

SOURCE: <http://www.mb.com.ph/ph-dairy-industry-seen-at-p600m-in-2014/>

PH dairy industry earnings seen at P600M in 2014

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The Philippines dairy production industry was expected to earn P307.41 million in sales in the first half of the year growing a modest 5.61-percent growth, but is now on track to reach P600 million by yearend.

The National Dairy Authority (NDA) attributed this growth to assistance provided to the industry.

"Sustained animal productivities, particularly in NDA-assisted dairy farms and cooperatives, fostered the change," it reported.

Production from January to June 2014 reached 9,910 metric tons (MT), up by 3.23 percent compared with the same period last year. Production comes from an estimated 21,087 dairy animals. It consists of 9,608 cattle, 8,501 carabaos, and 2,978 goats.

Value of dairy production has been increasing from P464 million in 2008, P498.93 million in 2010, and P586.96 million in 2013.

Likewise, local dairy production has consistently increased over the last five years from only 13,810 MT in liquid milk equivalent (LME) to 16,450 MT in 2011 and higher to 19,460 MT in 2013.

However, despite the growth in liquid milk production, the country remains to be an insignificant producer of its own dairy needs.

Value of dairy imports has been rising at steady rates. This stood at \$857.19 million (CIF) as of 2013 from only \$729.03 million in 2010 and \$712 million in 2008. The country's top sources of dairy are New Zealand, 41 percent; United States, 32 percent; Australia, seven percent; and Netherlands, three percent.

The Philippines has also been experiencing a receding export value potential due to bigger opportunities for producers to supply to the local market.

Export of dairy dropped to \$55.11 million 2013, down from \$142.12 million in 2010 and \$165.7 million in 2008. Export destinations are Malaysia, Nigeria, Thailand, China, and the US.

The local dairy production comes mainly from cow's milk, 65 percent; carabao's milk, 32 percent; and goat's milk, 3 percent.

In order to keep the small export market, NDA has tapped New Zealand consultants to train local dairy producers of the food safety standard Hazard Analysis Critical Control Point (HACCP).

Producers' adoption of HACCP becomes harmonious with the enactment of the Food Safety Act of 2013 or Republic Act (RA) 10811.

RA 10811 indicates food safety is a prime responsibility of DA to which NDA and milk producer Philippine Carabao Center are attached.

NDA assists 25 dairy cooperatives in Southern Luzon, 20 in Southern Luzon, 71 in the Visayas, and 66 in Mindanao.



Workers check the milking cows inside the NDA Stock Farm, the biggest dairy farm in Central Visayas, located in Ubay, Bohol. / MB photo file