

Republic of the Philippines  
Department of Agriculture  
**BUREAU OF AGRICULTURAL STATISTICS**  
Quezon City



# DAIRY INDUSTRY PERFORMANCE REPORT

January - December 2009



May 2010



## EXPLANATORY NOTES

The Dairy Industry Performance Report presents the industry situation in terms of total inventory of dairy animals by classification; milk production by animal type and by source; disposition of milk production, total supply and utilization of dairy products; and volume and value of dairy imports and exports.

The various dairy statistics used in this report are products of collaborative efforts of the Bureau of Agricultural Statistics (BAS), the National Dairy Authority (NDA) and the Philippine Carabao Center (PCC). BAS conducts the Semestral Survey of Dairy Enterprises in selected provinces where dairying exists. The survey is intended to generate data on inventory of dairy animals by type and breed, milk production of dairy animals by type and disposition. Systematic sampling is utilized in drawing samples for individual and backyard carabao dairy farms. Complete enumeration is applied on top producing dairy corporations, commercial farms, government owned and private institutions, for all type of animals, i.e. cattle, carabao and goat.

The National Dairy Authority (NDA) provides BAS with data on inventory of dairy cattle and milk production generated from the monitoring records of their assisted dairy cooperatives. The Philippine Carabao Center (PCC) provides BAS with dairy data generated from the monitoring records of their assisted carabao dairy cooperatives and federations as well as from the institutional dairying activities of PCC Centers in selected regions and university campuses in the country, e.g., UP at Los Baños.

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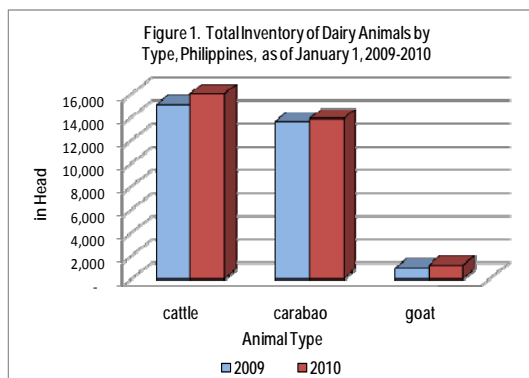
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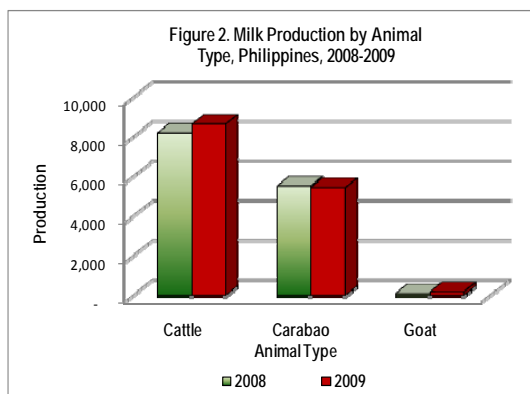


## HIGHLIGHTS

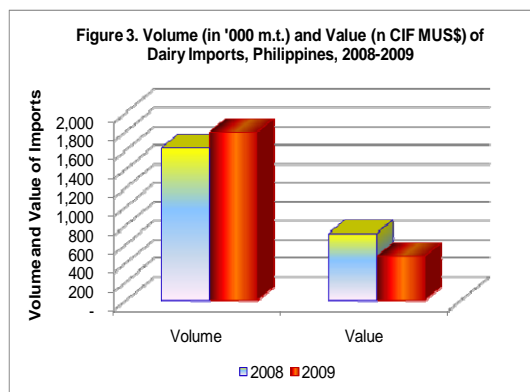
❖ The total dairy animal population as of January 1, 2010 was estimated at 32,007 head. This was 8.16 percent higher than last year's inventory. In particular, there was a 12.44 percent increment in the number of dairy cattle.



❖ In 2009, fresh milk production in the country stood at 14.3 million liters, 3.34 percent higher than last year's level of 13.8 million liters. Of this total, 8.6 million liters or 60.6 percent were cow's milk, 5.4 million liters or 38.1 percent were carabao's milk and 0.19 million liters or 1.3 percent were goat's milk.



❖ In 2009, the volume of dairy imports was 1,789.7 thousand metric tons or 10.56 percent higher than the 2008 level of 1,618.7 thousand metric tons. However, there was a decrease of 34.5 percent in the value of dairy imports, from the 2008 level of US\$ 712.0 million to US\$ 466.7 million in 2009. This decrease was attributed to lower prices of dairy products in the world market.





## INVENTORY

**Table 1. Total Inventory of Animals vis-à-vis Inventory of Dairy Animals by Type, Philippines, as of January 1, 2008-2010 (Number of Head)**

Animal Type	2008	2009	2010*	Percent Change
<b>Total Cattle</b>	<b>2,566,492</b>	<b>2,565,662</b>	<b>2,596,031</b>	<b>1.18</b>
Dairy Cattle	13,864	15,073	16,949	12.44
<b>Total Carabao</b>	<b>3,338,570</b>	<b>3,320,966</b>	<b>3,320,302</b>	<b>(0.02)</b>
Dairy Carabao	13,416	13,594	13,857	1.93
<b>Total Goat</b>	<b>4,174,251</b>	<b>4,222,234</b>	<b>4,203,707</b>	<b>(0.44)</b>
Dairy Goat	911	926	1,201	29.70

\*- Preliminary

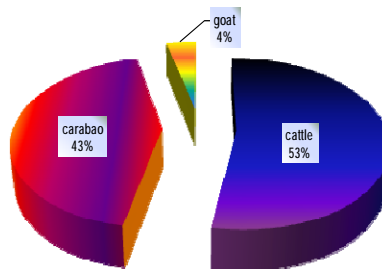
**Table 2. Inventory of Dairy Animals by Animal Type by Age Classification, Philippines, as of January 1, 2008-2010 (Number of Head)**

Animal Type/Age	2008	2009	2010*	Percent Change
<b>TOTAL DAIRY</b>	<b>28,191</b>	<b>29,593</b>	<b>32,007</b>	<b>8.16</b>
<b>CATTLE</b>	<b>13,864</b>	<b>15,073</b>	<b>16,949</b>	<b>12.44</b>
Bull	582	596	615	3.20
Dam	6,371	6,871	7,583	10.36
Heifer	1,621	1,879	2,231	18.74
Yearling	2,279	2,599	3,041	17.02
Calf	3,011	3,128	3,478	11.19
<b>CARABAO</b>	<b>13,416</b>	<b>13,594</b>	<b>13,857</b>	<b>1.93</b>
Bull	934	947	971	2.53
Dam	6,898	6,922	7,033	1.60
Heifer	881	893	912	2.13
Yearling	1,734	1,808	1,874	3.65
Calf	2,969	3,024	3,067	1.42
<b>GOAT</b>	<b>911</b>	<b>926</b>	<b>1,201</b>	<b>29.70</b>
Buck	70	74	91	22.97
Doe	470	472	636	34.75
Kid	279	281	369	31.32
Others	92	99	105	6.06

\*- Preliminary

- ❖ In 2009, dairy cattle population was 0.7 percent of the total cattle population. Headcounts of dairy carabao and dairy goat were less than 0.5 percent of total carabao and total goat population, respectively.

Figure 4. Distribution of Dairy Inventory by Animal Type, Philippines, as of January 1, 2009



- ❖ As of January 1, 2010, the inventory of dairy animal was estimated at 32,007 head. This was 8.16 percent higher than the previous year's level of 29,593.
- ❖ The number of cattle in particular, increased by more than 12.44 percent due mainly to the continuous herd build-up program of the NDA. Female breeders or dams accounted for 45 percent of the total dairy cattle which grew by 10.36 percent.
- ❖ In contrast with 2009 estimates, dairy carabao and dairy goat population grew by 1.93 percent and 29.70 percent, respectively.



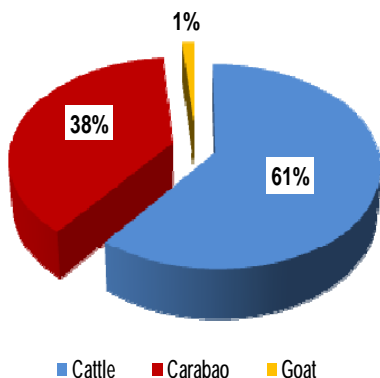
## MILK PRODUCTION

**Table 3. Animals on the Milkline and Milk Production by Animal Type and Source, Philippines, 2008-2009**

Animal Type/Source	2008		2009		Percent Change	
	Animals on the Milkline	Production (LME* in '000 Liters)	Animals on the Milkline	Production (LME* in '000 Liters)	Animals on the Milkline	Production (LME* in '000 Liters)
<b>TOTAL</b>	<b>8,632</b>	<b>13,808.99</b>	<b>8,807</b>	<b>14,270.46</b>	<b>2.03</b>	<b>3.34</b>
<b>CATTLE</b>	<b>4,180</b>	<b>8,197.20</b>	<b>4,268</b>	<b>8,645.20</b>	<b>2.11</b>	<b>5.47</b>
Individual	1,117	1,488.12	1,180	1,668.29	5.64	12.11
Cooperatives	2,385	5,039.92	2,452	5,446.71	2.81	8.07
Commercial	367	1,096.49	347	1,046.66	(5.45)	(4.54)
Institutional	311	572.67	289	483.54	(7.07)	(15.56)
<b>CARABAO</b>	<b>4,240</b>	<b>5,517.36</b>	<b>4,195</b>	<b>5,439.90</b>	<b>(1.06)</b>	<b>(1.40)</b>
Individual	2,740	2,414.43	2,731	2,406.15	(0.33)	(0.34)
Cooperatives	806	1,487.81	781	1,437.01	(3.10)	(3.41)
Commercial	135	349.41	133	345.40	(1.48)	(1.15)
Institutional	559	1,265.71	550	1,251.34	(1.61)	(1.14)
<b>GOAT</b>	<b>212</b>	<b>94.43</b>	<b>344</b>	<b>185.36</b>	<b>62.26</b>	<b>96.30</b>

Note: LME\* - Liquid Milk Equivalent

Figure 5. Distribution of Milk Production by Animal Type, Philippines, 2009



- ❖ In 2009, total milk production in the country was estimated at 14,270 thousand liters. It grew by 3.34 percent against last year's level of 13,809 thousand liters.
- ❖ Dairy cattle increased its milk production by 5.47 percent from 8,197 thousand liters in 2008 to 8,645 thousand liters in 2009. Dairy carabao milk production dropped by 1.40 percent while dairy goat milk production gained substantially by 96.30 percent.
- ❖ Compared with 2008 levels, dairy cattle on the milkline went up by 2.11 percent. Dairy carabao on the milkline decreased by 1.06 percent, while a 62.26 percent addition to the number of dairy goat on the milkline was noted.



## SUPPLY AND UTILIZATION

**Table 4. Supply and Utilization of Milk, Philippines, 2007-2009**  
(\*000 m.t. LME)

Particulars	2007	2008	2009	% Change	
				08/07	09/08
Local Production <sup>1/</sup>	13.43	13.81	14.27	2.83	3.33
Imports <sup>2/</sup>	1,739.87	1,618.71	1,789.65	(6.96)	10.56
Total supply	1,753.30	1,632.52	1,803.92	(6.89)	10.50
Exports <sup>2/</sup>	283.80	298.85	199.79	5.30	(33.15)
Net Domestic Supply	1,469.50	1,333.67	1,604.13	(9.24)	20.28
Human Population	88.71	90.46	92.15	1.97	1.87
Per Capita Supply (liters/year) <sup>3/</sup>	16.57	14.74	17.41	(11.02)	18.07

Source: National Dairy Authority (NDA)

<sup>1/</sup> Based on BAS survey converted to LME

<sup>2/</sup> NDA based on NSO data converted to LME

<sup>3/</sup> Derived using Net Domestic supply/Human Population

\* 1 liter of milk is approximately 1 kg of milk

The total supply of milk in 2009 was estimated at 1,803.92 million liters. More than 99 percent of the total milk supply were imported.

The total dairy imports in 2009 expanded by 10.56 percent. This consequently increased the total supply of milk by 10.50 percent.

In 2009, the net domestic supply of milk was estimated at 1,604.13 million liters. This was 20.28 percent higher than last year's supply. The derived per capita consumption of milk was estimated at 17.41 kilograms per year, or 18.07 percent higher than last year's per capita consumption.

## IMPORTS

**Table 5. Volume and Value of Imports by Type of Dairy Products**  
**Philippines, 2007-2009**  
(In Liquid Milk Equivalent)

Particulars	2007		2008		2009		% Change	
	Volume ('000 mt)	Value (CIF MUS\$)	Volume ('000 mt)	Value (CIF MUS\$)	Volume ('000 mt)	Value (CIF MUS\$)	Volume 08/07	Value 08/07
<b>Total Import</b>	<b>1,739.87</b>	<b>652.45</b>	<b>1,618.71</b>	<b>712.00</b>	<b>1,789.65</b>	<b>466.72</b>	<b>10.56</b>	<b>(34.45)</b>
1. Milk and Cream	1,549.85	588.96	1,455.64	607.62	1,577.28	382.02	8.36	(37.13)
Skim Milk	720.24	298.34	626.87	293.55	697.64	185.17	11.29	(36.92)
Wholemilk	287.76	100.00	345.18	162.36	262.72	76.00	(23.89)	(53.19)
Buttermilk	158.29	59.77	132.90	58.41	169.13	34.85	27.26	(40.34)
Whey Powder	321.07	63.60	253.10	41.73	304.31	34.34	20.23	(17.71)
Fresh Milk	44.28	30.77	36.63	37.77	39.00	30.04	6.47	(20.47)
Evaporated	11.95	7.86	1.36	1.02	1.03	0.38	(24.26)	(62.75)
Other	51.26	28.62	59.60	15.78	103.45	21.24	73.57	34.60
2. Butter	90.45	30.52	101.56	55.34	145.88	43.45	43.64	(21.49)
3. Cheese	36.35	20.68	47.86	36.55	59.81	37.53	24.97	2.68
4. Curd	18.22	13.29	13.65	12.49	6.68	3.72	(51.06)	(70.22)

Source: National Dairy Authority (NDA) and National Statistics Office (NSO)

- ❖ The total value of dairy imports in 2009 was USD 466.72 million. This was 34.45 percent lower than last year's import value of USD 652.45 million.
- ❖ Of the total milk imports, around 88.0 percent were classified under milk and cream and the rest were butter, cheese and curd.



**Table 6. Volume of Imports by Country of Origin  
Philippines, 2007-2009  
(In Liquid Milk Equivalent)**

Country Source	2007		2008		2009	
	Volume ('000 mt)	Percent Share	Volume ('000 mt)	Percent Share	Volume ('000 mt)	Percent Share
<b>TOTAL</b>	<b>1,773.32</b>	<b>100.00</b>	<b>1,618.71</b>	<b>100.00</b>	<b>1,789.65</b>	<b>100.00</b>
1. New Zealand	728.82	41.89	608.42	37.59	729.72	40.77
2. USA	316.86	18.21	380.58	23.51	319.29	17.84
3. Australia	222.51	12.79	240.17	14.84	340.81	19.04
4. Others	471.68	27.11	389.54	24.06	399.83	22.34

Source: National Dairy Authority (NDA)  
National Statistics Office (NSO)

- ❖ New Zealand was still the leading source of imported dairy products in 2009. It supplied a total of 729.72 thousand metric tons or 40.77 percent of the total dairy imports of the Philippines.

## EXPORTS

**Table 7. Volume and Value of Exports by Type of Dairy Products  
Philippines, 2007-2009  
(In Liquid Milk Equivalent)**

Particulars	2007		2008		2009		% Change	
	Volume ('000 liters)	Value ('000 US\$)	Volume ('000 liters)	Value ('000 US\$)	Volume ('000 liters)	Value ('000 US\$)	Volume 09/08	Value 09/08
<b>Total Exports</b>	<b>283.80</b>	<b>140.69</b>	<b>298.85</b>	<b>165.70</b>	<b>199.79</b>	<b>99.41</b>	<b>(33.15)</b>	<b>(40.01)</b>
Milk and Cream	280.81	138.76	294.70	162.50	194.01	95.62	(34.17)	(41.16)
Butter	0.21	0.07	0.44	0.18	0.14	0.06	(68.18)	(66.67)
Cheese	2.78	1.86	3.71	3.02	5.64	3.73	52.02	23.51

Source: National Dairy Authority (NDA)  
National Statistics Office (NSO)

- ❖ Dairy products exported by the Philippines were milk and cream, butter and cheese. In 2009, the total volume of exports was 199.79 thousand liters, lower by 33.15 percent against last year's volume of 298.85 thousand liters.
- ❖ Around 97 percent of the total dairy exports were milk and cream, and the rest were butter and cheese.

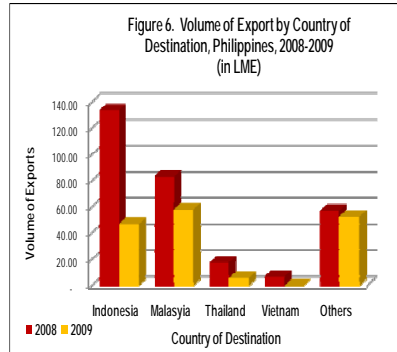




**Table 8. Volume of Exports by Country Destination  
Philippines, 2007-2009  
(in LME)**

Country Destination	2007		2008		2009	
	Volume (M liters)	Percent Share	Volume (M liters)	Percent Share	Volume (M liters)	Percent Share
<b>Total</b>	<b>283.80</b>	<b>100.00</b>	<b>298.86</b>	<b>100.00</b>	<b>199.85</b>	<b>100.00</b>
Indonesia	145.82	51.38	133.76	44.76	47.04	23.54
Malasyia	74.30	26.18	83.28	27.87	58.05	29.04
Thailand	13.08	4.61	17.60	5.89	42.33	21.18
Vietnam	7.18	2.53	6.97	2.33	-	-
Others	43.42	15.30	57.25	19.16	52.44	26.24

Source: National Dairy Authority (NDA)  
National Statistics Office (NSO)



❖ In 2009, the main countries of destination for dairy products from the Philippines were Indonesia, Malaysia and Thailand. These countries accounted for almost three fourths or 74.76 percent of the total volume of exports.

## PRICES

**Table 9. Average Farmgate Price of Milk by Animal Type,  
Philippines, 2007-2009  
(Peso per liter)**

Animal Type	2007	2008	2009	Percent Change 09/08
Cattle <sup>1/</sup>	19.00	20.00	20.00	-
Carabao <sup>2/</sup>	45.50	46.00	46.00	-
Goat <sup>3/</sup>	35.00	36.00	36.00	-

<sup>1/</sup> NDA as reported by cooperatives

<sup>2/</sup> PCC as reported by Institutional centers

<sup>3/</sup> Based on BAS Dairy Semestral Survey

❖ In 2009, the annual average farmgate prices of raw milk from three (3) dairy animal sources remained steady at Php 20.00 per liter for cattle, Php 46.00 per liter for carabao and Php 36.00 per liter for goat, respectively.

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