

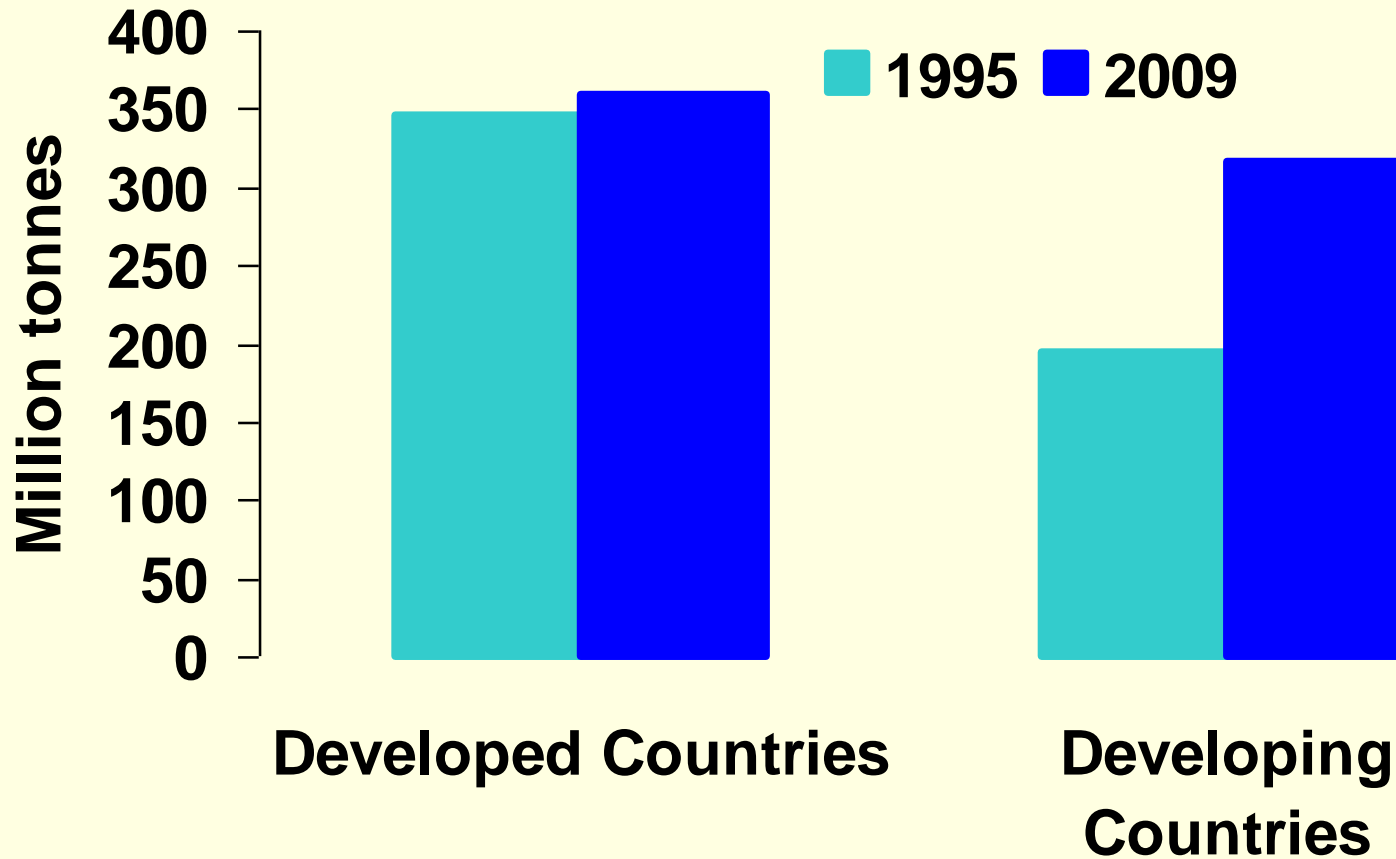


# Dairying in Asia: Opportunities, challenges and the response

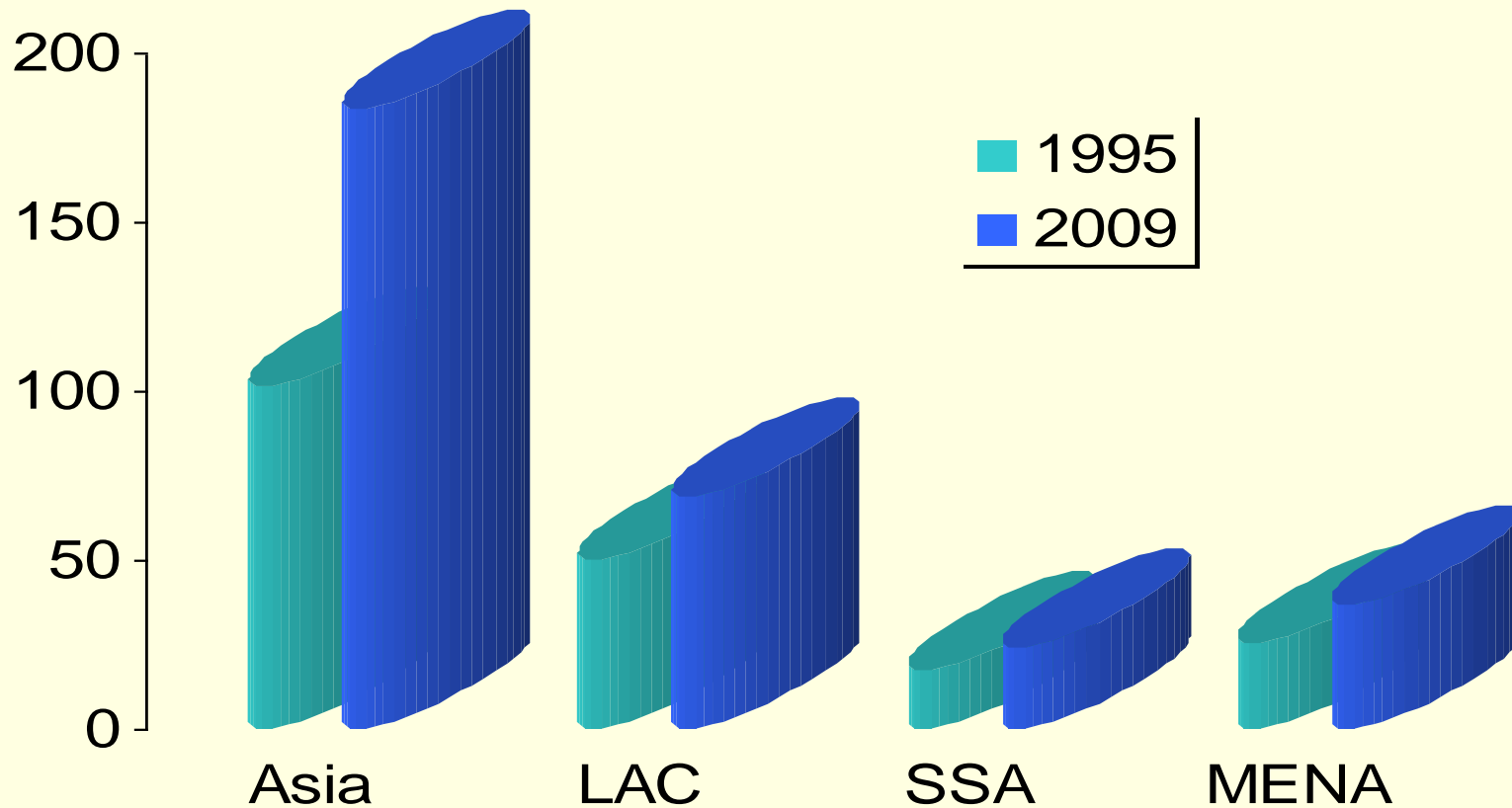
Vinod Ahuja

Livestock Policy Officer  
Food and Agriculture Organization of the UN  
Regional Office for Asia and the Pacific  
Bangkok

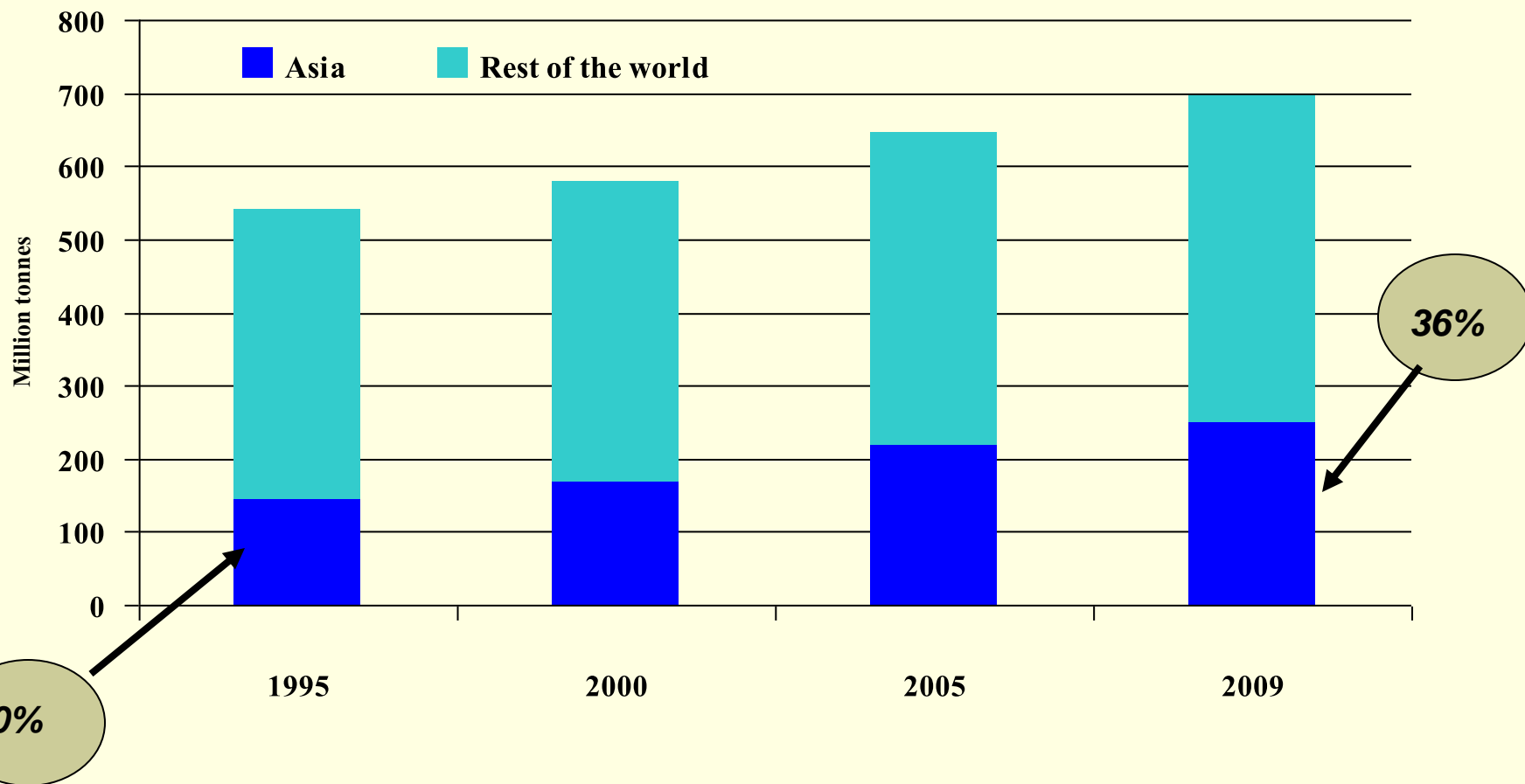
# Growth in global dairy production:



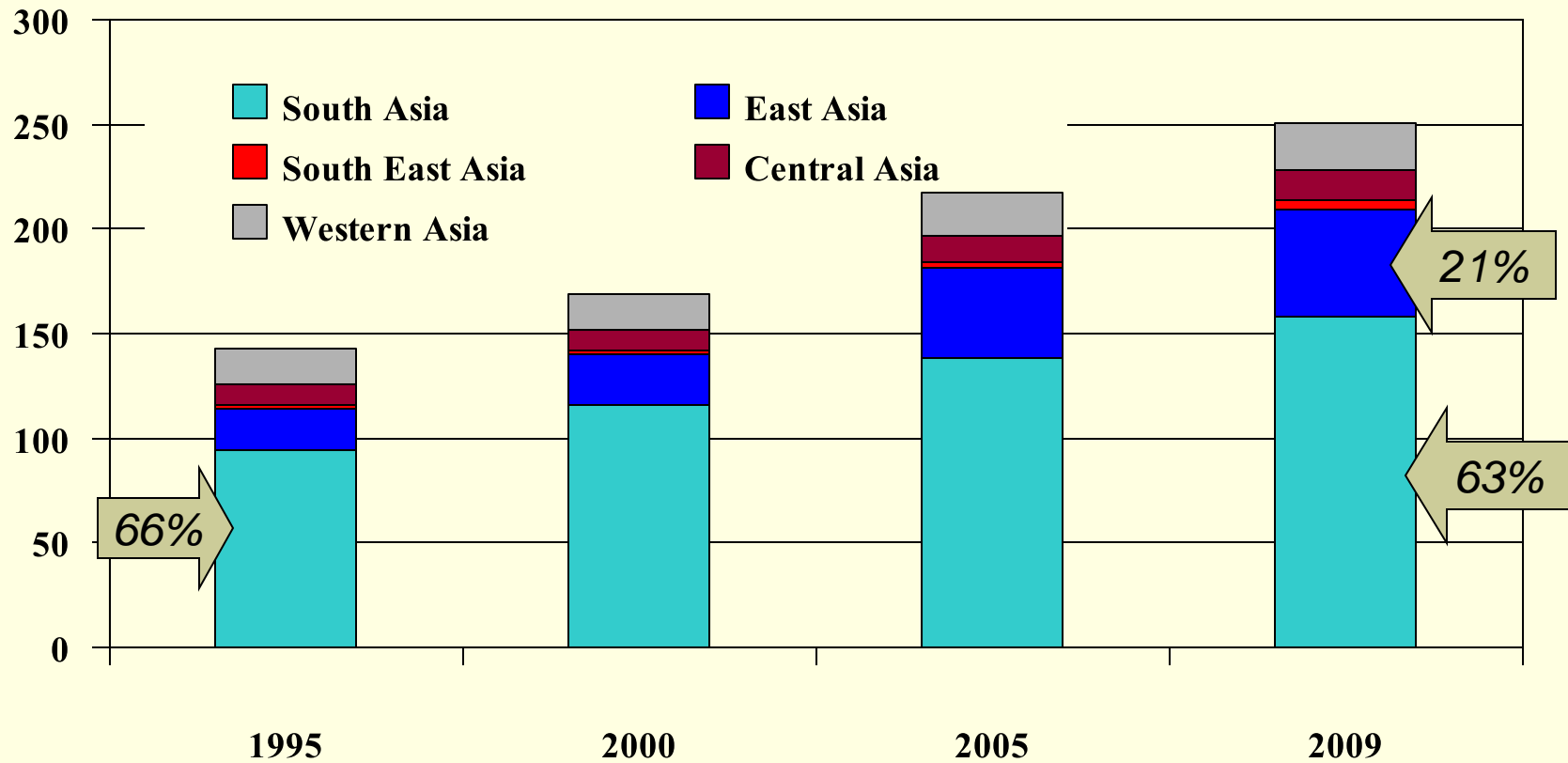
# With Asia leading the way



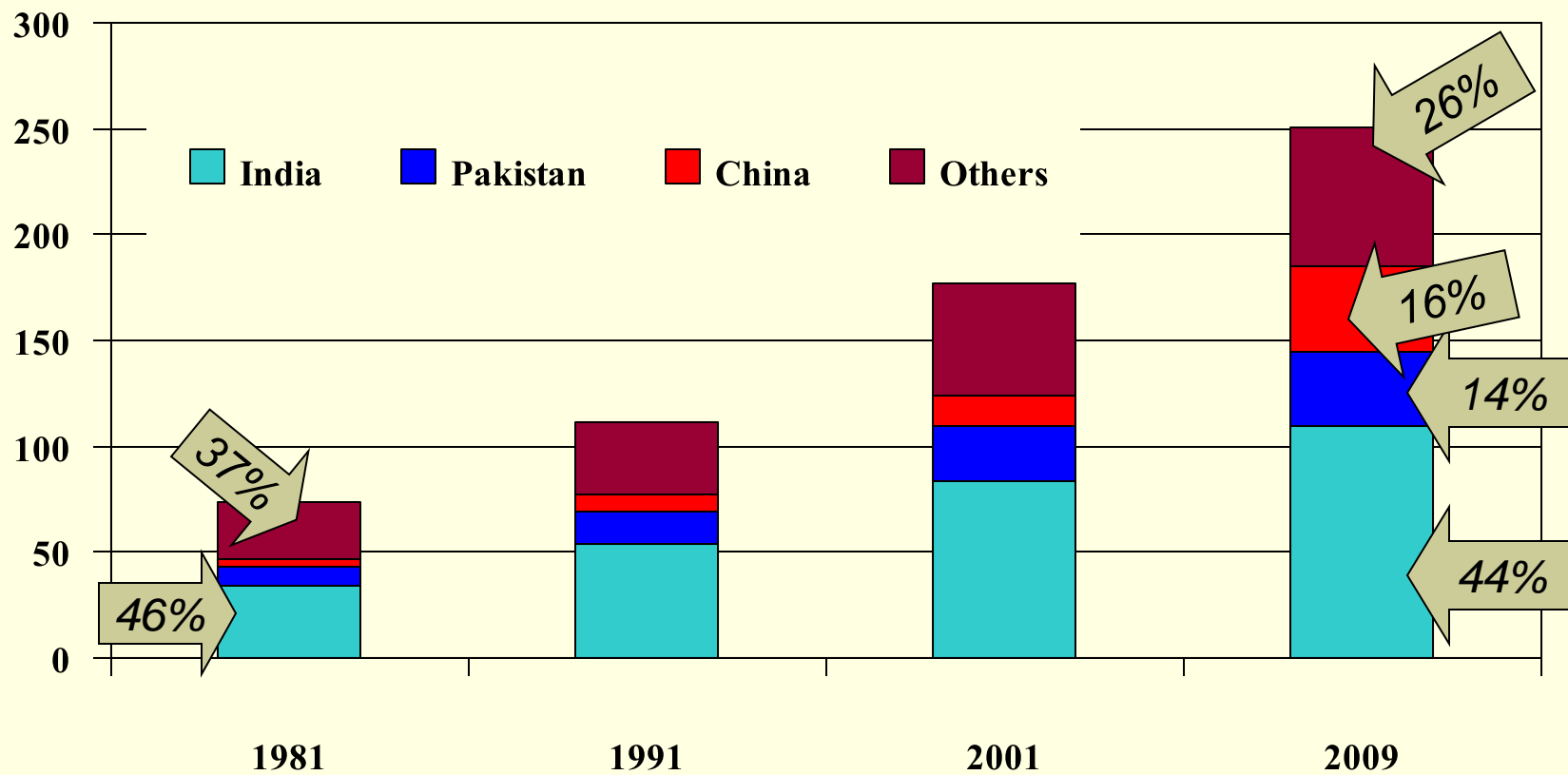
# Consolidating its global position in milk production



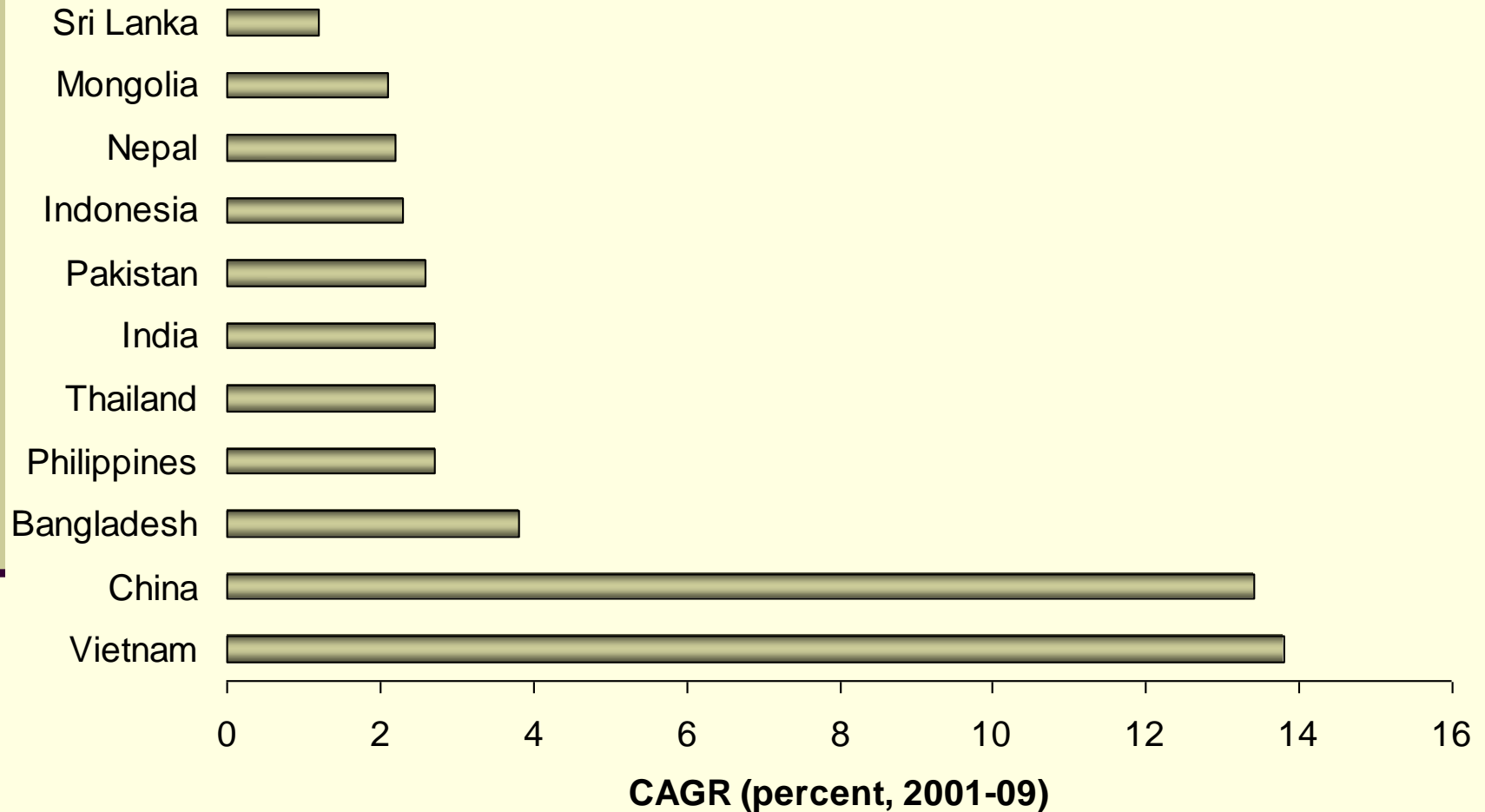
# Within Asia



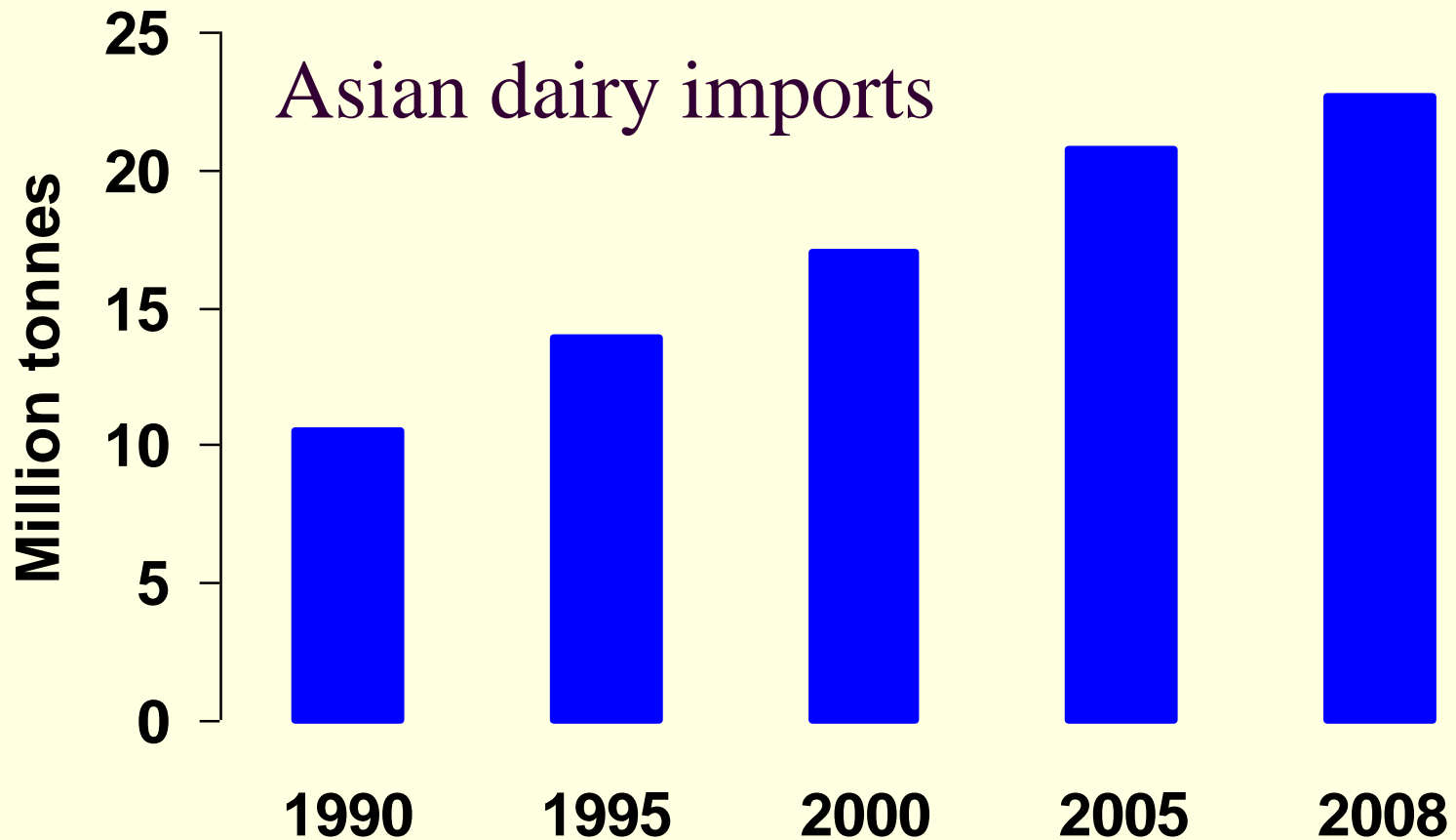
# Main contributors . . .



# But wide range of growth rates . . .

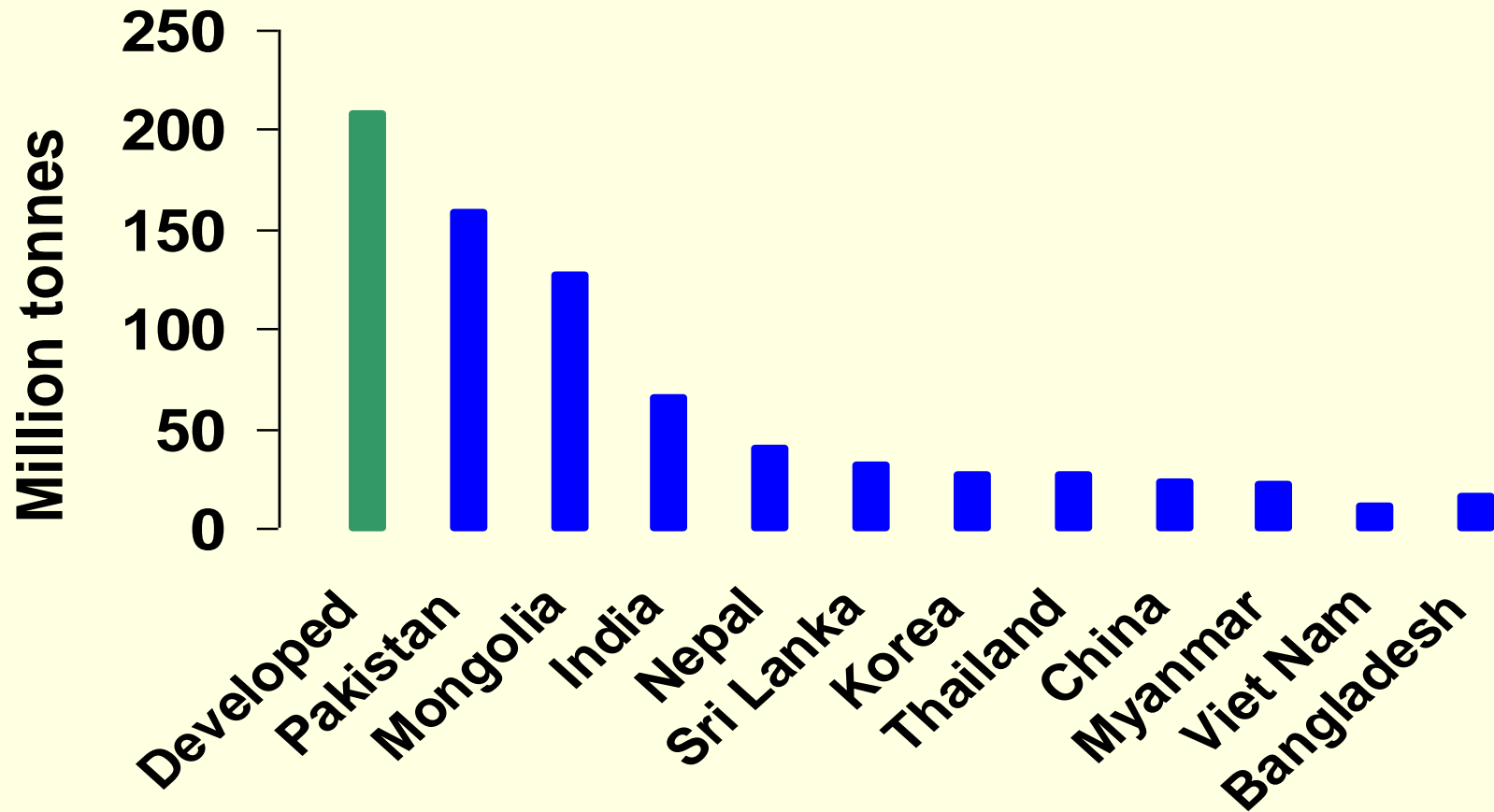


# Consumption constantly outpacing production





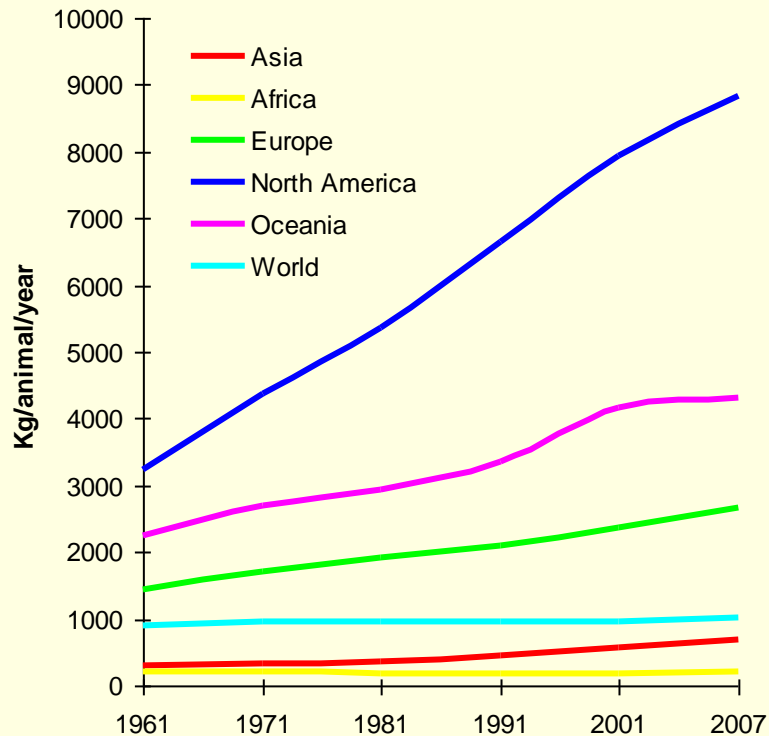
# Yet tremendous room for consumption growth



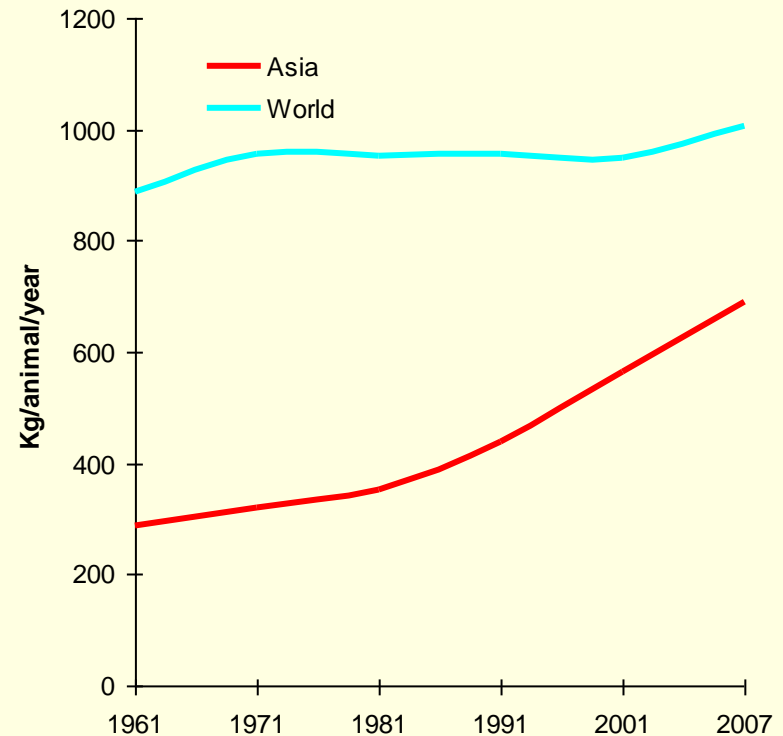
# What about productivity?



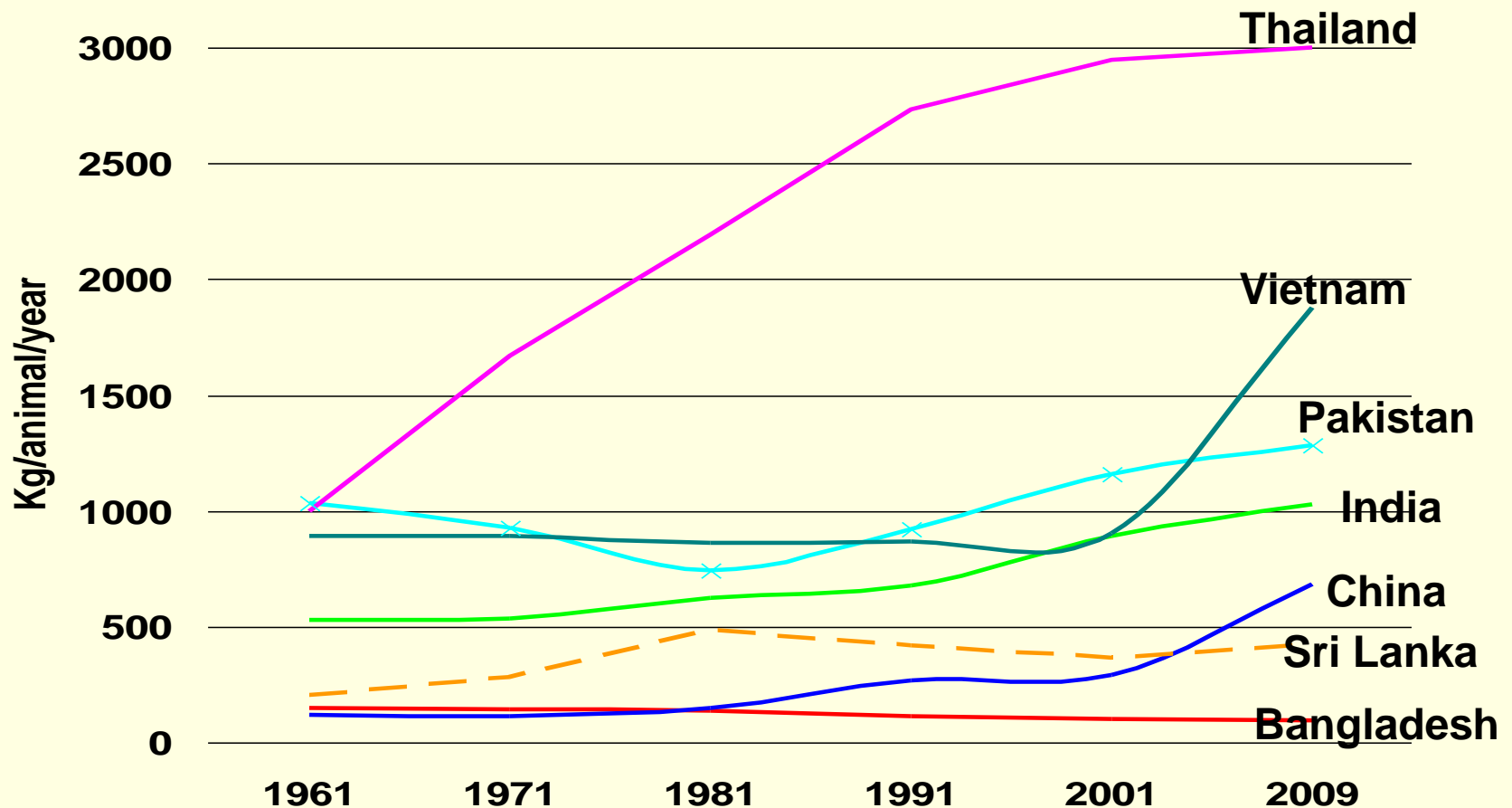
**Milk productivity across major regions of the world**



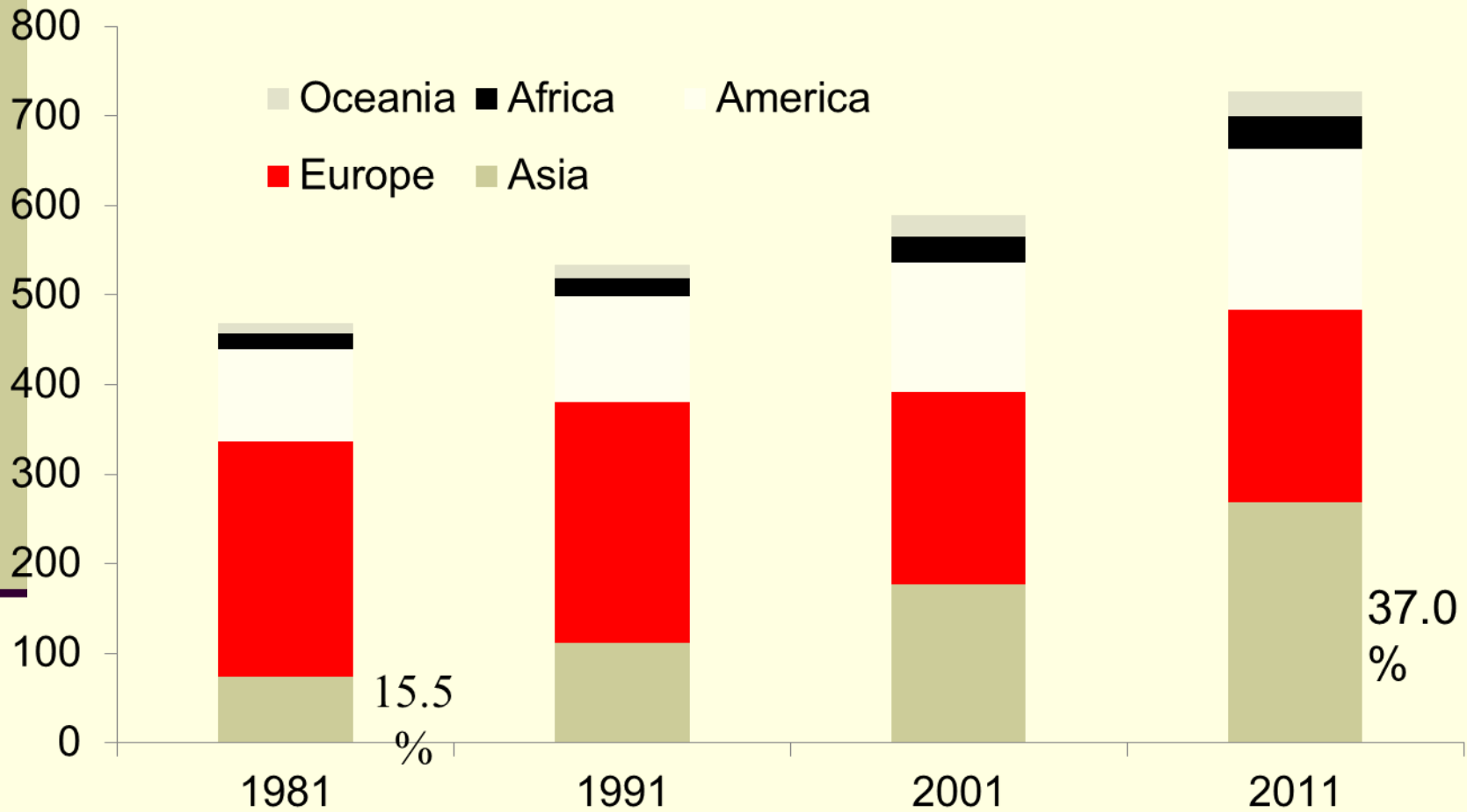
**Milk productivity: Asia and the World**



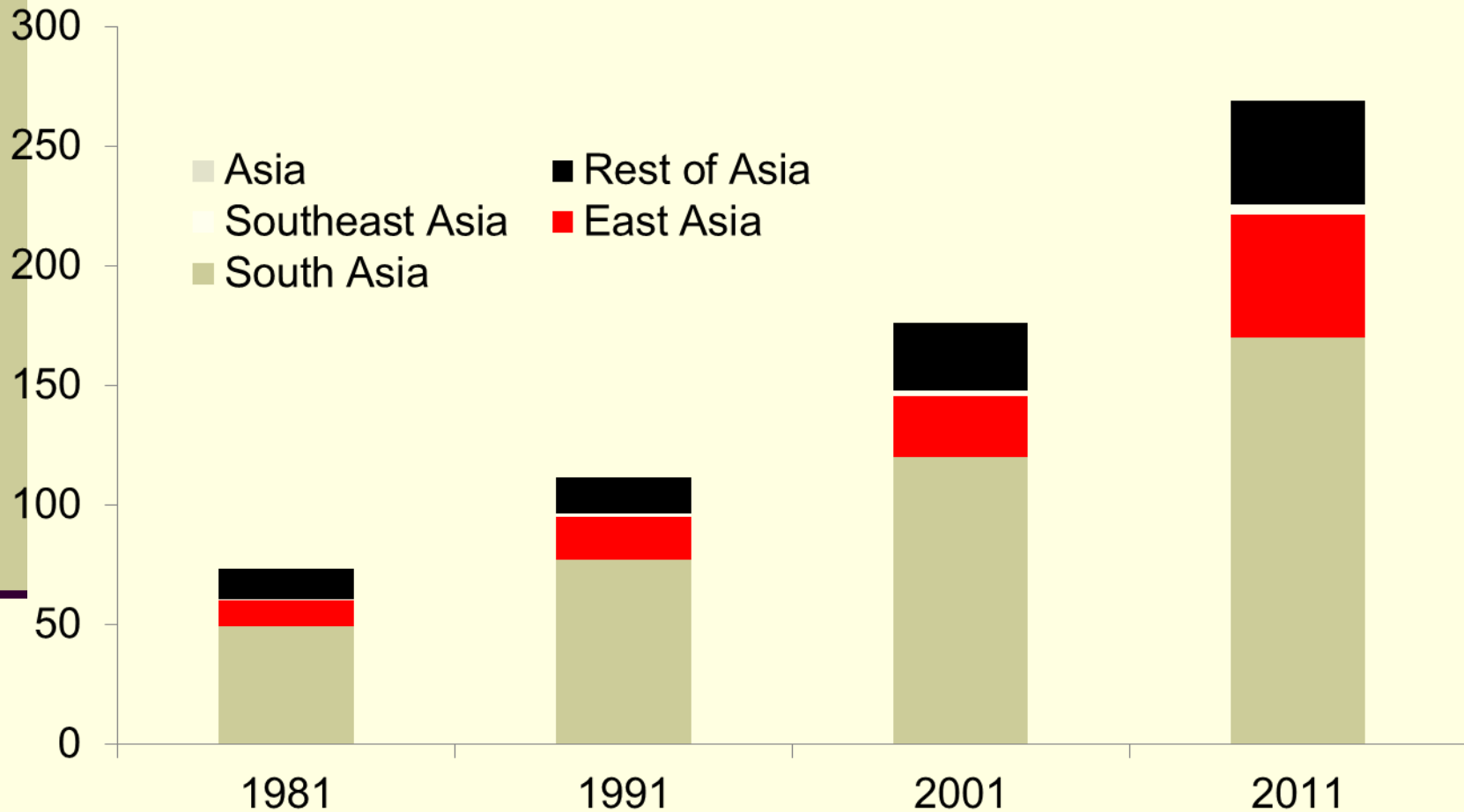
# Wide variation across countries



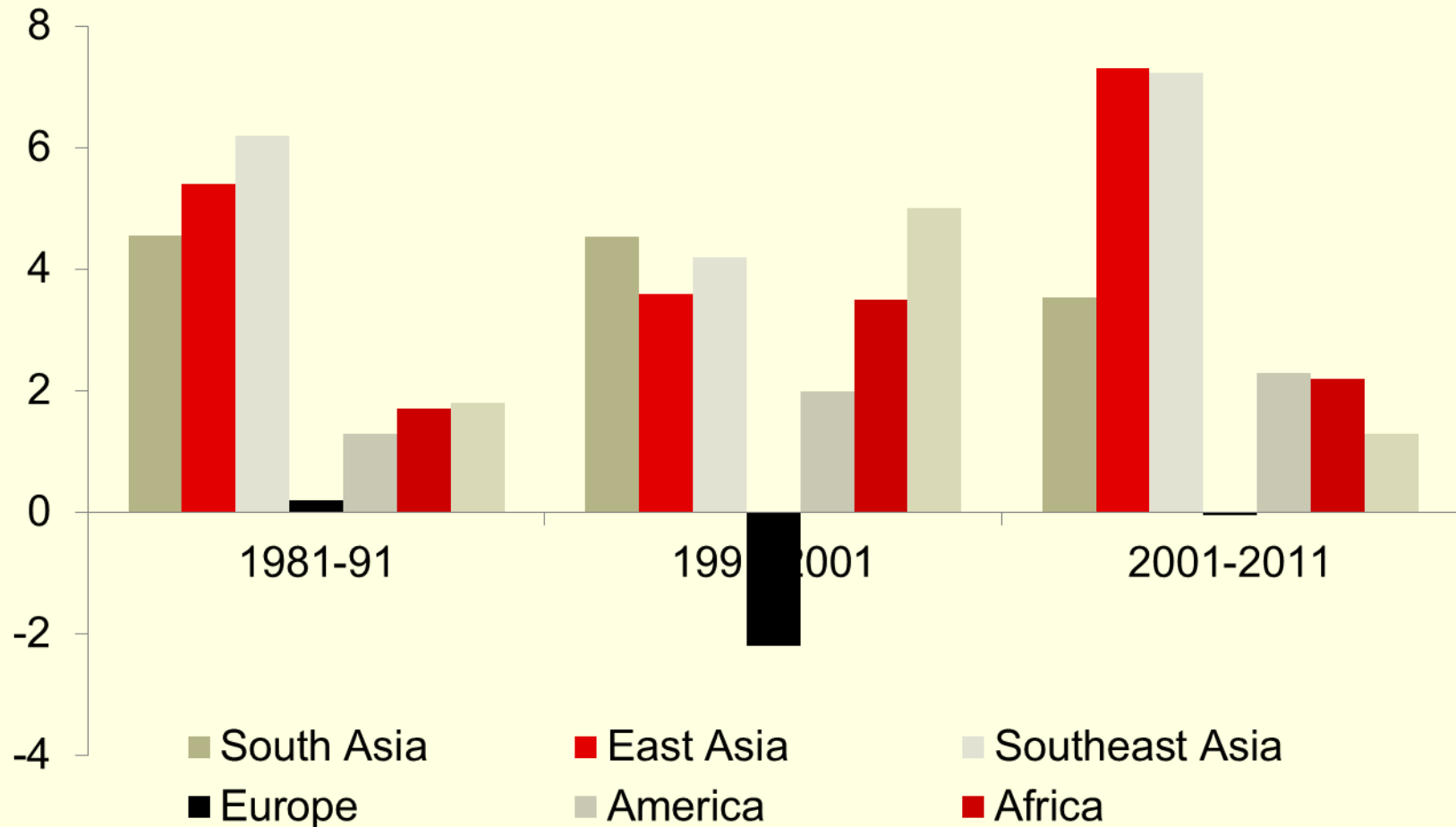
# Growing share of Asia in Milk Production



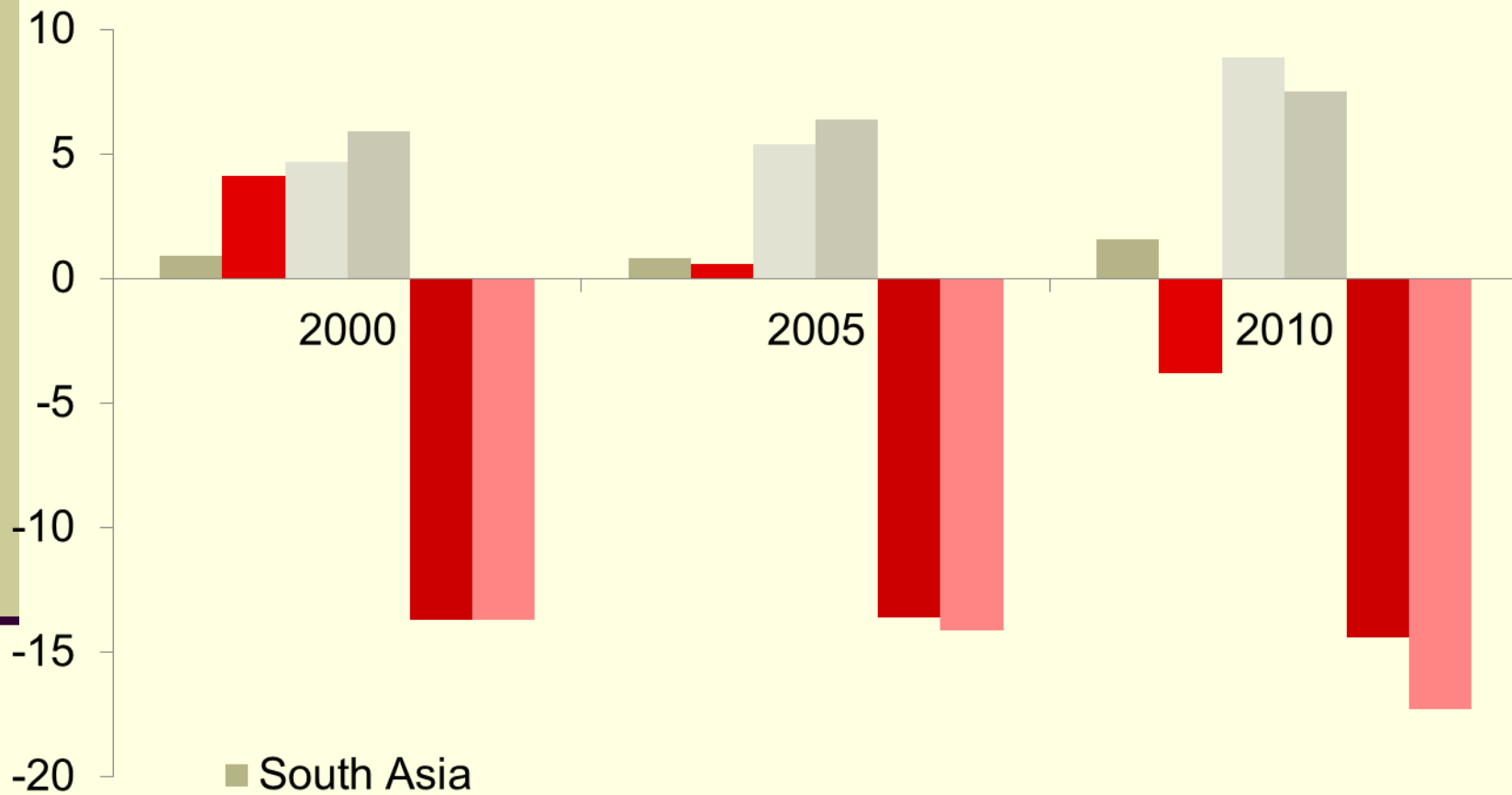
# and changing landscape within Asia



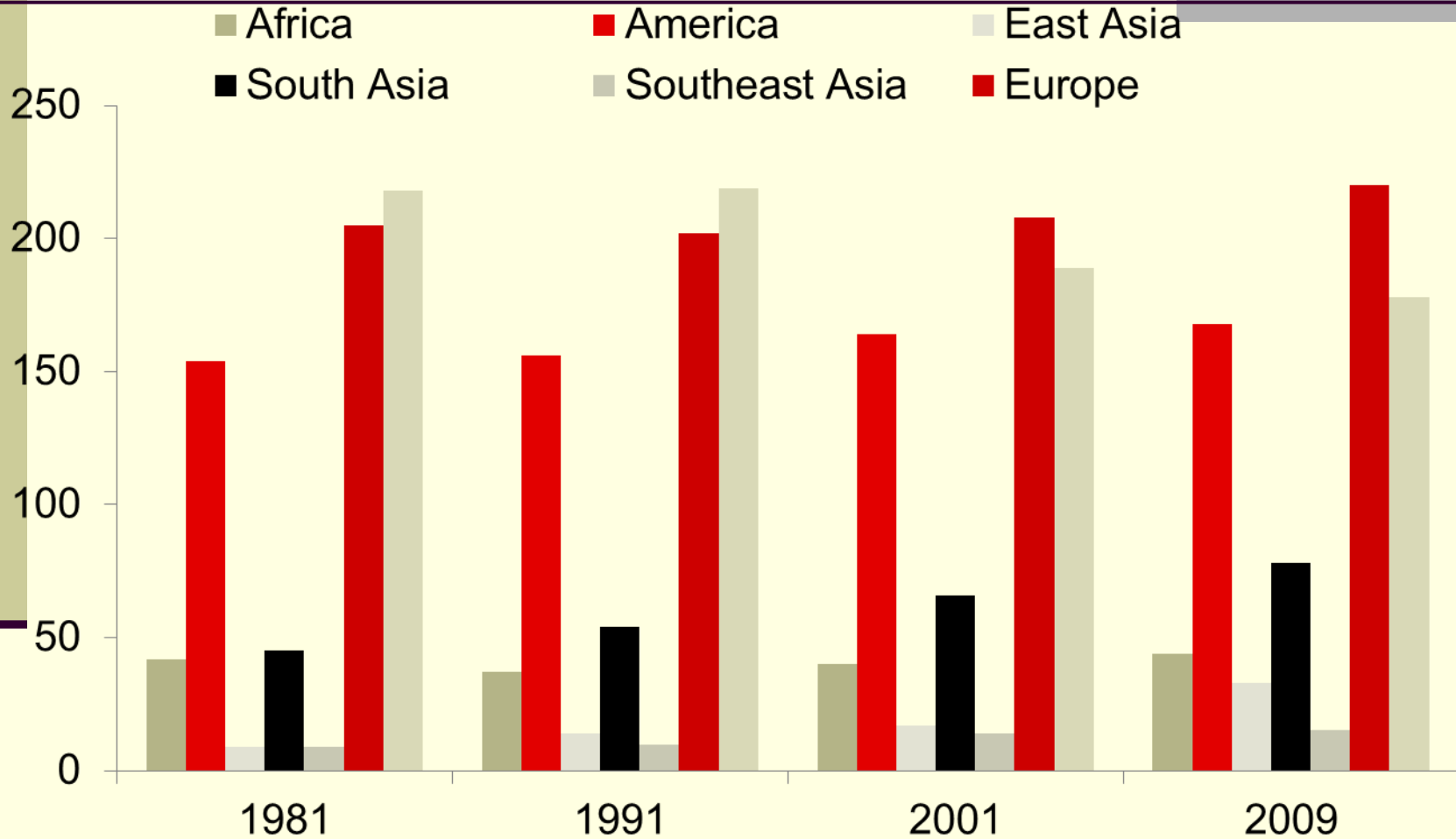
# Annual Growth Rates



# Net Imports

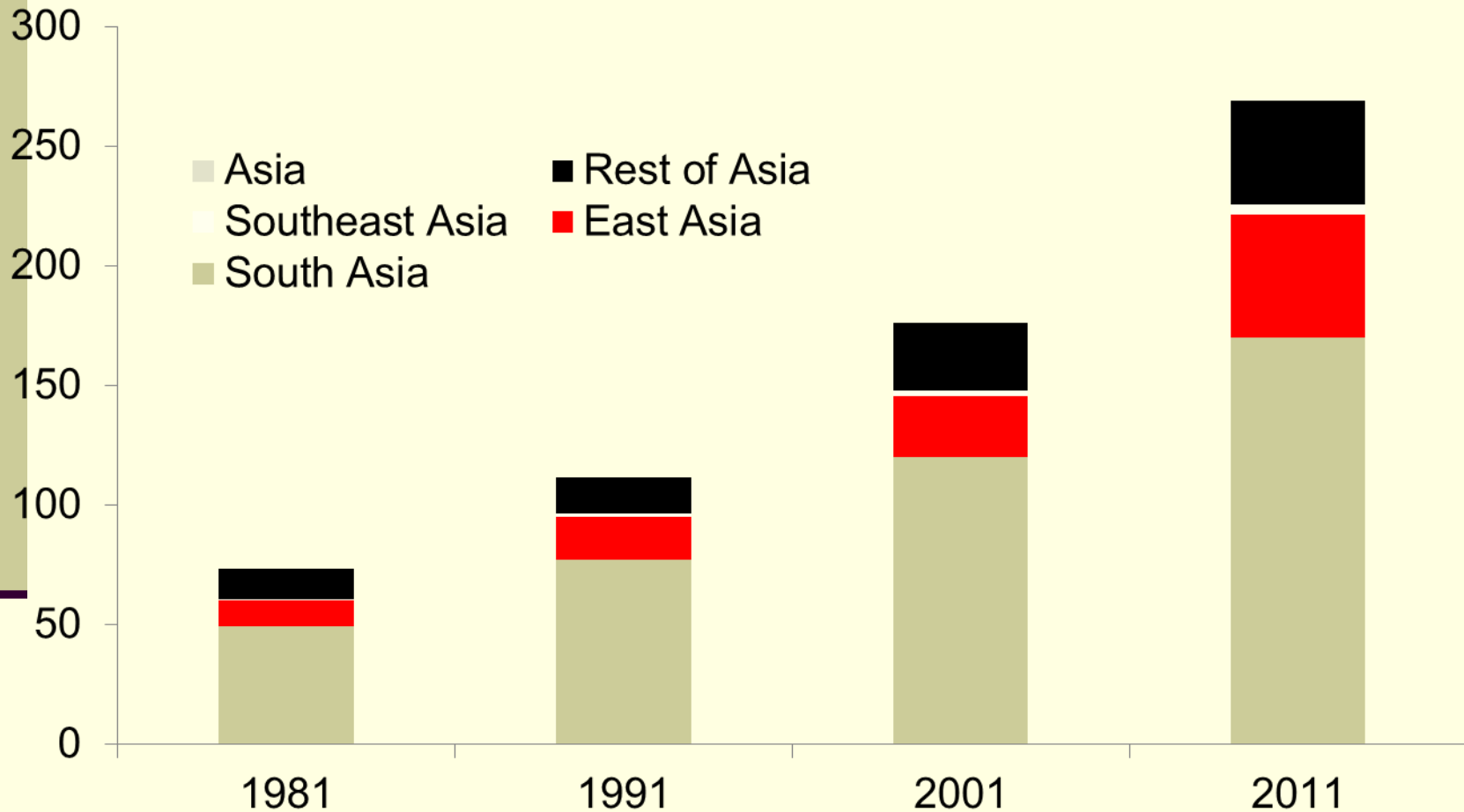


# Per capita milk consumption





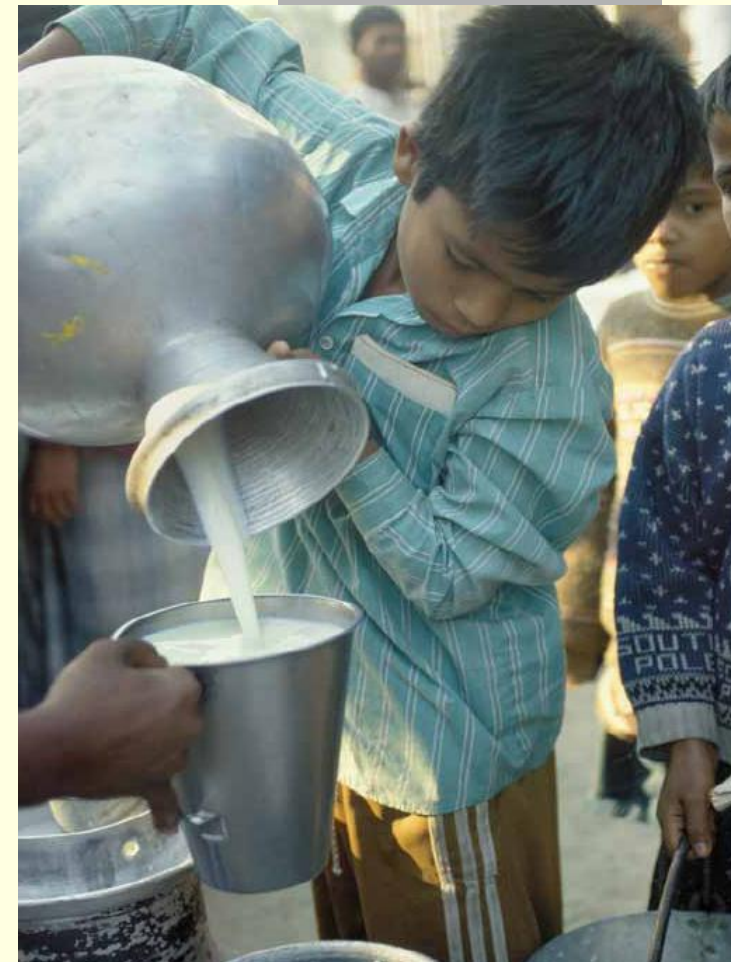
# Annual Growth Rates



# Huge opportunities for



- Productivity gains
- Quality gains
- Substituting imports
- Spreading risks, improving competitiveness
- Protecting environment through mixed/integrated farming
- Nutrition, income, jobs . . .



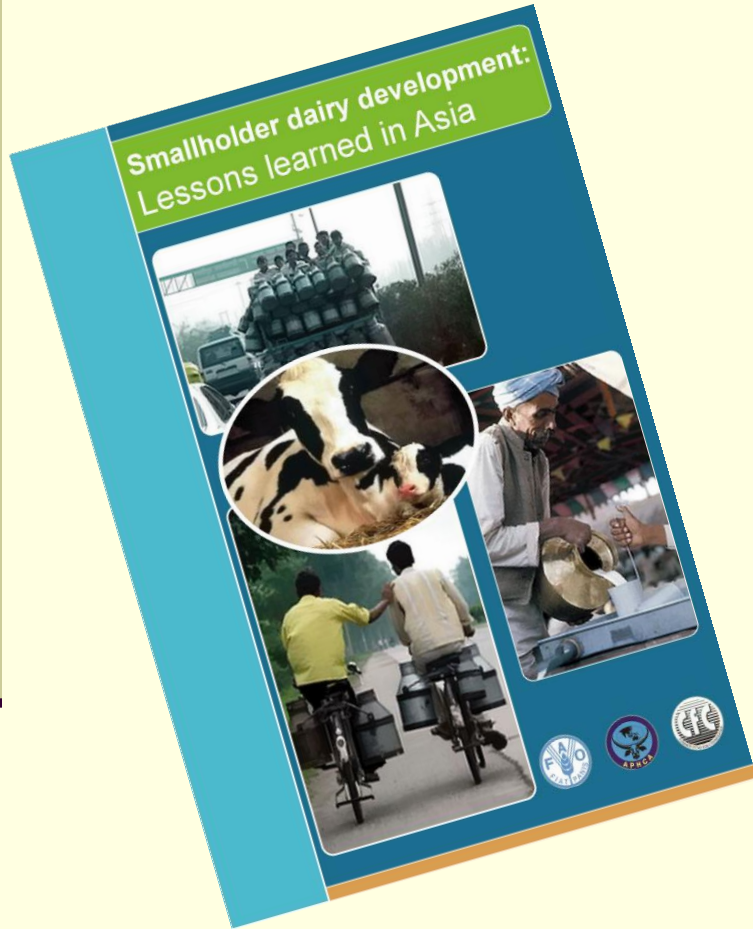
# Changing production and market landscape



- Continuing strong positive outlook for global dairy industry but increased volatility in international prices
- Rapidly declining common resource base and growing feed costs
- Increasing environmental concerns and enforcement
- Increased consumer demand for food safety, convenience, quality
- Growing intensity and pressure to intensify and scale up livestock systems for higher outputs per unit of land/water/labour
- Despite rapid growth and scaling up smallholder continue to produce over 90 percent of local milk marketed in Asia

Where do we go from here?





# Key strategic pillars



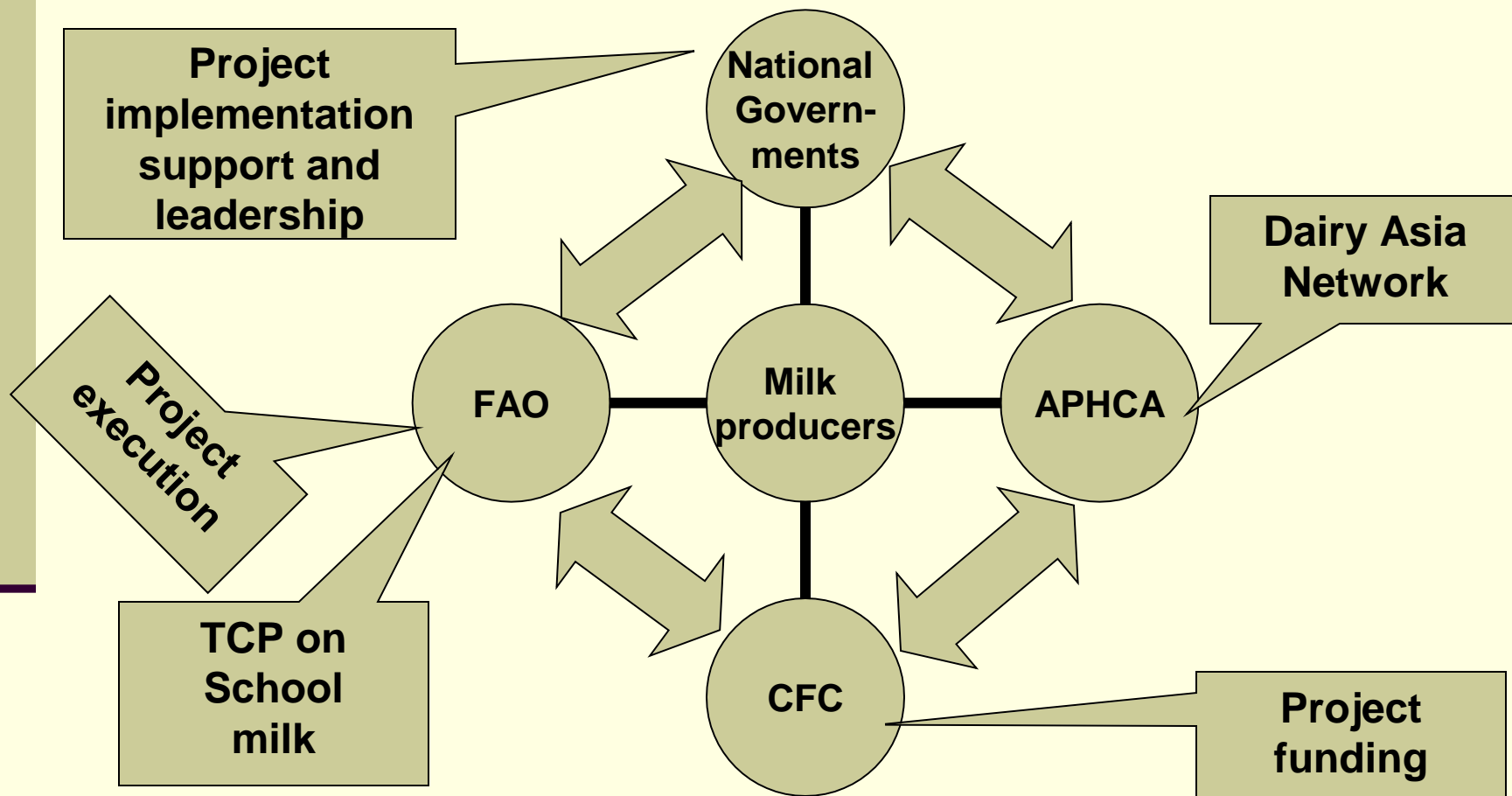
**Human resources  
and knowledge  
management**

**Productivity and  
competitiveness**

**Market linkages**

**Enabling environment**

# FAO-CFC-APHCA partnership



## Elements of the CFC project



### Three components

- Milk Production Enhancement
  - Milk Marketing Enhancement
  - Capacity Building and Information Dissemination
- 
- Duration: 4 years



# Elements of the FAO TCP



## The components

- Review of school milk programmes
  - Design and/or strengthen school milk programmes with a targeting of schools in more rural areas
  - Assess alternative and innovate funding options for financing school milk programs
  - Link the development of these local programmes with opportunities for smallholder dairy participation
  - Support the development of SMEs for manufacturing and packaging range of semi value-added dairy products
- 
- Duration: 2 years

# Elements of the APHCA contribution



- Country coverage
  - All APHCA countries
- The components
  - Creation of an information and knowledge network
  - Creation of a demand driven dairying group with a membership base that included dairy firms, dairy institutions, producer organizations, dairy research organizations, and other concerned regional and international partners
- Duration: 4 years

# Asian milk for health and prosperity



Thank  
You