

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

DAIRY INDUSTRY PERFORMANCE REPORT

January - December 2010



May 2011



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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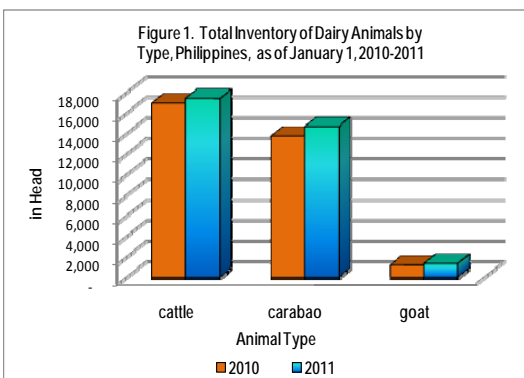
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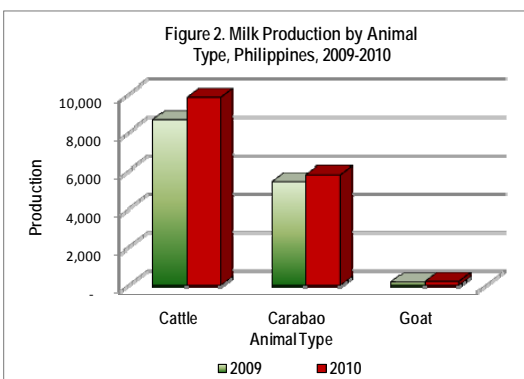


HIGHLIGHTS

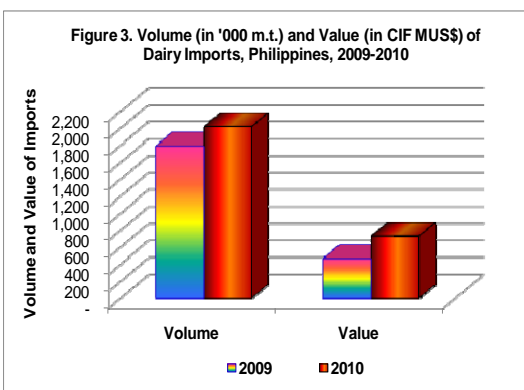
- ❖ As of January 1, 2011, the total dairy animal population was 33,442 head. This was 4.48 percent higher than last year's headcount. There was a significant increase in the number of dairy goat this year. It grew by about 12.91 percent compared with last year's record.



- ❖ In 2010, fresh milk production in the country was 15.9 million liters, 11.16 percent higher than last year's level of 14.3 million liters. Of this total, 9.8 million liters or 62.0 percent were cow's milk, 5.8 million liters or 36.6 percent were carabao's milk and 0.22 million liters or 1.4 percent were goat's milk.



- ❖ The volume of dairy imports in 2010 was 2,015.0 thousand metric tons or 12.59 percent higher than the 2009 level of 1,789.7 thousand metric tons. There was an increase of about 56.2 percent in the value of dairy imports, from the 2009 level of US\$ 466.7 million to US\$ 729.0 million in 2010.





INVENTORY

Table 1. Total Inventory of Animals vis-à-vis Inventory of Dairy Animals by Type, Philippines, as of January 1, 2009-2011 (Number of Head)

Animal Type	2009	2010	2011*	Percent Change
Total Cattle	2,586,386	2,570,879	2,517,858	(2.06)
Dairy Cattle	15,073	16,949	17,405	2.69
Total Carabao	3,320,966	3,270,406	3,074,600	(5.99)
Dairy Carabao	13,594	13,753	14,681	6.75
Total Goat	4,222,234	4,177,721	3,876,984	(7.20)
Dairy Goat	926	1,201	1,356	12.91

*- Preliminary

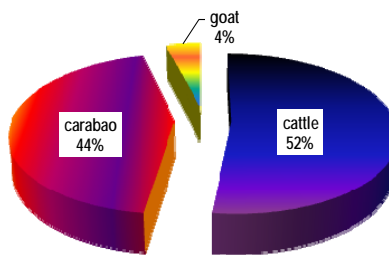
Table 2. Inventory of Dairy Animals by Animal Type by Age Classification, Philippines, as of January 1, 2009-2011 (Number of Head)

Animal Type/Age	2009	2010	2011*	Percent Change
TOTAL DAIRY	29,593	32,007	33,442	4.48
CATTLE	15,073	16,949	17,405	2.69
Bull	596	615	643	4.54
Dam	6,871	7,583	7,951	4.85
Heifer	1,879	2,231	2,134	(4.35)
Yearling	2,599	3,041	3,104	2.06
Calf	3,128	3,478	3,573	2.73
CARABAO	13,594	13,857	14,681	5.95
Bull	947	971	998	2.78
Dam	6,922	7,033	7,421	5.52
Heifer	893	912	978	7.24
Yearling	1,808	1,874	1,973	5.28
Calf	3,024	3,067	3,311	7.96
GOAT	926	1,201	1,356	12.91
Buck	74	91	103	13.19
Doe	472	636	709	11.48
Kid	281	369	425	15.18
Others	99	105	119	13.33

*- Preliminary

- ❖ The number of dairy cattle in 2011 was almost 0.7 percent of the total cattle inventory. Dairy carabao and dairy goat headcounts 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, 2011



- ❖ As of January 1, 2011, the inventory of dairy animal was 33,442 head. This was up by 4.48 percent compared with last year's level of 32,007 head.
- ❖ There was an increase in cattle population this year of about 2.69 percent. Female breeders or dams accounted for 46 percent of the total dairy cattle which grew by 4.85 percent.
- ❖ In 2011, dairy carabao and dairy goat population grew by 5.95 percent and 12.91 percent, respectively.



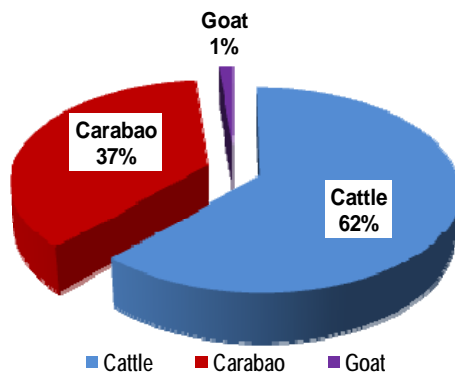
MILK PRODUCTION

Table 3. Animals on the Milkline and Milk Production by Animal Type and Source, Philippines, 2009-2010

Animal Type/Source	2009		2010		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)
TOTAL	8,807	14,270.46	9,257	15,863.46	5.11	11.16
CATTLE	4,268	8,645.20	4,425	9,842.64	3.68	13.85
Individual	1,180	1,622.06	1,343	2,292.85	13.81	41.35
Cooperatives	2,452	5,492.30	2,394	5,919.45	(2.37)	7.78
Commercial	347	1,046.66	362	1,080.24	4.32	3.21
Institutional	289	484.18	326	550.10	12.80	13.61
CARABAO	4,195	5,439.90	4,435	5,798.21	5.72	6.59
Individual	2,731	2,406.15	2,901	2,555.44	6.23	6.20
Cooperatives	781	1,437.01	813	1,507.53	4.07	4.91
Commercial	133	345.40	142	363.10	6.69	5.12
Institutional	550	1,251.34	579	1,372.14	5.31	9.65
GOAT	344	185.36	397	222.61	15.34	20.10

Note: LME* - Liquid Milk Equivalent

Figure 5. Distribution of Milk Production by Animal Type, Philippines, 2010



- ❖ In 2010, total milk production in the country was 15,863 thousand liters. It grew by 11.16 percent against the 2009 level of 14,270 thousand liters.
- ❖ Milk production of dairy cattle increased by 13.85 percent, from 8,645 thousand liters in 2009 to 9,843 thousand liters in 2010. In 2010, dairy carabao milk production was up by 6.59 percent and dairy goat milk production grew by 20.10 percent compared last year.
- ❖ The number of dairy cattle on the milk line in 2010 increased by 3.68 percent. Dairy carabao and dairy goat on the milkline, likewise increased by 5.72 percent and 15.34 percent, respectively.



SUPPLY AND UTILIZATION

Table 4. Supply and Utilization of Milk, Philippines, 2008-2010
(’000 m.t. LME)

Particulars	2008	2009	2010	% Change	
				09/08	10/09
Local Production ^{1/}	13.81	14.41	15.70	4.34	8.95
Imports ^{2/}	1,618.71	1,789.65	2,015.02	10.56	12.59
Total supply	1,632.52	1,804.06	2,030.72	10.51	12.56
Exports ^{2/}	298.85	199.79	254.98	(33.15)	27.62
Net Domestic Supply	1,333.67	1,604.27	1,775.74	20.29	10.69
Human Population	90.46	92.15	94.01	1.87	2.02
Per Capita Supply (liters/year) ^{3/}	14.74	17.41	18.89	18.08	8.50

Source: National Dairy Authority (NDA)

^{1/} Based on BAS survey converted to LME

^{2/} NDA based on NSO data converted to LME

^{3/} Derived using Net Domestic supply/Human Population

* 1 liter of milk is approximately 1 kg of milk

- ❖ The total supply of milk in 2010 was 2,030.72 million liters. More than 99 percent of the total milk supply were imported.
- ❖ The total dairy imports in 2010 expanded by 12.59 percent. This consequently increased the total supply of milk by 12.56 percent.
- ❖ In 2010, the net domestic supply of milk was 1,775.74 million liters. This was 10.69 percent higher than last year’s supply. The derived per capita consumption of milk was 18.89 kilograms per year, or 8.50 percent higher than last year’s per capita consumption.

IMPORTS

Table 5. Volume and Value of Imports by Type of Dairy Products
Philippines, 2008-2010
(In Liquid Milk Equivalent)

Particulars	2008		2009		2010		% Change	
	Volume (’000 mt)	Value (CIF MUS\$)	Volume (’000 mt)	Value (CIF MUS\$)	Volume (’000 mt)	Value (CIF MUS\$)	Volume 09/08	Value 10/09
Total Import	1,618.71	712.00	1,789.65	466.72	2,015.02	729.03	12.59	56.20
1. Milk and Cream	1,455.64	607.62	1,577.28	382.02	1,780.94	585.83	12.91	53.35
Skim Milk Powder	626.87	293.55	697.64	185.17	867.42	317.05	24.34	71.22
Wholemilk Powder	345.18	162.36	262.72	76.00	253.74	103.49	(3.42)	36.17
Buttermilk	132.90	58.41	169.13	34.85	153.63	49.09	(9.16)	40.86
Whey Powder	253.10	41.73	304.31	34.34	320.91	50.11	5.45	45.92
Liquid (RTD) Milk	36.63	37.77	39.00	30.04	48.48	45.31	24.31	50.83
Evaporated	1.36	1.02	1.03	0.38	1.04	0.38	0.97	-
Other	59.60	15.78	103.45	21.24	135.72	20.40	31.19	(3.95)
2. Butter	101.56	55.34	145.88	43.45	169.31	93.75	16.06	115.77
3. Cheese	47.86	36.55	59.81	37.53	52.60	39.23	(12.05)	4.53
4. Curd	13.65	12.49	6.68	3.72	12.17	10.22	82.19	174.73

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

- ❖ The total value of dairy imports in 2010 was USD 729.03 million. This was 56.2 percent higher than last year’s import value of USD 466.72 million.
- ❖ Of the total milk imports, around 88.4 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, 2008-2010
(In Liquid Milk Equivalent)**

Country Source	2008		2009		2010	
	Volume ('000 mt)	Percent Share	Volume ('000 mt)	Percent Share	Volume ('000 mt)	Percent Share
TOTAL	1,618.71	100.00	1,789.65	100.00	2,015.02	100.00
1. New Zealand	608.42	37.59	729.72	40.77	725.55	36.01
2. USA	380.58	23.51	319.29	17.84	502.81	24.95
3. Australia	240.17	14.84	340.81	19.04	225.27	11.18
4. Others	389.54	24.06	399.83	22.34	561.39	27.86

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

- ❖ This year, USA and New Zealand (NZ) were the leading sources of imported dairy products. They supplied a total of 1,228.36 thousand metric tons, or 60.96 percent of the total dairy imports of the Philippines.

EXPORTS

**Table 7. Volume and Value of Exports by Type of Dairy Products
Philippines, 2008-2010
(In Liquid Milk Equivalent)**

Particulars	2008		2009		2010		% Change	
	Volume ('000 M.T.)	Value ('000 US\$)	Volume ('000 M.T.)	Value ('000 US\$)	Volume ('000 M.T.)	Value ('000 US\$)	Volume 10/09	Value 10/09
Total Exports	298.85	165.70	199.79	99.41	254.99	142.13	27.63	42.98
Milk and Cream	294.70	162.50	194.01	95.62	249.95	138.15	28.83	44.48
Butter	0.44	0.18	0.14	0.06	0.11	0.04	(21.43)	(30.00)
Cheese	3.71	3.02	5.64	3.73	4.93	3.94	(12.59)	5.63

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

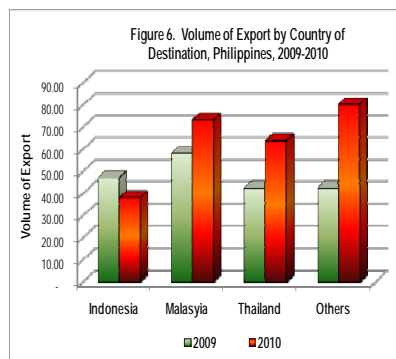
- ❖ The total volume of dairy products exported by the Philippines in 2010 was 254.99 thousand liters, higher by 27.63 percent against the 2009 level of 199.79 thousand liters.
- ❖ This year, milk and cream constituted 98.02 percent of the total dairy exports. The rest were butter and cheese.



**Table 8. Volume of Exports by Country of Destination
Philippines, 2008-2010
(in LME)**

Country Destination	2008		2009		2010	
	Volume (MT)	Percent Share	Volume (MT)	Percent Share	Volume (MT)	Percent Share
Total	291.89	100.00	199.85	100.00	254.98	100.00
Indonesia	133.76	45.83	47.04	23.54	38.00	14.90
Malaysia	83.28	28.53	58.05	29.04	73.13	28.68
Thailand	17.60	6.03	42.33	21.18	63.67	24.97
Others	57.25	19.61	52.44	26.24	80.18	31.45

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



- ❖ In 2010, the main countries of destination of dairy products from the Philippines were Indonesia, Malaysia and Thailand. These countries accounted for more than two thirds or 68.55 percent of the total volume of exports.

PRICES

**Table 9. Average Farmgate Price of Milk by Animal Type,
Philippines, 2008-2010
(Peso per liter)**

Animal Type	2008	2009	2010	Percent Change 10/09
Cattle ^{1/}	20.00	20.00	21.75	8.75
Carabao ^{2/}	46.00	46.00	45.00	(2.17)
Goat ^{3/}	36.00	36.00	35.00	(2.78)

^{1/} NDA as reported by cooperatives

^{2/} PCC as reported by Institutional centers

^{3/} Based on BAS Dairy Semestral Survey

- ❖ In 2010, the annual average farmgate price of raw milk from dairy cattle was 8.75 percent higher from 2009 level. Farmgate prices of raw milk from dairy carabao and dairy goat, on the otherhand, were down by 2.17 percent and 2.78 percent, respectively.

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