

THE DAIRY ROAD MAP

Jobs, Income and Food Sufficiency

Priority Programs & Projects

Targets and Budget

Benefits of Dairy Investment

THE DAIRY ROAD MAP: 2003-2004

- ❖ From 4% to 8% dairy market share
- ❖ From 20% to 30% share of the local liquid milk market
- ❖ From 11 to 17 million liters in annual local milk production

- ❖ Three main thoroughfares on the dairy road map:
 1. Herd build-up
 2. Dairy enterprise enhancement
 3. Expanded milk feeding program



MAJOR FINAL OUTCOMES 2004

The jobs

- 2,000 farmers engaged in upgrading local animals to dairy breed.
- 1,200 recipients of upgraded animals and grower-farmers of dairy animals.
- 1,230 farm-related jobs in six emergent dairy zones.
- 500 marketing and milk-handling jobs.
- Maintain 7,961 existing employment in the sector.

MAJOR FINAL OUTCOMES

The additional farm incomes

- Over P200 in milk sales per day for 1,000 existing dairy farm families.
- Over P100 per day for over 3,000 dairy farm families in new and expanding dairy areas.
- P20M from sale of 2,000 upgraded dairy calves for 2,000 participating farm families.

MAJOR FINAL OUTCOMES

Wholesome, affordable milk for consumers

- 9.40M liters of milk produced representing 88% increase in milk production from 4.99M liters in 2002
- for the immediate communities of 90 dairy cooperatives,
- in the urban centers around existing dairy zones
- for milk feeding programs in schools and day care centers

Priority Programs

- **Herd Build-up**
- **Dairy Enterprise Enhancement**
- **Expanded Milk Feeding Program**

HERD BUILD-UP

Improved breeding efficiency

Increase the ratio of pregnant animals to total breedable herd.

Save-The-Herd Program

Arrest the decline in dairy animals and accelerate trade to allow market forces to direct animals to the producers who can produce most efficiently

HERD BUILD-UP

Animal Loan Financing

Tailor loan programs to the dairy business cycle and tap new sources of affordable animal loans

Herd infusion

Diversify sources of dairy animals and facilitate importation of at least 1,200 dairy animals annually

HERD BUILD-UP

Parallel Sourcing

Aimed to produce the equivalent of a boatload of imported dairy animals annually, we have launched the program of upgrading local animals to produce dairy stock.

Animal Upgrading Program partners include:

- Pinamalayan farmers (Mindoro Oriental)**
- Busuanga Stock farm of BAI**
- Del Monte Philippines**
- LGU of Lanao Del Norte**

DAIRY ENTERPRISE ENHANCEMENT

Emergent Dairy Zones

Three to six new dairy zones established.

Target sites

- Tuguegarao
- Negros Occidental
- Zamboanga Del Norte
- Iloilo
- Dumaguete
- Baguio City
- Albay

A dairy zone consists of farmer-owned and controlled enterprise undertaking the various stages of dairying:

- production unit
- collection system
- processing unit
- market base

DAIRY ENTERPRISE ENHANCEMENT

Double local producers' market share of liquid milk market through the introduction of products blended with local milk

Establish quality testing capacity and field mobile milk laboratories

Establish cost-efficient milk processing facilities

DAIRY ENTERPRISE ENHANCEMENT

Train dairy enterprise managers and movers in new dairy zones

Identify partners in the establishment of new dairy zones
DAR, PCA, NTA, Poverty-free zone of DOLE and various LGUs

EXPANDED MILK FEEDING PROGRAM

Expanded coverage of the Milk Feeding Program in both urban centers and remote areas through:

- Build up the Philippine Milk Trust by increasing the number of cost-sharing partners among LGUs and other co-sponsors
- Lobby for the institutionalization of milk feeding programs
- Coordinate with the DepEd, the DSWD and National Anti-Poverty Commission for appropriate targeting of programs
- Activate the Inter-Agency National Milk Feeding Committee

THE DAIRY ROAD MAP: 2003-2004

❖ **The fast lane on the dairy road map**

- 1. Allotment of P70M annually from DA-OSEC funds as a dairy loan fund**
- 2. Release of the legislated P200 M capitalization and P140M budget of the NDA**
- 3. Endorsement by the DA Secretary of dairy as a major vehicle of agriculture modernization**

❖ **Roadblocks to local dairy expansion**

- 1. Dumping of milk powder**
- 2. No presumptive VAT for processors of local milk**
- 3. Mislabeling of imported milk as fresh milk**
- 4. Prematurely low tariff on UHT milk imports**



THE DAIRY ROAD MAP: 2003-2004

- ❖ **Major final outputs of the Dairy Road Map**
 - 1. The jobs = 9, 130 full-time (365-day) jobs**
 - 2. The incomes = P466 M in milk sales**
 - 3. The asset build-up = P311.81M in livestock assets**
 - 4. The forex savings = P217.27 M value of UHT milk imports**



PROGRESS REPORT ON THE DAIRY ROAD MAP TARGETS VS. ACTUAL ACCOMPLISHMENTS

	First Semester 2003		
	Target	Actual	Actual /Target
1. Herd	8,572	8,262	0.96
2. Milk production (‘000 liters)	3,549	2,964	0.84
milk yield per day	19,200	16,470	0.84
3. Dams and heifers	4,723	4,667	0.99
4. Milkline	2,157	2,723	1.26
5. Pregnant for the month	1,649	1,155	0.70
8 Pregnant to date	1,639	1,307	0.80

PROGRESS REPORT ON THE DAIRY ROAD MAP TARGETS VS. ACTUAL ACCOMPLISHMENTS

	First Semester 2003		
	Target	Actual	Actual /Target
6. Calves dropped	1,060	950	0.90
7. Parallel sourcing			
Identified	4,432	2,840	0.64
Inseminated	3,558	1,160	0.33
8. Milk feeding beneficiaries	15,869	8,247	0.52
9. Value of processed milk ('000 Pesos)	65,400	14,548	0.22

MFO: Production Support Services

Performance Indicators

2004

Dairy Herd build Up

Milk Production

9.40

(% Increase from 2002)

88%

Dairy Herd Inventory

11,788

(% Increase from 2002)

51%

Animals bred

6,101

Animals tested

4,329

MFO: Extension and Training

Performance Indicators

2004

Dairy Business Enhancement

New Dairy zones	2
Cooperatives assisted	90
Farmers' assisted	5,020
Trainings facilitated	70
Farmers trained	1,204

MFO: Post-harvest facilities

Performance Indicators

2004

Dairy Business Enhancement

Dairy processing centers assisted	8
Milk collection facilities established	2
Milk collection facilities upgraded	4
Dairy plants upgraded	1

MFO: Market Development

Performance Indicators

2004

Milk Feeding Program

Children beneficiaries	15,000
Volume of Milk Supplied	360,000 liters
Market value (in M Pesos)	14.40

MFO: Research and Development

Performance Indicators

2004

Product Development

1

Dairy information development

1

MFO: Information Support Services

Performance Indicators

2004

New information systems developed	2
New MIS workstations installed	4
Industry profiles developed	3

MFO: Policy formulation and Advocacy

Performance Indicators

2004

No. of NDA staff trained

152

No. of trainings

63

Dairy fora and consultations facilitated

3

Dairy information materials disseminated

32,000

GMA-LP Budget (in M Pesos)

<u>Particulars</u>	<u>2004</u>
Production support services	5,262
Post harvest facilities	3,954
Market Development	5,400
Extension and training	2,600
Research and development	600
Policy formulation and advocacy	800
Information support services	300
Program Management	1,809
TOTAL	20,725

Milk does not only build strong bones...



it also helps build a strong nation.