



July 2025

Executive Summary of IDF Country Updates - July 2025

Series Summary

Members of the IDF Standing Committee on Dairy Policies and Economics have updated data related to market results and conditions in 19 countries for the 2024 calendar year, and developments during early 2025. These countries represent over half of the world's milk production, and an even larger share of world trade in dairy products.

1. Market Developments

Production Dynamics:

- **Global Milk Output:** Key contributors to the global milk production pool are India (239,299 ktons), EU and the US (100,780 ktons). Many countries experienced growth in their milk production in 2024. Amongst them Norway (+5.4%), India (+3.8%) and South Africa (+3.5%) enjoyed highest growth, while China (-2.8%), Italy (-1.7%) and the Netherlands (-1.7%) experienced declines.
- **Price Volatility:** Changes in farm-gate milk prices varied significantly, with New Zealand (+24%), US (+11%) and UK (+7.4%) witnessing sharp increases. In contrast, China (-14%), Israel (-2.6%) and Australia (-0.4%) faced declines. Wholesale butter prices surged in Italy (+66.7%) and many other countries, while cheese prices rose in Germany (+16%) and New Zealand (+13.5%). Retail prices were relatively flat with most categories in most countries enjoying moderate growth.



Trade Trends:

- **Imports:** Imports for most countries saw value growth, such as Iceland (+17.2%), Norway (+13%), US (+10%), UK (+9%), Canada (+8.3%), France (+5.2%), Germany (+4.7%), Denmark (+4.0%), Netherlands (+4.0%), etc. Import volume of India (-33.5%), South Africa (-30%) and China (-15%) fell. India's dairy imports by value fell by -38.1%. Changes in value can be due to changes in currency and price, and not necessarily reflect changed volumes.
- **Exports:** India (+93.7%) and China (+73%) led export growth compared to their numbers for 2023.

Key Drivers:

- China's lower price and higher exports resulted from lower consumption, oversupply of milk and more severe competition.
- France's lower production resulted from the spread of blue tongue and lower quality forage.
- US milk production is anticipated to improve, while US consumers continue to be highly cost-conscious, resulting in struggling foodservice sales and a shift towards private label at retail.

2. Policy and Regulatory Updates

Nutrition & Labelling:

- **Australia/New Zealand:** Mandatory Front-of-Pack (FoP) Health Star Ratings are under review, with potential concerns over low scores for cheese despite nutritional benefits.
- **Canada:** Adopted PDCAAS (Protein Digestibility Corrected Amino Acid Score) for protein quality assessment, paving the way for future DIAAS (Digestible Indispensable Amino Acid Score) integration.
- **China:** Accelerated approvals for synthetic and recombinant food ingredients, enhancing food industry innovation.
- **Switzerland:** Plant-based drinks are being more frequently consumed as milk substitutes.

Animal Health:

→ Disease Management:

- **France and the Netherlands:** struggled with bluetongue outbreaks.
- **US:** prioritized H5N1 vaccine development.

→ Animal Welfare:

- **New Zealand:** working towards reinstating the export of livestock by sea, which was banned by the previous Government in April 2023.

Sustainability Development:

- **Canada:** Set a new target to reduce its greenhouse gas (GHG) emissions by 45-50% below 2005 levels by 2035.
- **China:** Launched satellite-based carbon monitoring and GB/T 24067-2024 standards for carbon footprint detection.
- **Netherlands:** Court-mandated nitrogen emission cuts pressured farmers.
- **UK:** Released new National Climate Plan in January 2025, with a commitment to cut greenhouse gas emissions by 81% from 1990 levels by 2035.
- **US:** Launched Farm ES version 3, giving dairy farmers a scientifically robust tool with more advanced features. Version 3 incorporates the Ruminant Farm System model, a whole-farm model simulating production and environmental impacts.

Industry Restructuring:

- **M&A:** There were many M&As in dairy in 2024. Swiss group Emmi acquired Mademoiselle Desserts; Lactalis acquired Yoplait's US business from General Mills; Sodiaal acquired Yoplait's Canadian business; Lactalis acquired the Portuguese company Sequeira & Sequeira; Inex intends to acquire Veco Zuivel from Farmel; Friesland Campina and Milobel have announced their intention to merge; Muller Dairy UK acquired Yew Tree Dairy; First Milk acquired BV Dairy; Freshways Group acquired Totally Welsh Dairy.

Trade Agreements:

- **New Zealand:** Concluded Free Trade Agreement with GCC and pursued UAE market access.
- **UK:** Joined CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership), and also a focus on post-Brexit SPS alignment with the EU.
- **US:** The "Fair & Reciprocal Trade Policy" is expected to be a major area of focus.
- **Indonesia:** Formally requested access to the CPTPP.
- **The EFTA group concluded negotiations with India and Thailand**

3. Dairy Consumption Trends

Category Shifts:



Growth Areas:

- **Yogurt:** UK (+6.1%), US (+6.0%), Germany (+4.6%) and many other countries saw robust demand.
- **Cheese:** Norway (+5.5%), Chile (+5.0%), UK (+4.4%), Iceland (4.0%) and many other countries saw growth while China (-20%) and Australia (-15%) fell.
- **Butter:** Israel (+10%), Norway (+7.8%), US (+6%), Chile (+5.4%) and many other countries saw growth while Australia (-17%), UK (-2.8%), etc. saw declines.
- **Whey Protein:** Growth surged in US by 14%.

→ Declining Categories:

- **Fluid milk:** Consumption fell in China (-5%), Italy (-3.9%), France (-2.3%), and many other countries. This is part of a long-term trend worldwide.

→ Emerging Trends:

- **Plant-Based Alternatives:** Consumption of plant-based drinks grew in Switzerland (+10%) and Germany (+6.8%), though dairy retained dominance.

Summary:

In 2024 the markets in most countries experienced a relatively good year with production growth, price growth, and import/export growth; most categories in the majority of countries enjoyed growth. The global dairy market successfully managed supply volatility, adapted to sustainability mandates, and leveraged trade opportunities amid geopolitical shifts. Innovation in nutrition, processing, and environmental stewardship will be critical for the future.