestock, Number: The number of livestock with dairy cows are estimated in the annual agricultural and horticultural survey.

Dairy Cows, Number: The total number of dairy cows estimated in the annual agricultural and horticultural survey.

Milk ex Farmer Total (kg mio): Milk ex farmer total in kilo mio is the total milk production (including organic milk). The total milk production is calculated as the delivered milk to the daries plus milk used for human consumption at the farm (this is the farmers own/privat consumption and the farmers sales directly to the comsumers) and the milk used as feed at the farm (it is only yielded milk, i.e. eksklusive of milk sucked by the calf).

Milk Used for Whole Milk for Human Consumption etc.: Milk used for whole milk for human consumption etc. in million kg.

Milk in Million kg Used for Cheese for Human Consumption: Milk used for cheese for human consumption in million kg

Milk in Million kg Used for Butter for Human Consumption: Milk in million kg used for production of butter for human consumption.

Preserved Milk Products and Milk Powder: Preserved milk products are split up into two main groups: Milk powder containing fat (consists of milk powder and cream powder) and skimmed milk powder.

Milk Quota: The production of milk is adjusted by the EU quota system, which is based on historical data with a range of corrections. Since 1984/85 (April-to-April) annual milk quota settlement schemes have been carried out with a view to adjusting the market for dairy produce in the EU.

In general terms, the aim of these schemes is to fix a production quantity (guarantee quantity) for each member state, where a profitable sales price is guaranteed, while for all quantities that are produced in addition to this basic quantity, a tax (super tax) of a size is levied, which implies that this production will be unprofitable.

Each member state may choose between two types of quota systems, individual quota systems for each producer or quotas for dairies. During the entire period, Denmark has established the special quota system for daires, where a milk corporation, which buys all milk delivered to the dairies, has been created. This corporation "Danish Milk Board" buys the whole production of milk and sells it to the dairies, so that the milk quota is used in an optimal way.

Only the "Danish Milk Board" is entitled to trade with milk quotas in Denmark. For more information, see www.maelkeudvalget.dk

Milk Price ex Farm, Total: The price of milk is calculated for milk with the real(varying) content of fat content and protein content.

The Price of Milk ex Farmer with 4,2 % Fat Content and 3,4 % Protein Content: The price of milk is calculated for milk with a standard fat content (4.20 per cent) and protein content (3,40 per cent).



Natural Milk: Natural milk is the untreated milk from the cow, which are deliver to the dairy or used for feed or for human consumption at the farm.

Price Ratio of Milk/Feeding Stuffs for Cattle (relational figures): This is calculated as the milk price (the milk price exclusive of seasonal supplement but less deductions) in relation to the price for feeding stuffs for cattle (feeding stuff with high protein content) in the proportion 10 to 1.

Production of Milk Powder, Total: Production of milk powder, total at the dairies.

Production of Cream: Production of cream at the dairies in million kg.

Production of Cheese: Production of cheese at the dairies in million kg.

Production of Butter: Production of butter at the dairies in million kg.

Production of Organic Cheese: Production of organic cheese at the dairies in million kg.

Production of Organic Butter: Production of organic butter at the dairies in million kg.

Production of Butter: The production of butter at the dairies in million kilo.

Production of Preserved Milk: Production of preserved milk at the dairies in million kg.

Production of Skim Milk Powder, Export Total: Production of skim milk powder, with is export total.

Production of Skim Milk Powder: Production of skim milk powder at the dairies in million kg.

Organic Milk Production: The total production of organic milk delivered to the dairies in million kg.

2.5 Statistical unit

There are published figures for the total production in Denmark.

2.6 Statistical population

The statistic cover the total production of milk and the use to dairy products

2.7 Reference area

Denmark.

2.8 Time coverage

The statistics on dairy product have a long history and the key figures covering the past 100 years are comparable. During the late 1920s, the statistics were improved and since the Second World War, statistics achieving complete coverage have been compiled.



2.9 Base period

Not relevant for this statistics.

2.10 Unit of measure

The data for quantity are in million kg and all prices are in øre per kg.

2.11 Reference period

The references period comprises months, quarters and years.

2.12 Frequency of dissemination

The statistics are published monthly, quarterly and annually.

2.13 Legal acts and other agreements

Law on Statistics Denmark §8 secures the legal ground for collecting the data. The statistic falls under EU Directive 96/16/EC and Commission Decision 97/80/EC.

2.14 Cost and burden

The statistics are compiled from mainly register-based data.

2.15 Comment

Other information is available please contact Statistic Denmark.

3 Statistical processing

Data is collected from register. When data are control and processing in excel sheet.

3.1 Source data

The primary data are collected from a wide range of sources. The most important data providers are The Society of Dairies (which collects data from every single dairy in Denmark), public institutions, trade and industry organizations and private business enterprises.

3.2 Frequency of data collection

Month.



3.3 Data collection

Register information.

3.4 Data validation

In preparation.

3.5 Data compilation

Milk prices

The price of milk is calculated for milk with a standard fat content (4.20 per cent) and protein content (3,40 per cent) and for milk with the real(varying) content of fat content and protein content. There is no existing estimation of the average prices for milk ex farmer, these prices are therefore calculated by Statistic Denmark.

The annual price of milk is calculated against the background of the annual statistics compiled by the Society of Dairies yearly statistics on the dairies profit and loss account. The monthly prices are calculated on the basis of the account prices to the producer/farmer and an estimate of the expected additional/back payment.

The average back payment to the supplier for milk with 4.20 percent fat content has since 1994/95 reached the following amount:

October-October of the year

- 1996/97: 18.51 øre per kg
- 1997/98: 15.80 øre per kg
- 1998/99: 12.33 øre per kg
- 1999/00: 17.07 øre per kg
- 2000/01: 18.72 øre per kg
- 2001/02: 15.38 øre per kg
- 2002/03: 14.08 øre per kg
- 2003/04: 12.84 øre per kg
- 2004/05: 9.98 øre per kg

Whole year

- 2006: 7.47 øre per kg
- 2007: 10.50 øre per kg
- 2008: 2.00 øre per kg
- 2009: 11.00 øre per kg

The estimated prices include all payable supplements, among these back payment and seasonal supplement (which are equalized on an annual basis), plus producers return from settlement according to the milk quota settlement scheme, while allowances for quality and the like as well as the duties paid by the producers (production duty, co-responsibility duty) are deducted, together with the amounts, which withheld by the dairies for consolidation, etc. Furthermore, the stated prices for milk with real fat content and protein content are adjusted for collection of any super taxes after conducting an annual equalization.

The total sales value for milk out of agriculture is equal to the total quantity sold (the delivered milk



to the dairies plus the consumption at the producers/farms) multiplied by with the average sales price ex producer, which is equal to the previous defined sales price for milk with real fat and protein content.

As compensation for the declining milk price (incorporated in the EU agricultural reform), a total milk prize of DKK 389,1 mio was paid out in 2004. In 2005, the milk prize premium ceased to exist and was replaced by an extra charge, which is included in the farmers subsidies according to the new single-farm payment scheme.

Consumption at the producers/farmers

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Milk ex farmer total (kg mio)

Milk ex farmer total in kilo mio is the total milk production (including organic milk). The total milk production is calculated as the delivered milk to the dairies plus milk used for human consumption at the farm (this is the farmers own/private consumption and the farmers sales directly to the consumers) and the milk used as feed at the farm (it is only yielded milk, i.e. exclusive of milk sucked by the calf).

3.6 Adjustment

Not relevant for this statistics.

4 Relevance

The statistics is of great interest to agricultural organizations, the Ministry of Agriculture and the EU. Data are applied in calculating, e.g. supply balances, forecasts for upcoming production and gross domestic product at factor cost in agriculture.

4.1 User Needs

The statistics is of great interest to agricultural organizations, the Ministry of Agriculture and the EU. Data are applied in calculating, e.g. supply balances, forecasts for upcoming production and gross domestic product at factor cost in agriculture.

4.2 User Satisfaction

No comment.

4.3 Data completeness rate

In preparation.



5 Accuracy and reliability

The unit of milk has very high quality. Detailed statistics are compiled for quantities of dairy products. The data on prices and values may be subject to minor time lags.

5.1 Overall accuracy

Detailed statistics are compiled for quantities of dairy products. The data on prices and values may be subject to minor time lags.

5.2 Sampling error

Not relevant for this statistics.

5.3 Non-sampling error

In preparation.

5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

5.6 Quality assessment

The general assessment is that the quality of the statistics is high, as most of the information comes from administrative registers.

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the <u>Revision Policy for Statistics</u> <u>Denmark</u>. The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.



5.8 Data revision practice

There is a minor difference between provisional and final figures of under ½ pct.

6 Timeliness and punctuality

Normally are the figures released at time.

6.1 Timeliness and time lag - final results

The statistics are compiled monthly, quarterly and annually within one week after the remaining data are collected.

6.2 Punctuality

The statistics are usually published without delay in relation to the scheduled date.

7 Comparability

Long time series data can be compiled. Every month and year are delivered data to Eurostat. Similar data for some of the variables are available for the EU member states at: http://epp.eurostat.ec.europa.eu

7.1 Comparability - geographical

Every month and year figures are submitted to the statistical office of EU, Eurostat. Data for all EU countries can be found in the <u>Eurostat database</u>. The statistics are produced following the principles of an EU regulation, so the results are comparable.

7.2 Comparability over time

Long time series data can be compiled.

7.3 Coherence - cross domain

The Society of Dairies publishes comprehensive statistics and some statistics are published by business enterprises.

7.4 Coherence - internal

No comment.

8 Accessibility and clarity

New month figures are published in Statbank <u>ANI71: Milkproduction and use of milk by unit (month)</u> and yearly figures <u>ANI7: Milkproduction and use of milk by unit (year)</u>. Annual figures are included in Statistical Yearbook and Statistical Ten-Year review.



8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

8.2 Release calendar access

The Release Calender can be accessed on our English website: Release Calender.

8.3 User access

Statistics are always published at 9:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published. Theme publications etc. may be published at other times of the day. The National Statistician can decide that such publications may be released before their official publication time, e.g. to the media and other stakeholders.

8.4 News release

There is no separate News release.

8.5 Publications

Annual figures are included in Statistical Yearbook and Statistical Ten-Year review.

In the publication Jordbrugets prisforhold see subject pages Prices and price index for agriculture.

8.6 On-line database

New month figures are published in Statbank <u>ANI71: Milkproduction and use of milk by unit (month)</u> and yearly figures <u>ANI7: Milkproduction and use of milk by unit (year)</u>.

8.7 Micro-data access

There is no micro-data access.

8.8 Other

In preparation.

8.9 Confidentiality - policy

In the compilation of the statistics, the confidentiality policy of Statistics Denmark is followed. <u>Datafortrolighedspolitik</u>.



8.10 Confidentiality - data treatment

In the compilation of the data, the confidentiality policy of Statistics Denmark is followed. <u>Datafortrolighedspolitik</u>.

8.11 Documentation on methodology

No comment.

8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

9 Contact

The administrative placement of this statistics is in the division of Food Industries. The person responsible is Mona Larsen, tel. + 45 3917 3399, e-mail: mla@dst.dk

9.1 Contact organisation

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