

Latvian dairy sector: internal and external competitiveness

Conference of Baltic milk producers

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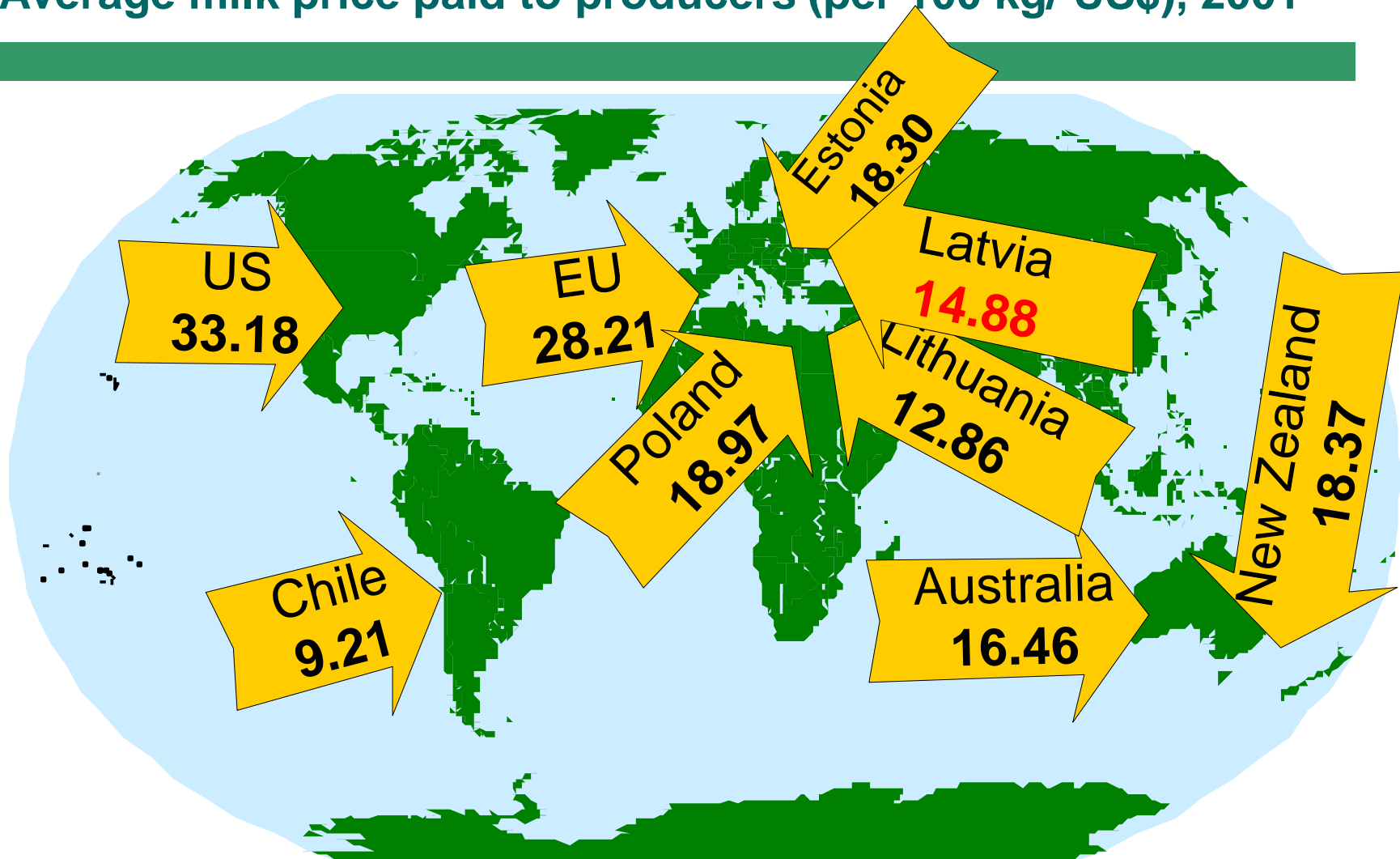
**Latvian State
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Today about:

- Prices and profits
- Producing farms and processing companies
- Efficiencies and scales
- Short term interests and long term developments



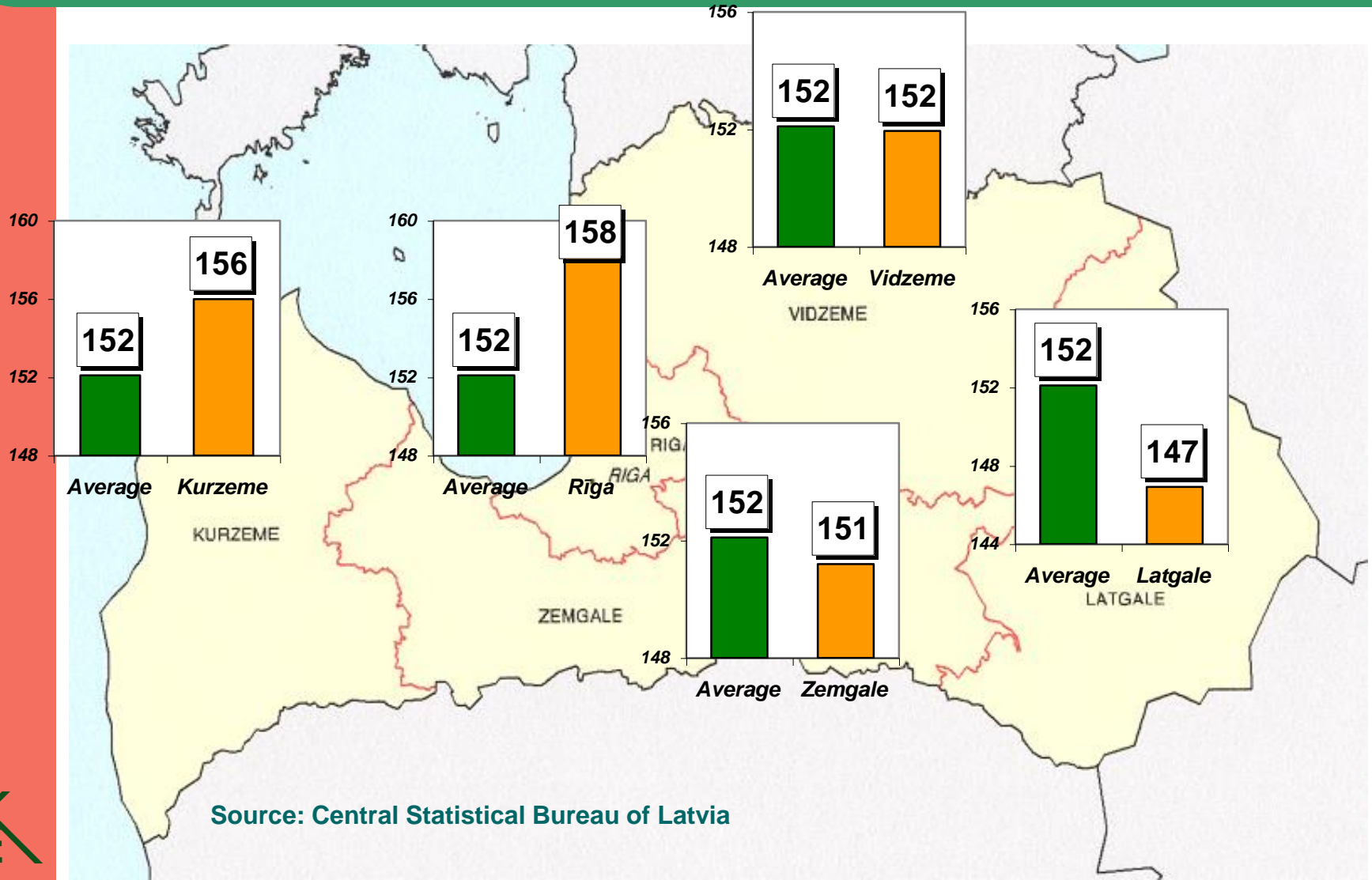
Average milk price paid to producers (per 100 kg/ US\$), 2001



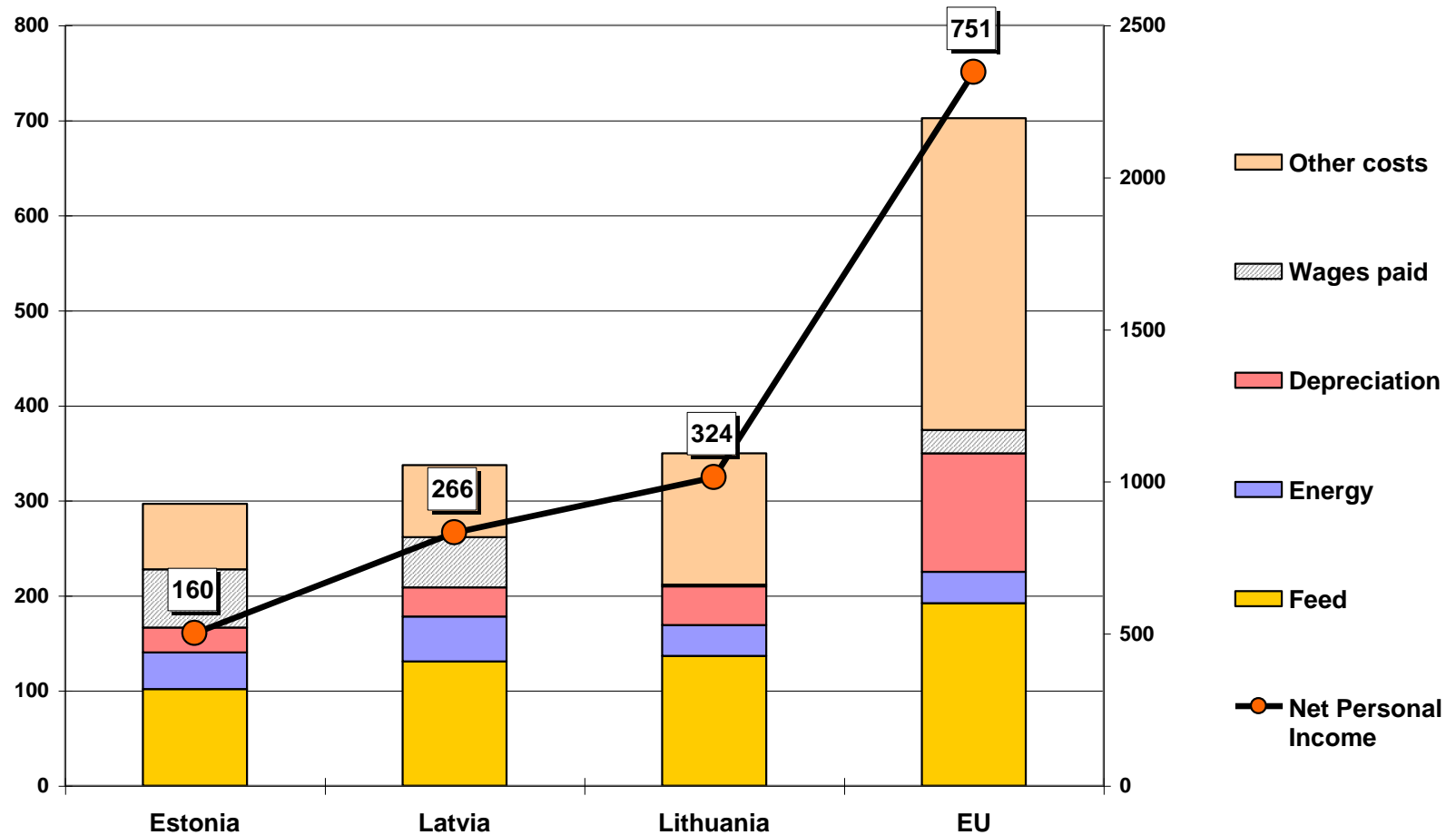
Source: Dairy Markets, October 3, 2002



Purchase prices of milk in regions of Latvia, US \$/t, 2001



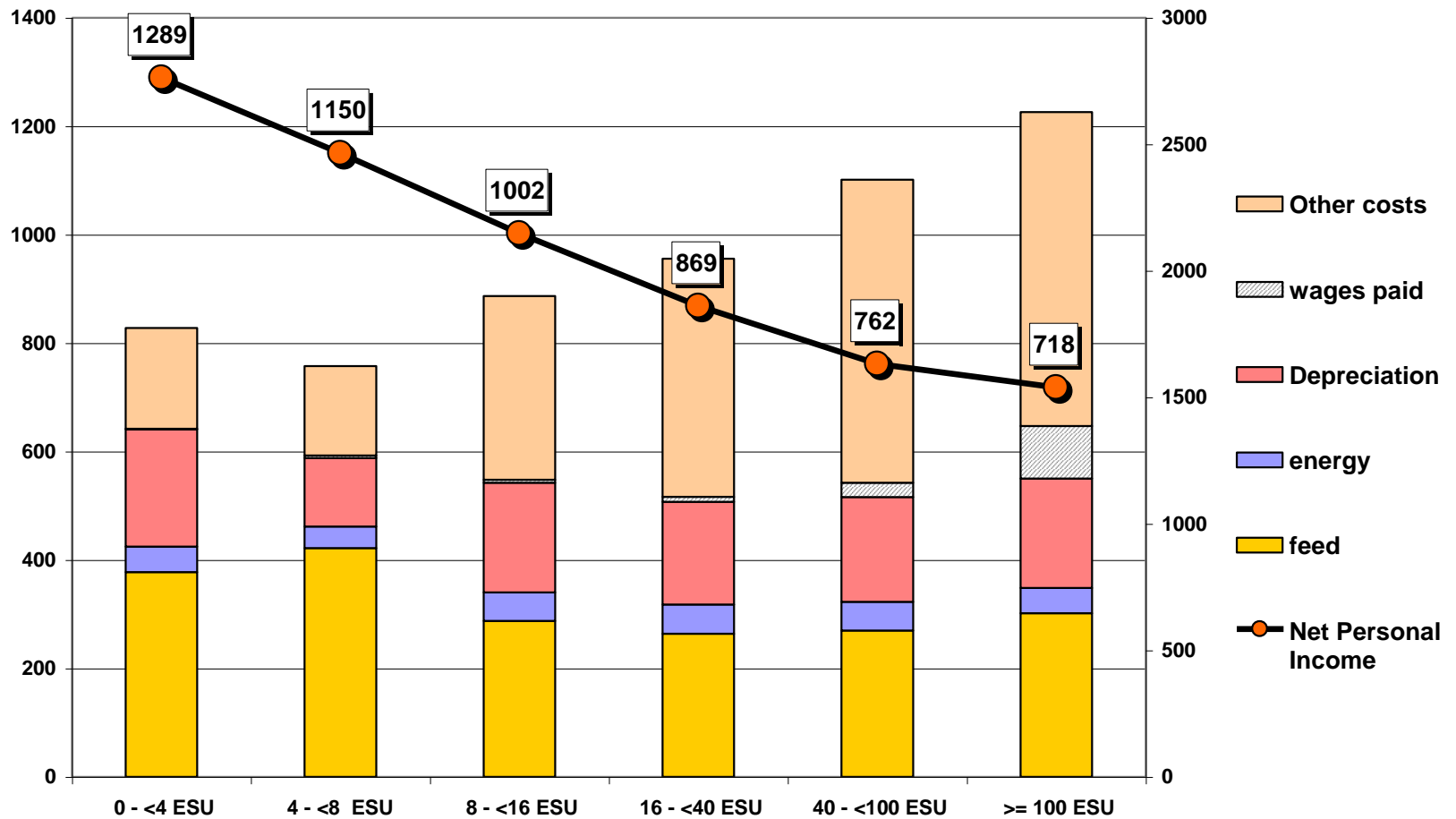
Comparison of cost structure and Net farm personal income per cow: EU and Baltic countries, US\$, 1999



Source: FADN



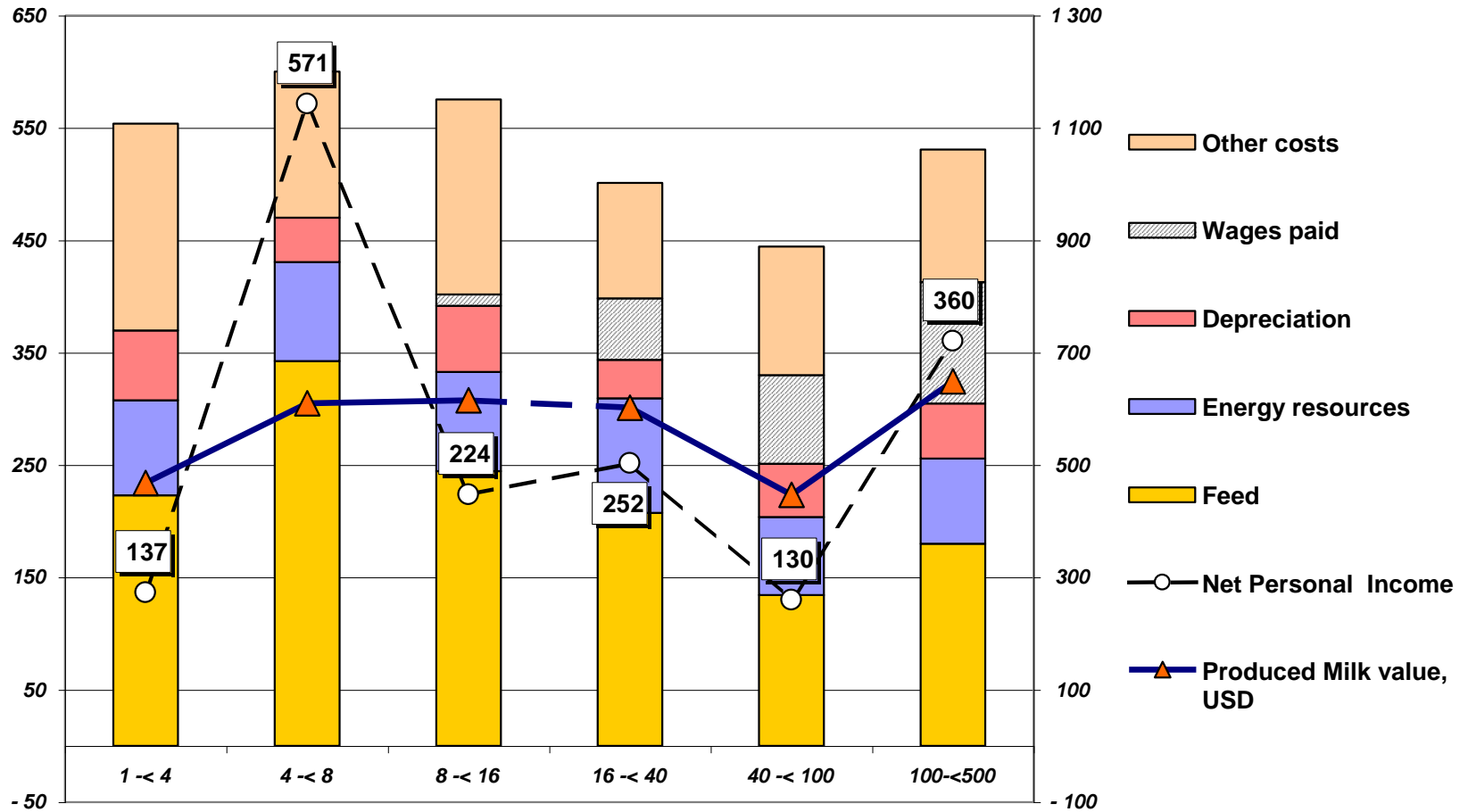
Net farm personal income per cow versus cost level and structure in EU dairy farms, US\$, 1999



Source: FADN



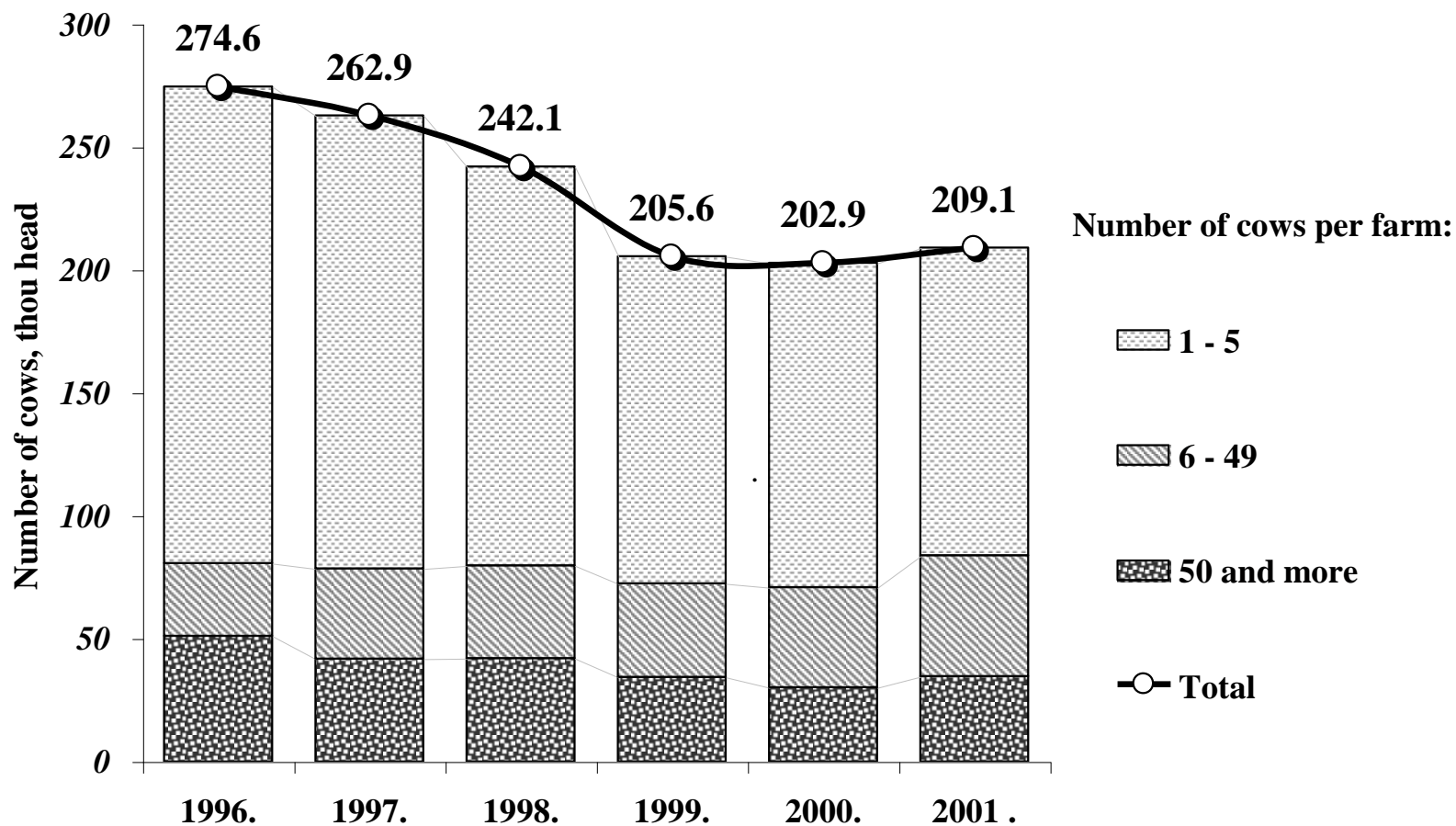
Net farm personal income per cow versus cost level and structure in Latvian dairy farms, US\$, 2000



Source: FADN



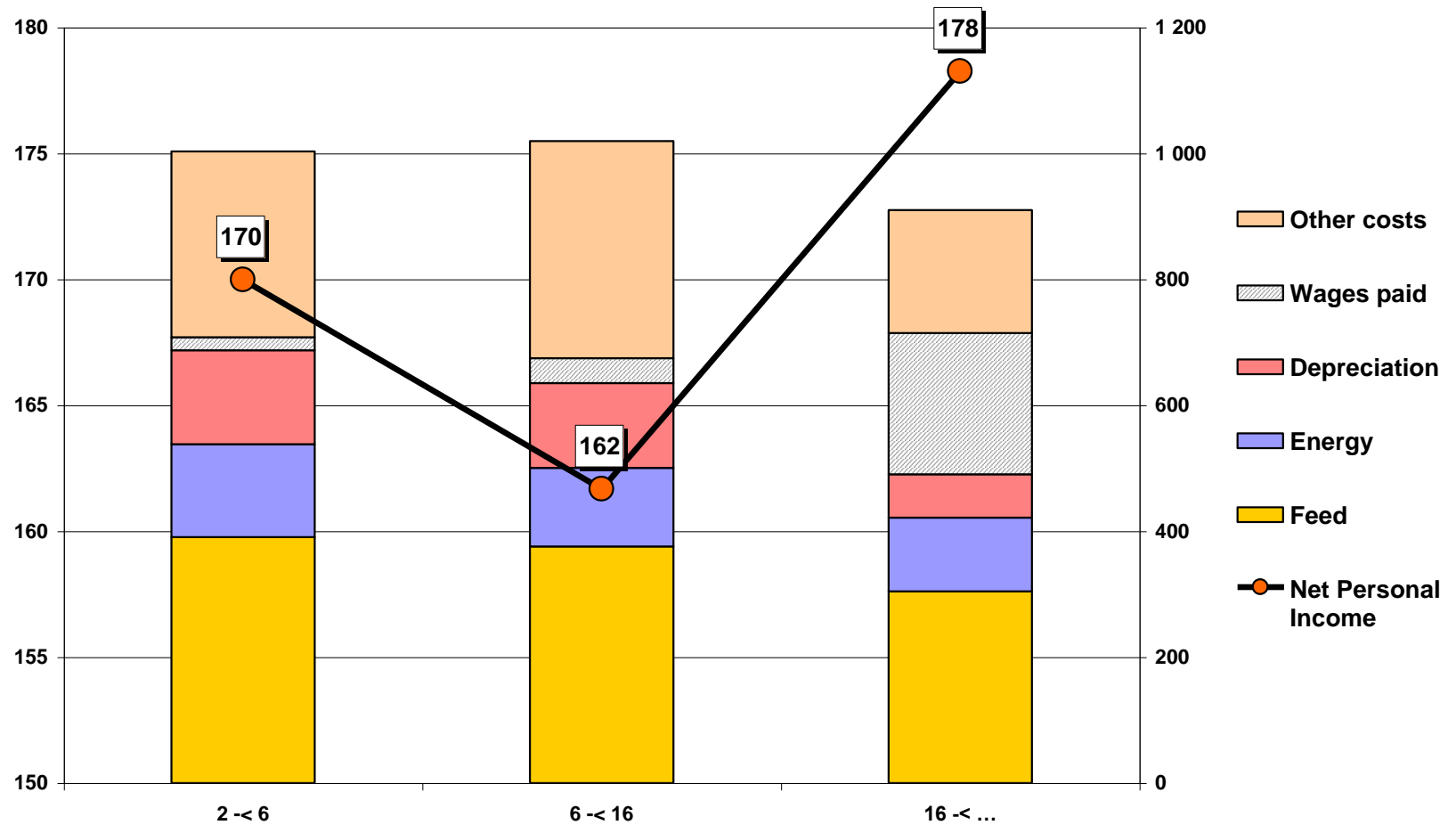
Dairy cow numbers and the structure of milk production in Latvia, 1997 – 2001



Source: Central Bureau of Statistics



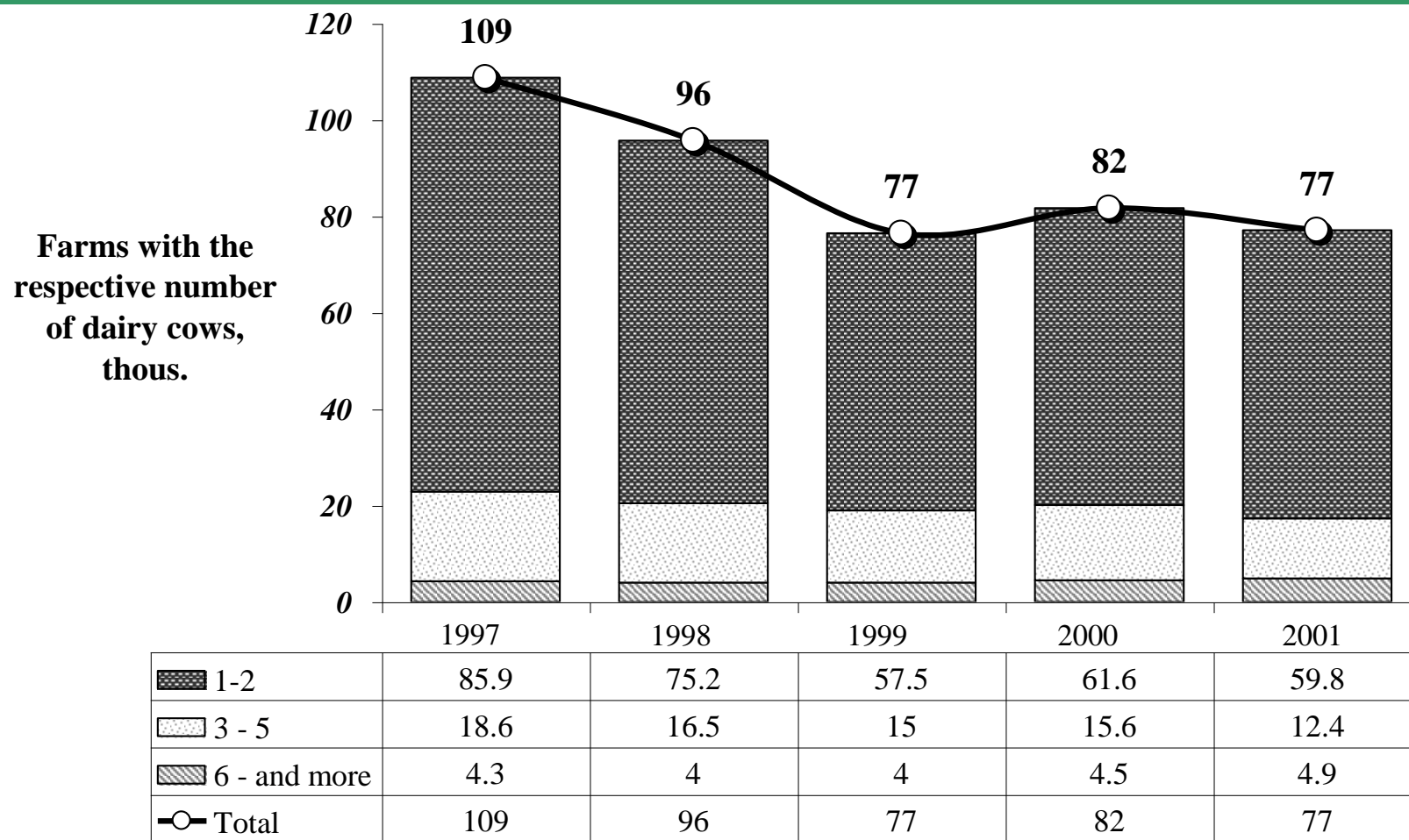
Net farm personal income per cow *versus* cost level and structure in Estonian dairy farms, US\$, 1999



Source: FADN



Grouping of all farms by the number of dairy cows in Latvia, 1997 – 2001



Source: Central Statistical Bureau of Latvia

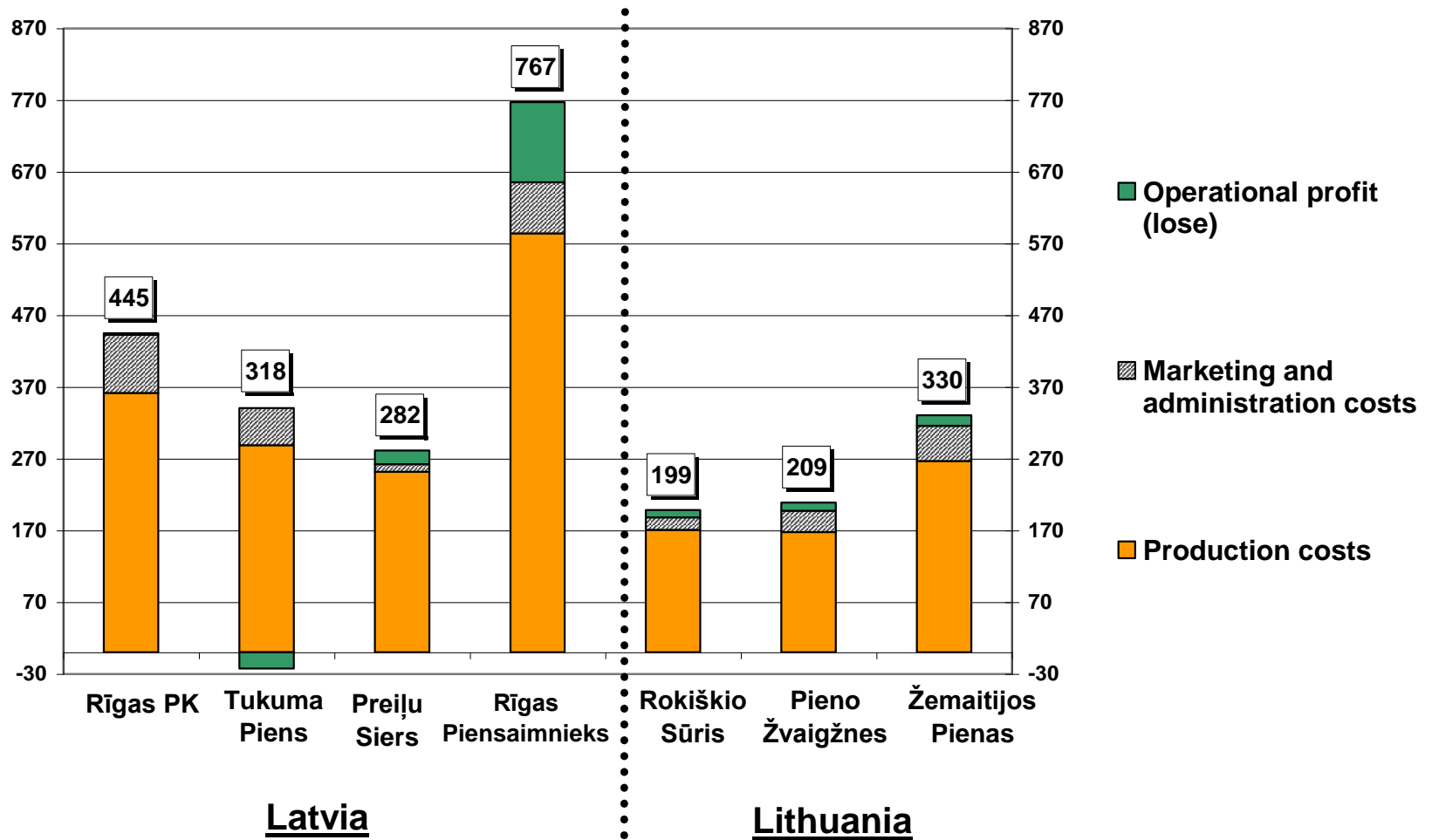


TOP-3 in milk processing sectors of Latvia and Lithuania in 2001, by volume of milk processed

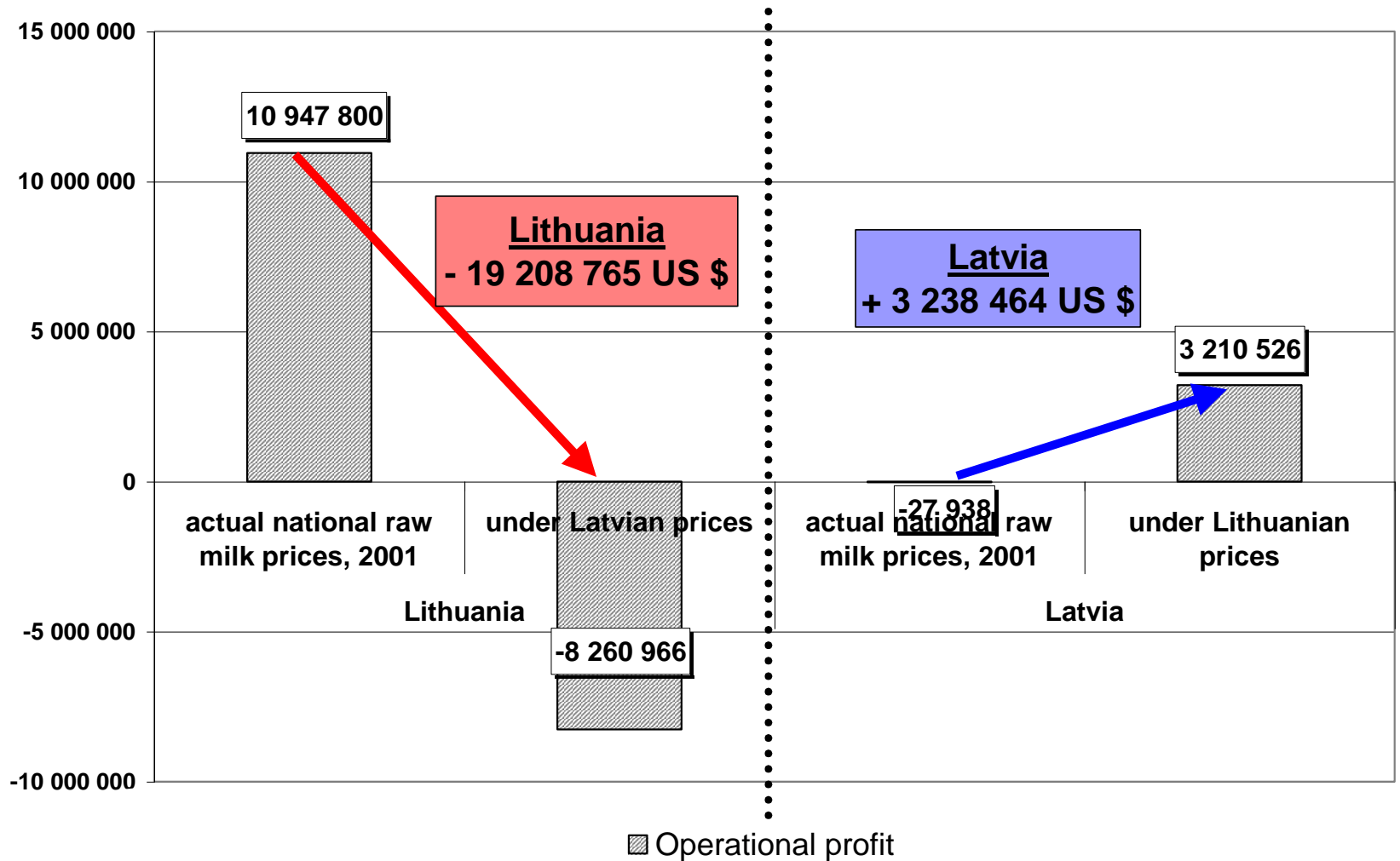
	Volume of milk processed, t	Net turnover, thous.US\$
Latvia		
Rīgas Piena kombināts AS	70 139	31 210
Tukuma piens AS	46 063	14 650
Preiļu siers AS	44 118	12 420
Lithuania		
Rokiškio Sūris	444 768	88 322
Pieno Žvaigžnes	345 426	72 119
Žemaitijos Pienas	160 735	53 112



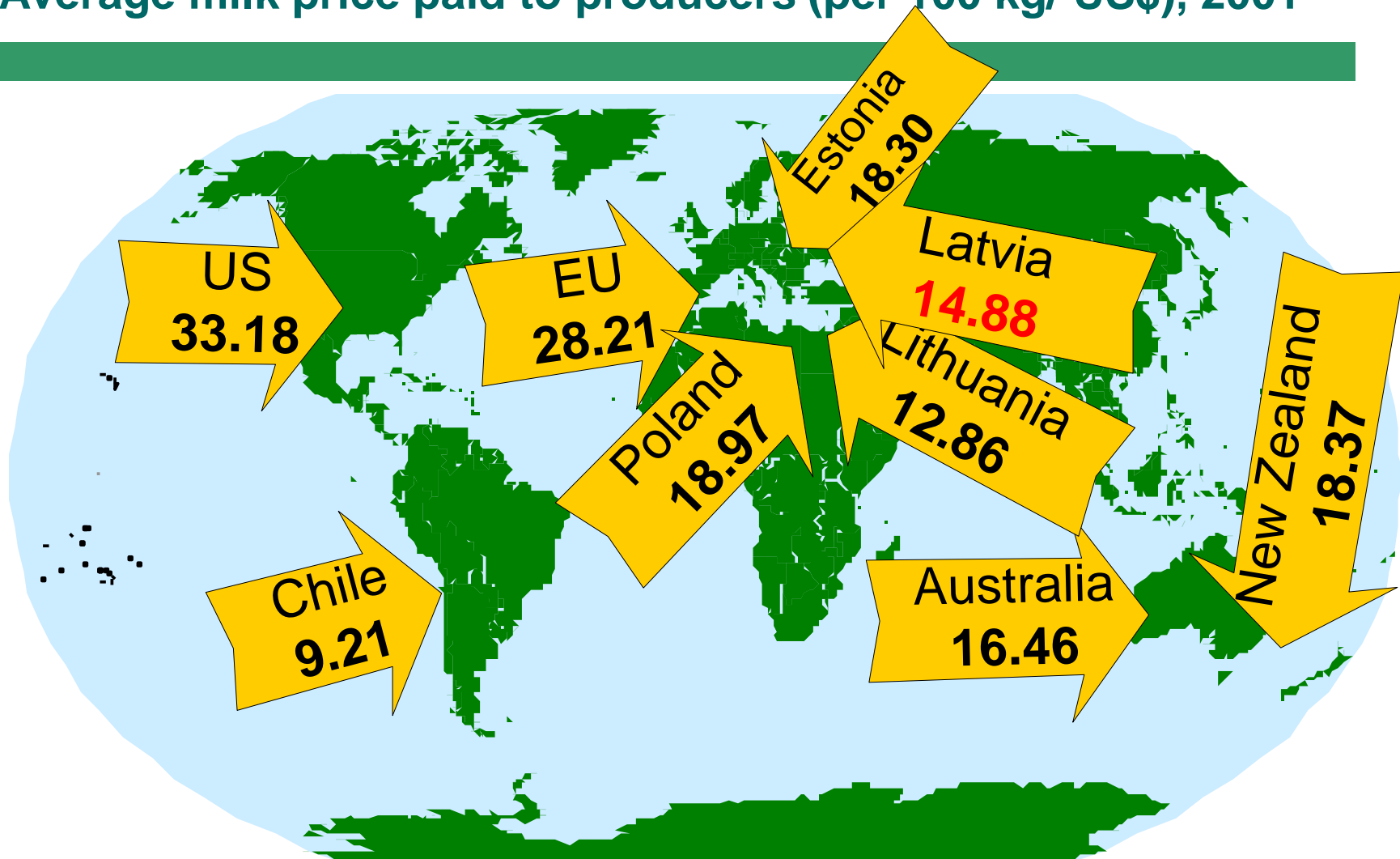
Market value and its structure of 1 ton processed raw milk by TOP-3 processing companies, US\$ (net turnover/ volume of milk processed), 2001



Impact of raw milk price level on operational profit in processing sector



Average milk price paid to producers (per 100 kg/ US\$), 2001



Source: Dairy Markets, October 3, 2002

