



POLAND25.EU

Dairy Focus 01/2025

Poland

Uniting dairy excellence & ambition

The EU Presidency baton will be handed over to the Polish government for the second time – and it will be handed over to the very same Prime Minister as back in 2011: Donald Tusk.

A sign of continuity and stability in a changing world – with Donald Tusk a highly experienced leader will head the Council of the EU. “The answer to the crisis is more Europe”, stated Prime Minister Donald Tusk at the beginning of his 2011 EU Presidency – a statement that is of high relevance for his second EU Presidency as Polish Prime Minister.

The agri-food sector is of vital importance for Poland. During the six months of the Polish EU Presidency, the agri-food policy in Europe will be overseen by **Czesław Siekierski**, the Polish Minister of Agriculture and Rural Development. As former chair of the Committee on Agriculture and Rural Development of the European Parliament he has an outstanding knowledge of the agricultural policy and of the dairy sector.

Under his leadership the EU Council will assess the ‘**vision for agriculture and food**’ that EU Commissioner for Agriculture and Food **Christophe Hansen** will publish in February 2025.

The Polish Presidency will hence manage the agri-food kick-off of the new “von der Leyen II” Commission, whose mandate focuses on competitiveness. This new EU Commission has changed its approach towards agriculture: the agri-food sector is recognized as ‘top priority’ and this message will have to be put in action by all EU Commission services.

It is a clear sign that the ‘vision for agriculture and food’ is the only strategy paper that will be prepared under the direct guidance of EU Commission President Dr **Ursula von der Leyen**. The key headlines will include competitiveness and innovation; we trust that the ‘external dimension’ of EU agriculture will be recognized beyond the reduction of dependencies. The Polish dairy sector is a brilliant example of our dairy success in global markets.

With the new European Parliament, the new EU Commission (where Poland plays a very important role, since the EU Commissioner from Poland, **Piotr Serafin**, is in charge of the EU budget), the Polish EU Presidency can concentrate on the future challenges.

Our discussions with the Polish Presidency have clearly shown that agriculture and dairy are high on their agenda. Together with our Polish EDA members, we look forward to our cooperation.

What's your preferred dairy product?



“I have always very much enjoyed drinking kefir and tasting different yoghurts or white cheese with herbs”

Czesław Siekierski

Minister of Agriculture and Rural Development of Poland



Giuseppe Ambrosi

EDA President

Alexander Anton

EDA Secretary general

Viva l'Europa e viva il latte

Foreword by the Polish Presidency of the Council of the EU



Statement of Polish Minister of Agriculture and Rural Development **Czesław Siekierski**

This is a second time Poland assumes the Presidency of the Council of the European Union. The challenge we face today is however far more serious. Compared to 2011, we are living in a complete different reality. We have experienced the coronavirus pandemic, the Russian aggression in Ukraine and the continuing war beyond the eastern border of the European Union.

This is augmented by further challenges related to the European Union - Mercosur agreement and the Green Deal provisions. Widespread protests of the EU farmers have made many politicians realise that the reforms cannot be implemented without consultations and dialogue with the most interested stakeholders directly affected by these regulations.

These are the conditions in which we assume the Presidency of the Council of the European Union.

We have made thorough preparations to this role, deriving from the experiences of the previous Presidency and twenty years of membership in the European Union.

Commencing an extensive dialogue on the future Common Agricultural Policy after 2027 gains on importance as the current financial perspective comes to an end. Poland considers that with a view to the existing threats, it is necessary to maintain the two pillars of one of the oldest Community policies. At the same time, intensifying violent weather events impacting practically all EU farmers prompt questions about the schemes supporting the affected farms. The discussion on crisis funds is necessary. And if we additionally consider very low and deteriorating cost-effectiveness of agricultural production, we must guarantee a sufficient level of funds to implement the Common Agricultural Policy.

Decreasing the share of CAP expenditure in the general budget down to 30 percent poses a threat to the agricultural sector. We need to guarantee adequate funds to provide the European agriculture with development opportunities. This is also strictly correlated with allocation of these resources. The funds for agriculture should benefit this sector, while the environmental and nature protection objectives should be funded from other, non-agricultural sources of financing of the European economy.

We are fully aware that it is high time to commence a dialogue on the terms of accession of Ukraine to the European Union. The outbreak of a military conflict in Ukraine has undermined relatively stable agricultural markets in Poland. Although opening the borders in foreign trade was a gesture of economic aid towards Ukraine, it has led to uncontrolled import on such vulnerable markets as agricultural ones. The announced fast path for the EU accession by Ukraine and opening the European market for the Ukrainian goods raise serious concerns and future challenges for the Polish agriculture and agri-food industry.

Now it is time to commence a dialogue on the terms of accession of our neighbour. For us, it is obvious that Ukraine will join the European Union, yet subject to clearly defined criteria, deadlines and rules, as in the case of all enlargements of the European Union.

The half-year of the Polish Presidency should be also the time of further review of the Green Deal provisions. Although not all should be crossed out, these provisions must be made realistic to a vast extent. Their underlying vision was built in a complete different reality - before COVID-19 and the war in Ukraine. We are committed to work out the solutions, which in the face of inevitable environmental and climate transformation will guarantee stable sources of income from agricultural activity to the farmers and food security to the EU consumers.

Poland will hold the presidency in the Council of the European Union together with Denmark and Cyprus. Together we have prepared the programme reflecting the main issues and challenges, both currently faced by the European Union and to be faced by the EU in future. The issues related to the shape of the Common Agricultural Policy after 2027 and food security are the core priority.

We are committed to improving competitiveness, increasing crisis resilience, agricultural income stabilisation and strengthening the farmers' position in the food supply chain. These issues are strictly correlated with the need to simplify the Common Agricultural Policy, in particular with a view to excessive bureaucracy.

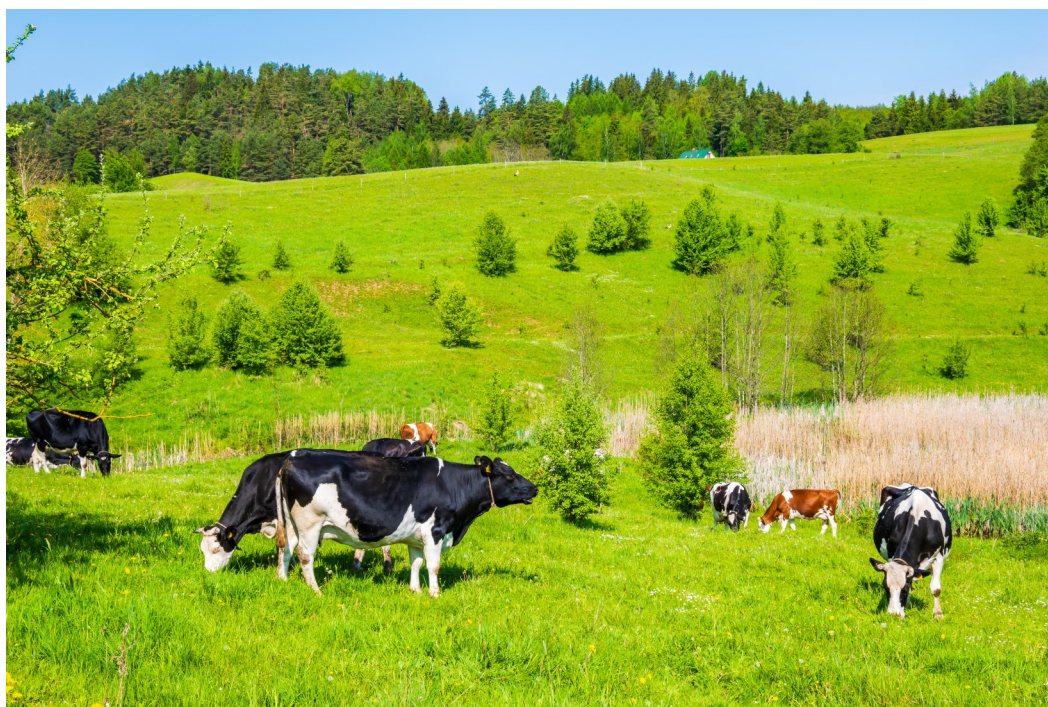
The informal meeting of the EU ministers of agriculture is scheduled on 15 – 17 June 2025. The conference entitled "Common Agricultural Policy for food security" is to be held at the earlier date – on 5 March, in Warsaw, followed by the European Congress on Renewal and Rural Development scheduled on 8-10 May in Poznan.



Polish Minister of Agriculture and Rural Development Czesław Siekierski



The Polish dairy sector



The Polish milk market is highly dynamic and constantly evolving, facing a rapidly changing environment. Internally, the industry must adapt to shifting agricultural policies, rising production costs, and fluctuating consumer demand. Externally, it must contend with the impact of global market dynamics, the urgency of addressing climate change, and disruptions caused by armed conflicts.

The agri-food sector holds great national economic and social importance for Poland. The country is home to approximately 1,2 million farmers, with an average farm size of 11,42 hectares. The share of agriculture, forestry, and fisheries in gross value added exceeds the EU average, with the dairy sector being one of the most significant contributors. The sector ranks as the third-largest milk producer in the EU and twelfth globally and has experienced steady growth in milk production over the past 30 years, particularly in the last decade.

From 2013 to 2023, annual milk production increased by 2,1%–2,4%. Over the same period, milk yield per cow strongly increased with annual growth rates of 3,2%–3,5%. Poland's total cattle population in 2023 was 6.353.654, including 2.026.810 dairy cows. Medium-sized farms with mixed production dominate the sector, with the average dairy farm comprising 11,7 cows. In

contrast, farms under performance evaluation or control average 44 cows. Dairy cows account for 93,8% of the cow population and 31,6% of the cattle population. In 2023, 155.120 farms reared dairy cows, with around 85.000 of these supplying wholesale milk. In 2023, agricultural land in Poland covered 14 million hectares, with over 73% dedicated to sown crops, 22% to permanent grasslands, and more than 2% to orchards.

With self-sufficiency in milk production at approximately 118%, Poland is a significant exporter of dairy products. Its top five export categories include cheese, milk powder, whey, butter, and yogurt. Cheese dominates the export market, followed by milk powder and whey powder, with butter and yogurt also holding considerable market shares. The primary export destinations within the EU are Germany, the Netherlands, and the Czech Republic. For non-EU markets, key partners include Algeria, Saudi Arabia, and China, with exports to China growing significantly in recent years.

Over the past five years, Polish dairy exports to non-EU countries have shown steady growth, driven by competitive pricing, high quality, and expanding global demand. While specific annual

growth rates vary, exports to Asia and Africa have notably increased due to the rising popularity of Polish dairy products. Key destinations include China for uncondensed milk and whey, as well as Middle Eastern and African countries, which are becoming critical growth markets. Poland's robust production capabilities and focus on quality have bolstered export success in these regions.

Domestically, dairy product demand remains relatively stable, though shifting consumer preferences are evident. More consumers are opting for organic and specialty products, such as lactose-free options or products enriched with vitamins, minerals, and probiotics. Per capita consumption has consistently grown, with an annual increase of 1,6% recorded between 2013 and 2023.

Challenges

The Polish dairy sector, like its European counterparts, faces challenges that affect its stability and development. One of the key problems is the imbalance in the supply chain with conflicts of interest between milk producers and processors on one hand, and retailers on the other, has lead to an unfair distribution of value and pressure on milk procurement prices, making it difficult for farmers to achieve profitability and invest in farm development.

Another major challenge is the shortage of skilled labour. Demographic changes and migration make recruiting skilled workers challenging, which is hampering the implementation of modern technologies and maintaining competitiveness in the market. The energy crisis and high inflation are further factors weighing heavily on Polish dairy companies with increased production costs, including energy, feed and services threatening the profitability of many companies. Changes in EU regulations, such as the abolition of the milk quota system, have intensified competition on the European market for the industry and market intervention mechanisms are often seen as insufficient to stabilise prices and protect the sector from excessive volatility. The implementation of stricter regulations for animal welfare and environmental requirements requires significant investment by companies, which may increase production costs.

Opportunities

The Polish dairy sector has however significant development potential. Investment in modern technologies is the key to increasing productivity and production quality. In the dairy sector, the priority is to improve the quality of feed by introducing new crop varieties and optimising fertilisation. It is equally important to invest in modern animal husbandry technologies such as automatic milking systems, animal health monitoring and feed management. This can increase milk yields, improve the quality of the final product and reduce production costs.

Investments in modern production lines, process automation and digital solutions allow for the development of new high-value-added products such as probiotic yoghurts or speciality cheeses. In addition, optimising supply chains and improving operational efficiency contribute to lower production costs and increased competitiveness in the market.

Developing new products, tailored to changing consumer preferences, and building strong brands are essential to gaining greater market share.

Financial and institutional support plays an important role in the implementation of investments and development of the sector. The sector needs access to grants and preferential loans, which enable the modernisation of farms and processing plants, as well as training and advisory programmes.

Promotion of Polish dairy products on the domestic and foreign markets is essential to increase their recognisability and sales. Marketing needs to highlight the quality and natural character of Polish products.

With investments in modern technologies, innovation, financial support and promotion, Polish dairy products can become even more competitive on both domestic and international markets. To achieve this goal, the cooperation of all actors involved in the dairy sector, including producers, processors, distributors, scientific institutions and public administration, is essential.



Dairy Technology Diploma Holders Association



National Union of Dairy Co-operatives



Polish Chamber of Milk



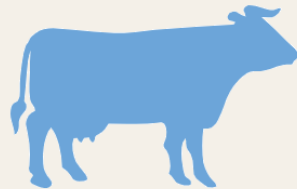
Association of Polish Dairy Processors



The Polish dairy sector in figures

36.5 mio

inhabitants



2 mio

dairy cows



≈239k

tonnes

milk deliveries



1.2
bn

In exports



96
mio

In imports



Main exports:

Milk powder,
cheese, whey



155.120

dairy farms

Source: Polska Izba Mleka,
DG AGRI,



EDA Dairy Policy Conference 2025 in Brussels

26 March

EDA Annual Convention 2025

Hosted by



12 - 14 November
Utrecht, The Netherlands

European Dairy Association

Avenue d'Auderghem 22-28

1040 Brussels

Belgium

Tel +32 2 549 50 40

eda@euromilk.org

www.euromilk.org