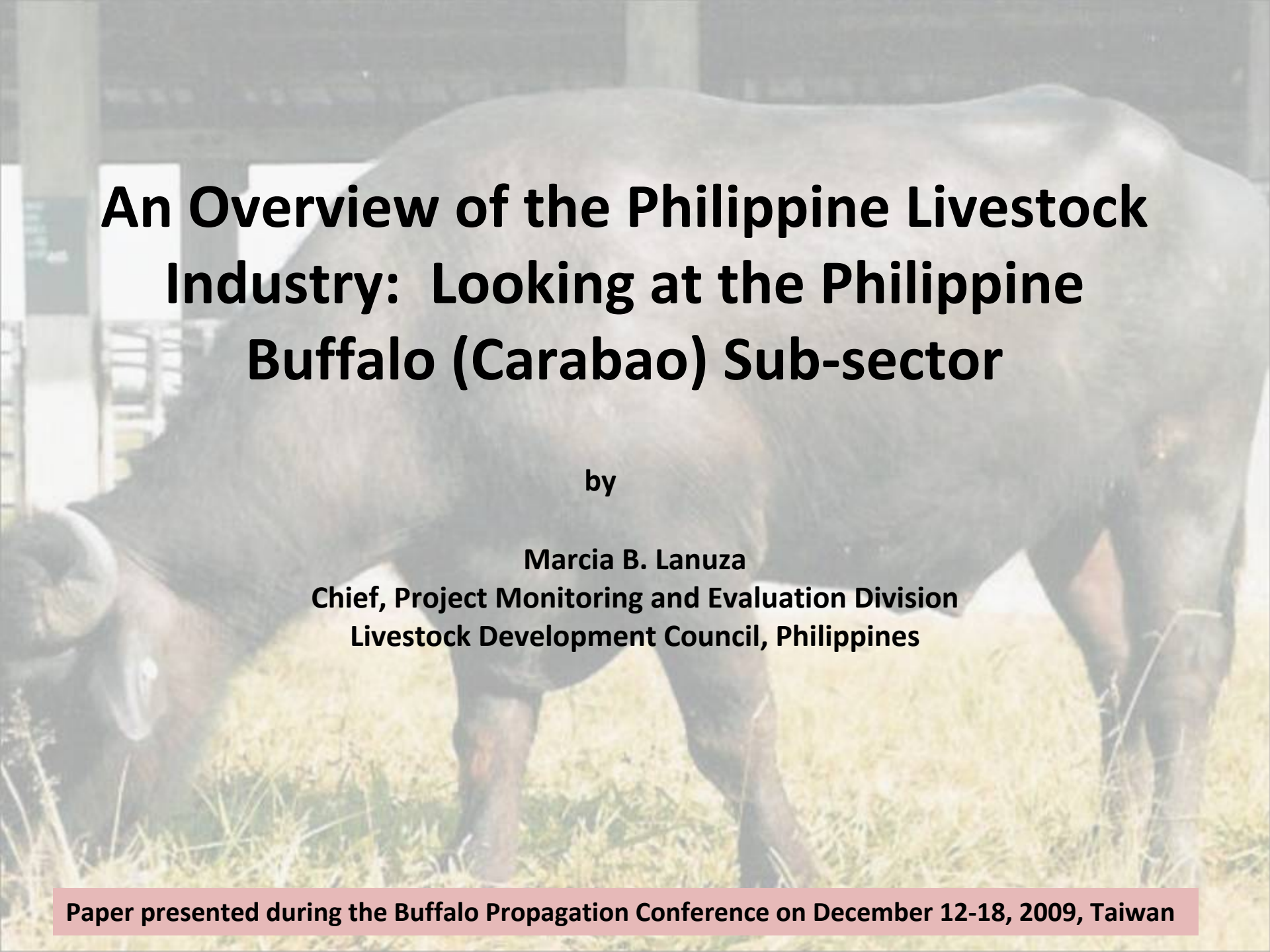


A large, dark-colored Philippine Buffalo (Carabao) is the central focus of the image, standing in a field of tall, dry grass. The buffalo is facing left, with its head slightly lowered. The background is a blurred view of a field and some distant structures.

An Overview of the Philippine Livestock Industry: Looking at the Philippine Buffalo (Carabao) Sub-sector

by

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Paper presented during the Buffalo Propagation Conference on December 12-18, 2009, Taiwan

Value of Production*

Jan-Dec, 2006-2008

Sub-Sector	In Billion Pesos			Growth Rate	
	2006	2007	2008	'06-'07	'07-'08
AGRICULTURE	885.67	974.14	1,162.35	9.99	19.32
Crops	456.75	512.27	634.95	12.16	23.95
Livestock	155.37	163.07	180.98	4.96	10.98
Poultry	110.17	118.25	130.91	7.33	10.71
Fisheries	163.37	180.55	215.51	10.51	19.37

* At current price Source: BAS

Percentage Distribution of Value of Production in Agriculture at Current Price, Jan-Dec, 2006-2008

Sub-Sector	Percent Share		
	2006	2007	2008
AGRICULTURE	100.00	100.00	100.00
Crops	51.57	52.59	54.63
Livestock	17.54	16.74	15.57
Poultry	12.44	12.14	11.26
Fisheries	18.45	18.53	18.54

Source: BAS

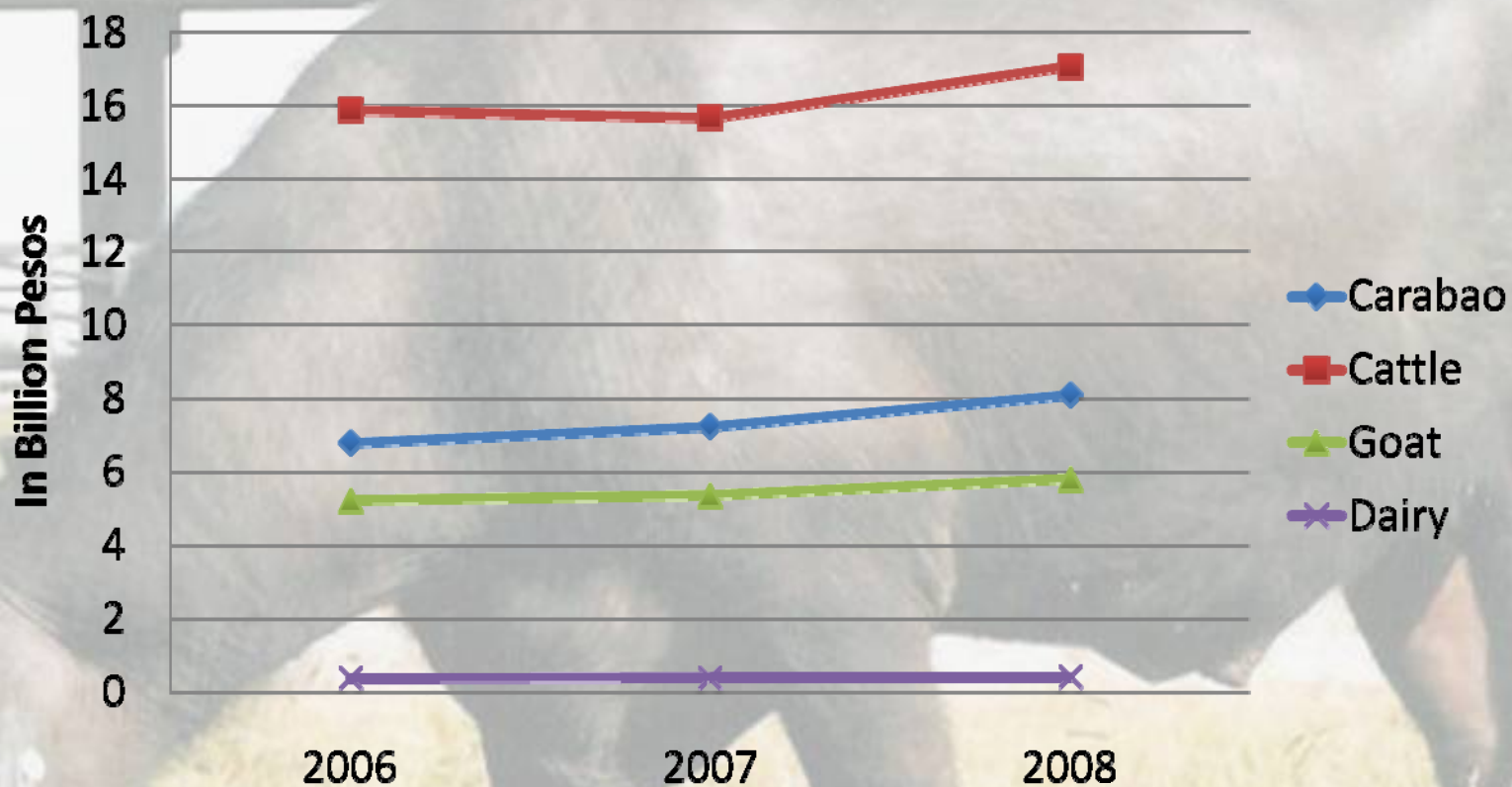
Value of Production Per Commodity*

Jan-Dec, 2006-2008

Sub-Sector	In Billion Pesos			Growth Rate	
	2006	2007	2008	06-07	07-08
LIVESTOCK	155.37	163.07	180.98	4.96	10.98
CARABAO	6.78	7.24	8.10	6.82	11.83
CATTLE	15.89	15.67	17.07	-1.38	8.93
HOG	127.12	134.42	149.59	5.74	11.29
GOAT	5.22	5.35	5.80	2.56	8.39
DAIRY	0.37	0.39	0.41	6.73	5.26
POULTRY	110.17	118.25	130.91	7.33	10.71
CHICKEN	81.74	87.41	97.65	6.93	11.72
DUCK	2.63	2.50	2.64	-4.75	5.59
CHICKEN EGGS	22.95	25.41	27.81	10.73	9.43
DUCK EGGS	2.86	2.92	2.80	2.40	-4.09

Value of Production Per Commodity*

Jan-Dec, 2006-2008



Sub-sector	2006	2007	2008
Carabao	6.78	7.24	8.10
Cattle	15.89	15.67	17.07
Goat	5.22	5.35	5.80
Dairy	0.37	0.39	0.41

Volume of Production Per Commodity*

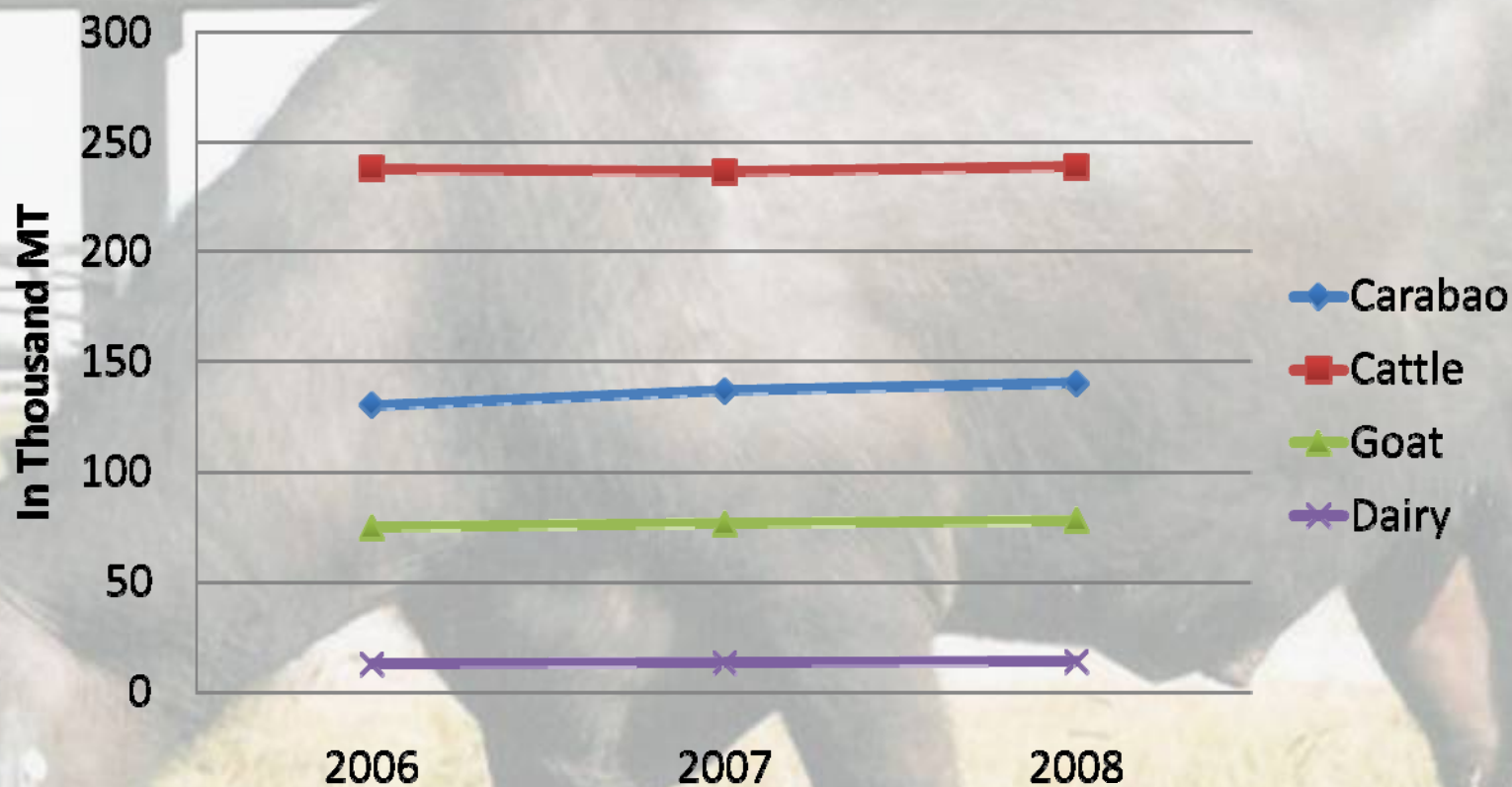
Jan-Dec, 2006-2008

Sub-Sector	In Thousand MT			Growth Rate	
	2006	2007	2008	06-07	07-08
LIVESTOCK					
CARABAO	130.41	136.96	140.42	5.02	2.53
CATTLE	238.27	236.87	239.16	-0.59	0.97
HOG	1,836.14	1,886.01	1,855.74	2.72	-1.60
GOAT	74.82	76.55	78.01	2.31	1.91
DAIRY	12.79	13.43	13.81	5.00	2.83
POULTRY					
CHICKEN	1,205.95	1,211.62	1,281.35	0.47	5.76
DUCK	45.99	42.46	39.23	-7.68	-7.61
CHICKEN EGGS	330.29	335.11	350.77	1.46	4.67
DUCK EGGS	50.03	46.99	42.45	-6.08	-9.66

Source: BAS

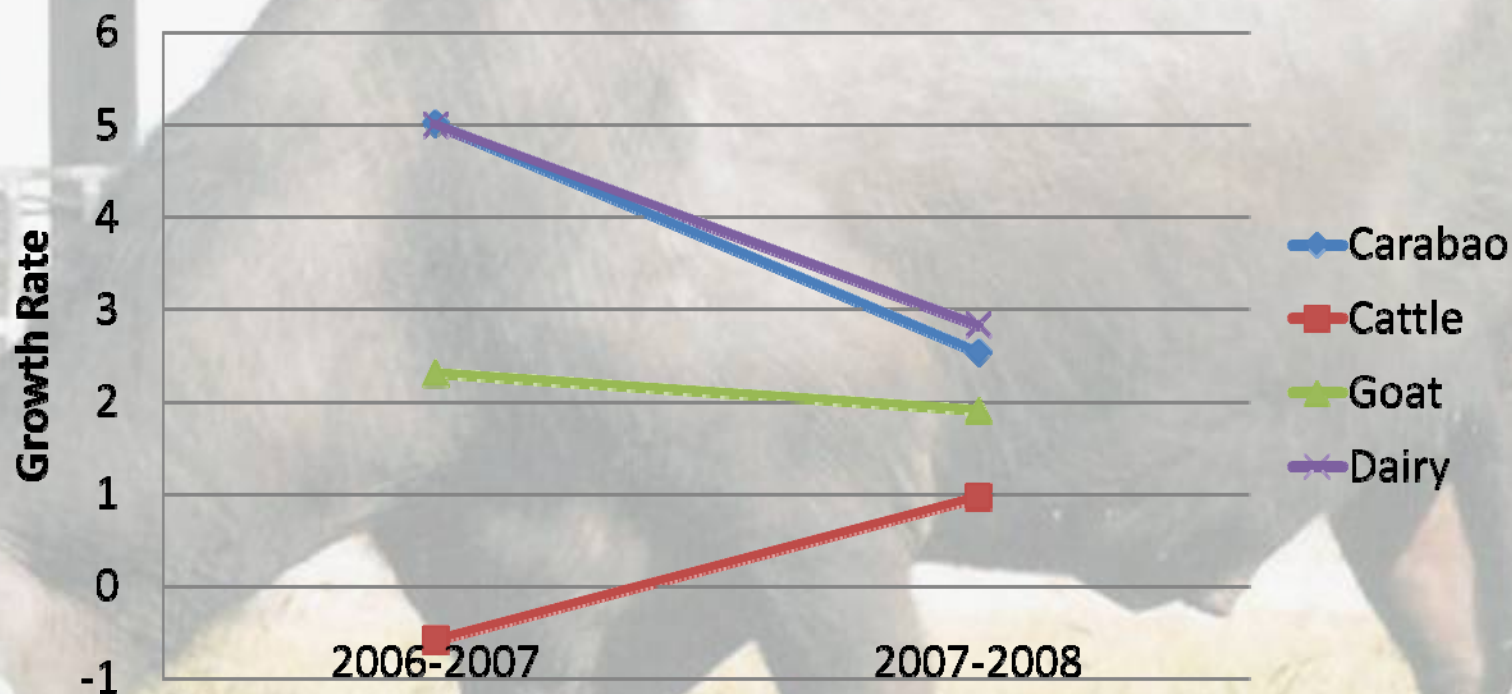
Volume of Production Per Commodity*

Jan-Dec, 2006-2008



Sub-sector	2006	2007	2008
Carabao	130.41	136.96	140.42
Cattle	238.27	236.87	239.16
Goat	74.82	76.55	78.01
Dairy	12.79	13.43	13.81

Volume of Production Per Commodity* Jan-Dec, 2006-2008



Sub-sector	2006-2007	2007-2008
Carabao	5.02	2.53
Cattle	-0.59	0.97
Goat	2.31	1.91
Dairy	5.00	2.83

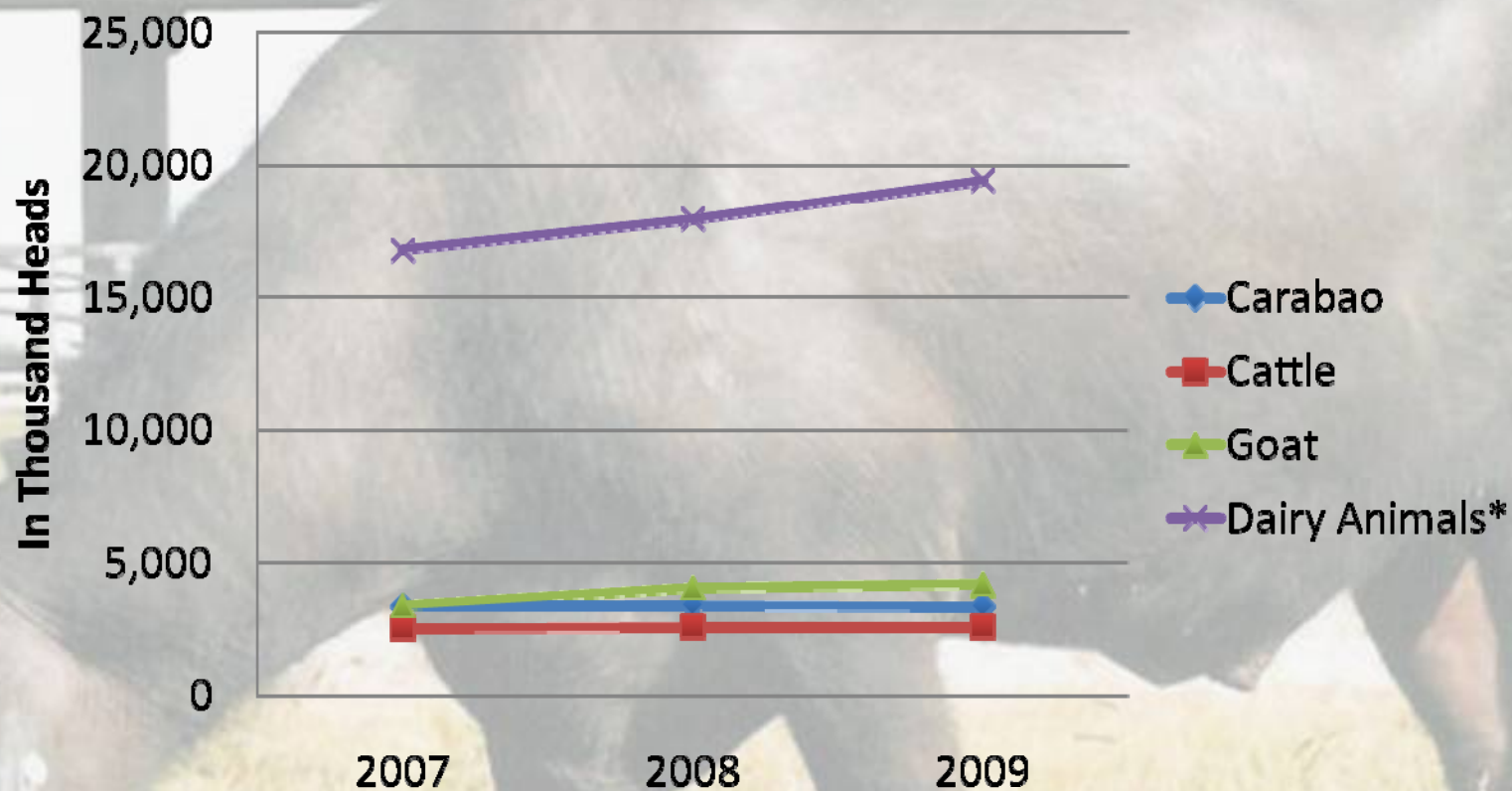
INVENTORY as of Jan. 1*

2006-2008

Sub-Sector	In Thousand Heads			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
LIVESTOCK					
CARABAO	3,361	3,384	3,338	0.68	-1.33
CATTLE	2,519	2,565	2,566	1.83	0.03
HOG	13,046	13,459	13,701	3.16	1.80
GOAT	3,374	4,048	4,174	8.42	3.10
DAIRY ANIMALS*	16,771	17,933	19,419	6.93	8.29
POULTRY					
TOTAL CHICKEN	134,332	135,640	154,259	0.97	13.73
Broiler	35,986	38,408	52,230	6.73	35.99
Layer	21,375	23,345	25,167	9.22	7.81
Native/Improved	76,970	73,886	76,860	-4.01	4.03
DUCK	11,446	10,161	10,508	-8.84	3.41

Source: BAS *Includes Cattle, Carabao & Goat (in heads)

Inventory as of Jan.1* 2007-2008



Sub-sector	2007	2008	2009
Carabao	3,361	3,384	3,338
Cattle	2,519	2,565	2,566
Goat	3,374	4,048	4,174
Dairy	16,771	17,933	19,419

Buffalo Importation, Philippines, 1993-2007 (Hd)



YEAR	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
HEAD	258	0	1,310	763	1,045	3,574	2,708	1,675	1,642	1,506	2,192	3,029	4,086	0	0

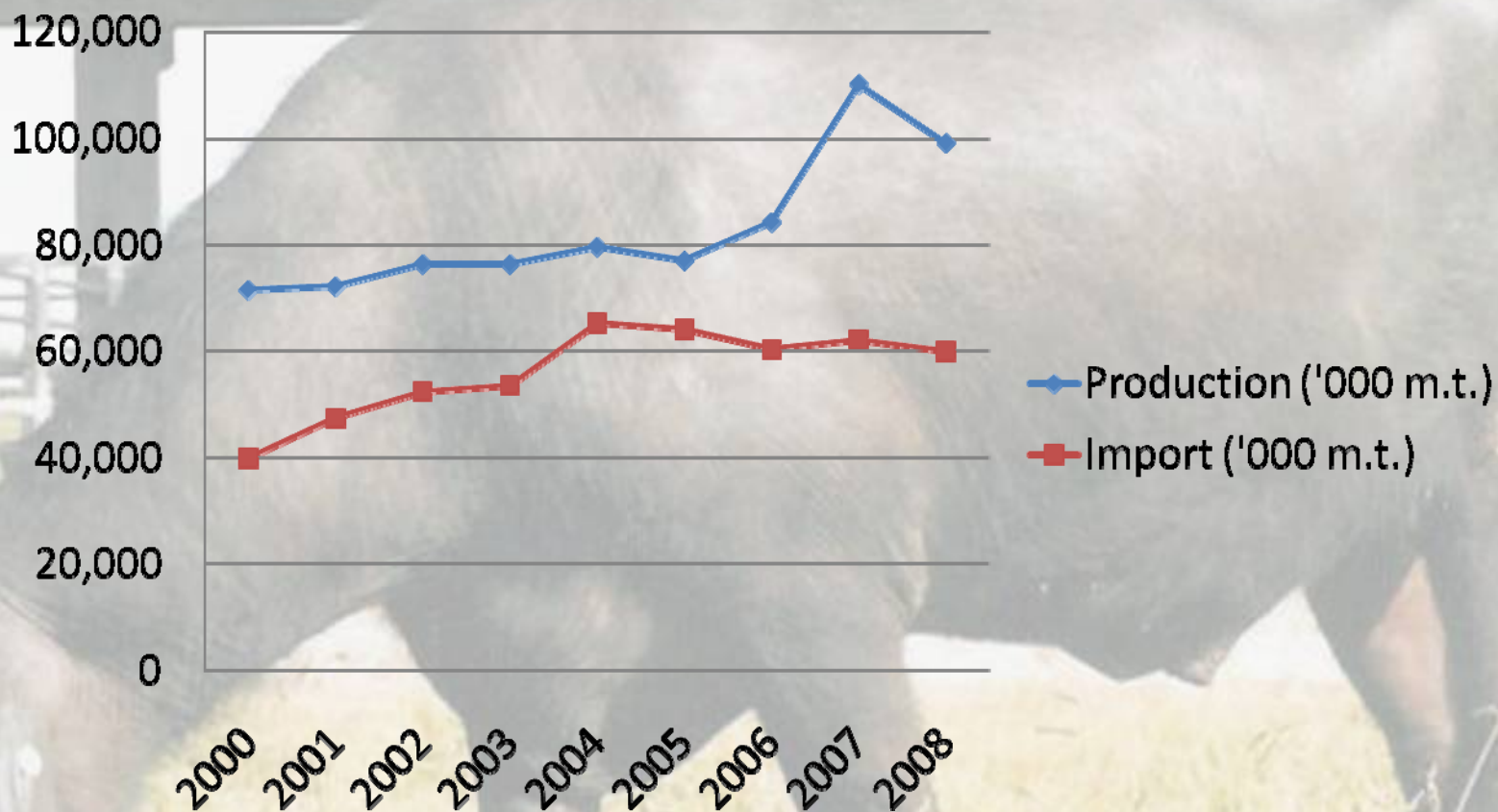
BUFFALO IMPORTATION, PCC

YEAR	TYPE	NO. OF HEAD
1993	USMB	224
1995	BMB	459
1996	BMB	353
1998	BMB	1660
1999	BMB	670
Total		3366

CARABEEF IMPORTATION

YEAR	PRODUCTION (‘000 m.t.)	IMPORT (‘000 m.t.)	% IMPORT
2000	71,613	39,787	55.56
2001	72,278	47,425	65.61
2002	76,470	52,453	68.59
2003	76,449	53,621	70.14
2004	79,719	65,389	82.02
2005	77,106	64,170	83.22
2006	84,347	60,404	71.61
2007	110,202	62,128	56.38
2008	99,163	60,002	60.51

Carabeef Importation



	2000	2001	2002	2003	2004	2005	2006	2007	2008
Production	71,613	72,278	76,470	76,449	79,719	77,106	84,347	110,202	99,163
Import	39,787	47,425	52,453	53,621	65,389	64,170	60,404	62,128	60,002
% Import	55.56%	65.61%	68.59%	70.14%	82.02%	83.22%	71.61%	56.38%	60.51%

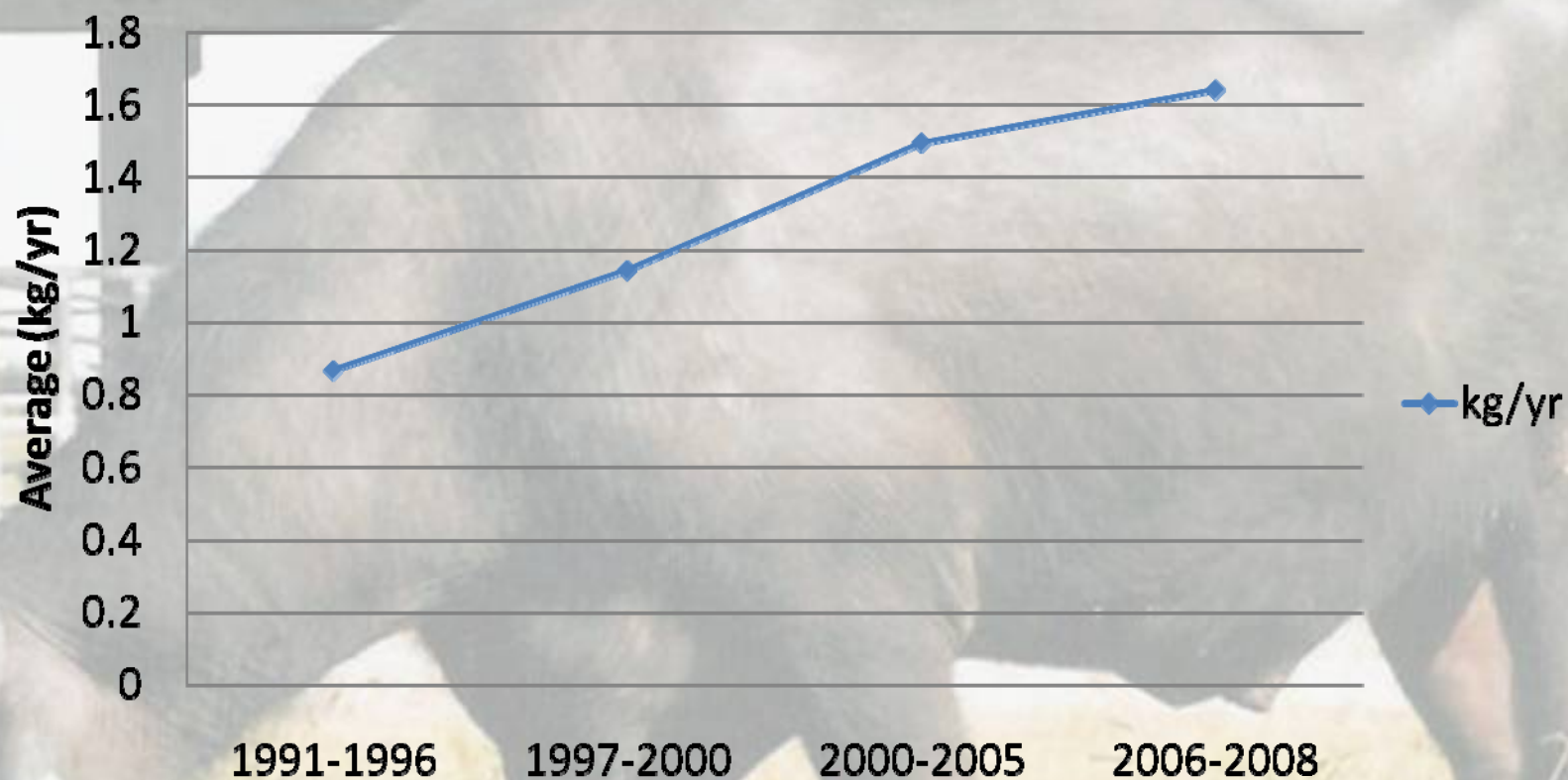
Percentage Import



CARABEEF PER CAPITA CONSUMPTION

YEAR	AVE. KG/YR.
1991-1995	0.868
1996- 2000	1.144
2001- 2005	1.494
2006-2008	1.64

Per Capita Consumption



Year	Average (kg/yr)
1991-1995	0.868
1996-2000	1.144
2000-2005	1.494
2006-2008	1.64

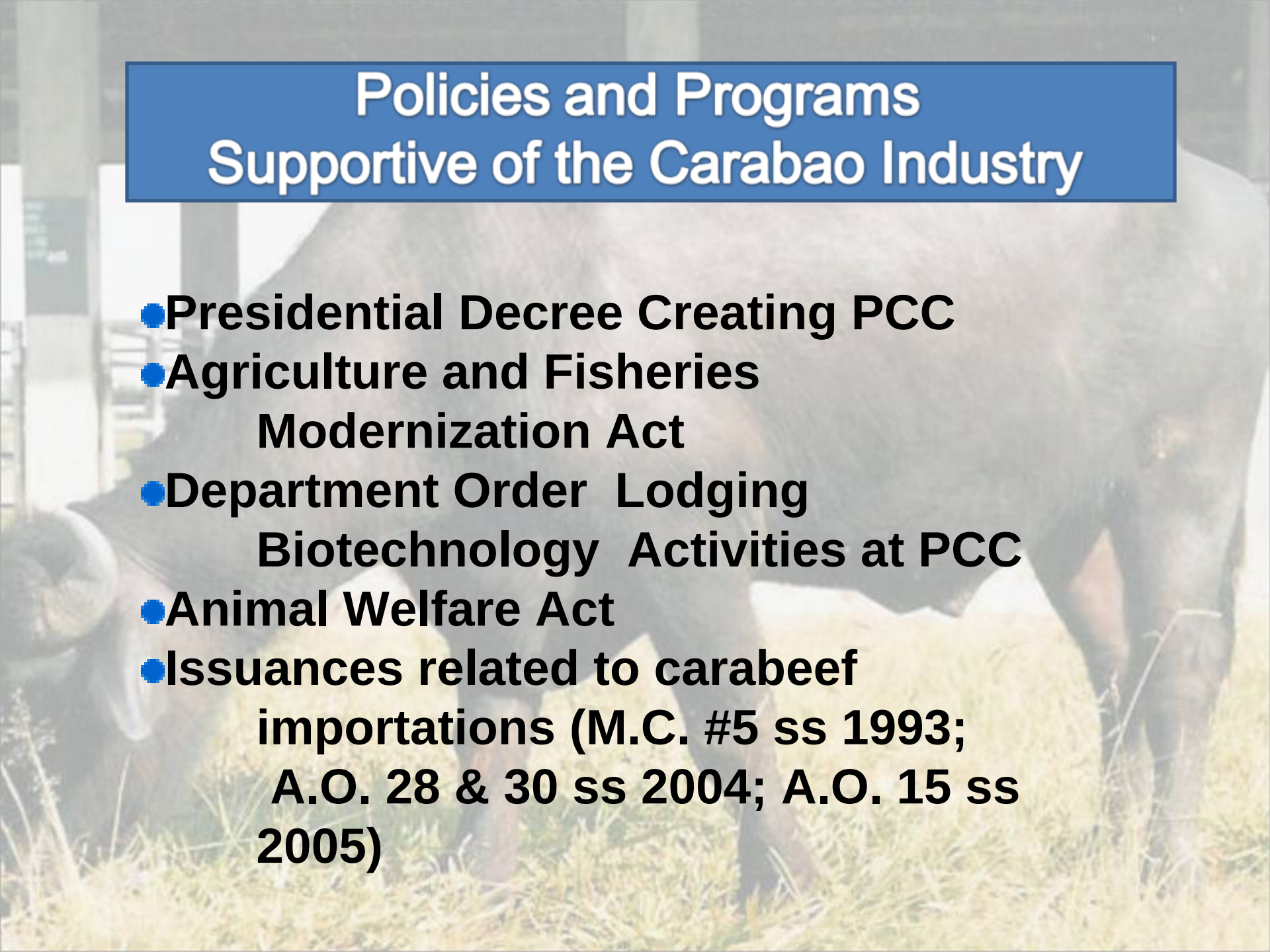
VOICE OF THE INDUSTRY

- **Philippine Association Broiler Industry**
- **United Broiler Raisers Association**
- **National Egg Board of the Philippines**
- **National Federation of Hog Farmers, Inc**
- **Philippine Association of Hog Raisers, Inc.**
- **Federation of Cattle Raisers Association of the Philippines**
- **Federation of Goat and Sheep Producers and Associations of the Philippines, Inc.**

A background image of a cow standing in a field of tall grass. The cow is dark-colored with some white patches on its legs and belly. The image is slightly faded to allow the text to be prominent.

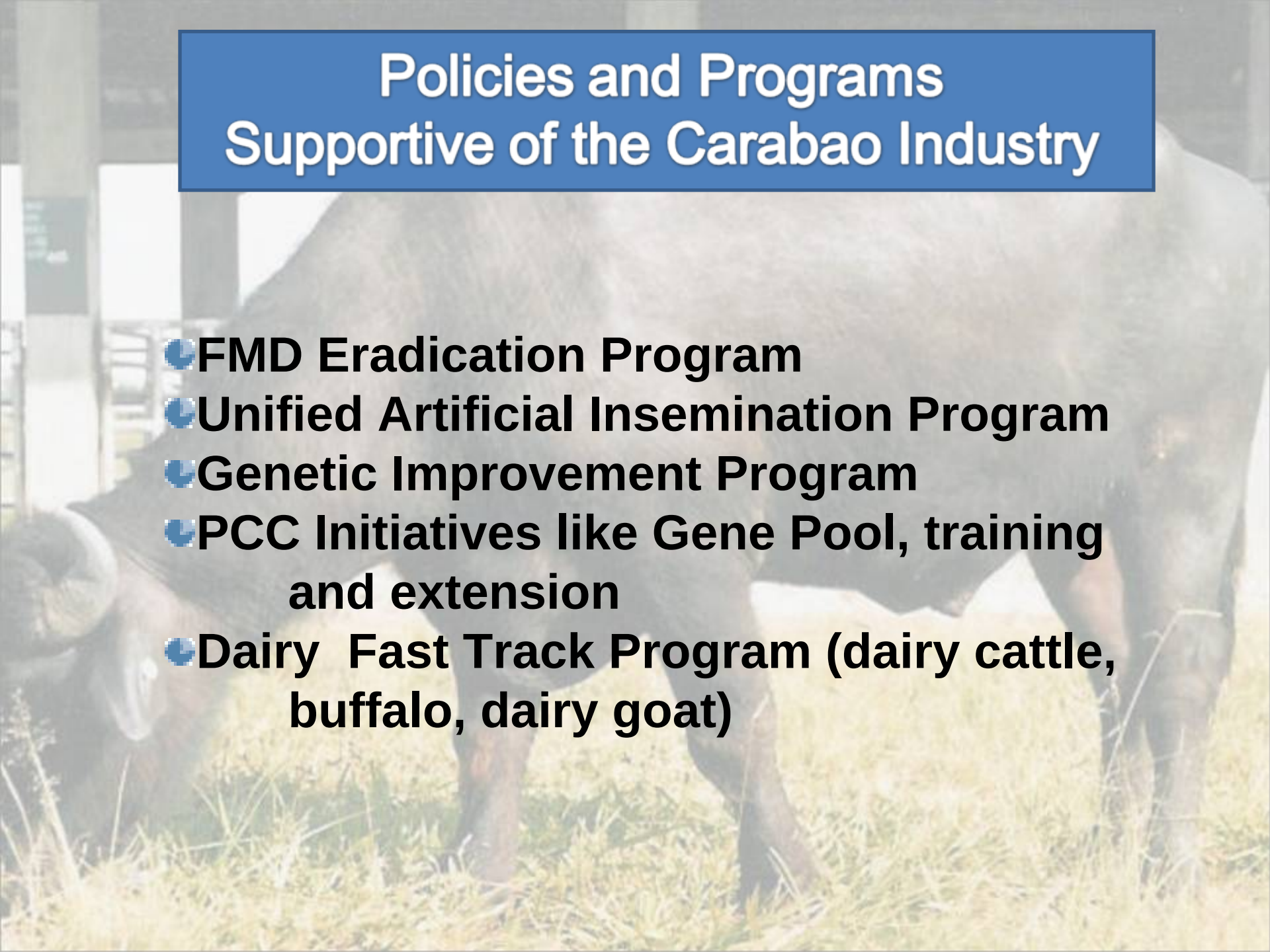
Priority Areas for the Livestock and Poultry Sectors

- ❁ **Disease Control and Eradication**
- ❁ **Research, Extension Support and Training**
- ❁ **Post Harvest and Infrastructure Development**
- ❁ **Market Development Assistance and Export Initiatives**
- ❁ **Dairy Development and Expansion**
- ❁ **Genetic Improvement**
- ❁ **Meat Safety and Quality**



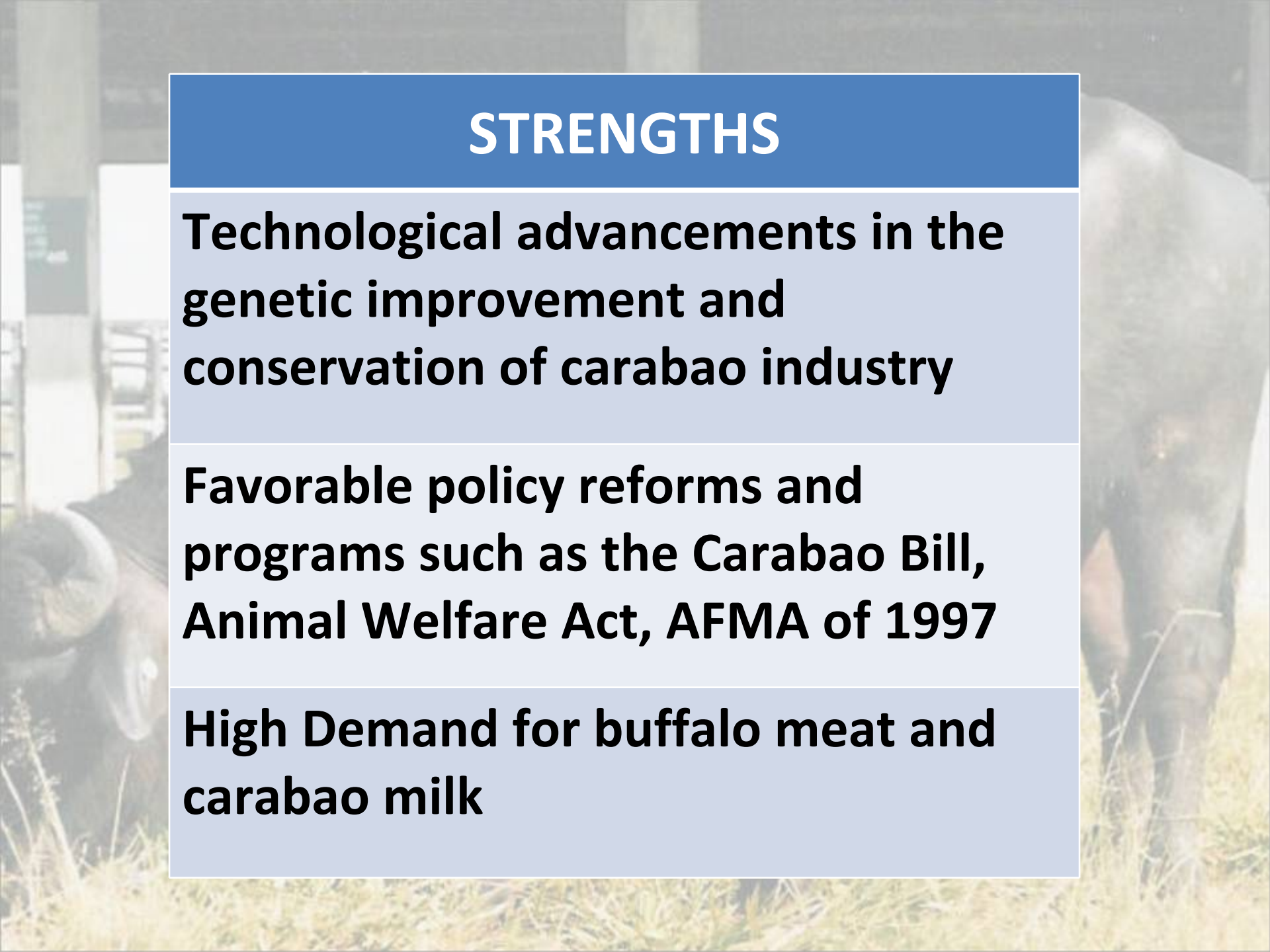
Policies and Programs Supportive of the Carabao Industry

- **Presidential Decree Creating PCC**
- **Agriculture and Fisheries
Modernization Act**
- **Department Order Lodging
Biotechnology Activities at PCC**
- **Animal Welfare Act**
- **Issuances related to carabeef
importations (M.C. #5 ss 1993;
A.O. 28 & 30 ss 2004; A.O. 15 ss
2005)**

A water buffalo is grazing in a field of tall grass. The buffalo is dark-colored with a lighter patch on its face. It is facing left, and its head is lowered towards the grass. The background is slightly blurred, showing more of the field and some distant structures.

Policies and Programs Supportive of the Carabao Industry

- **FMD Eradication Program**
- **Unified Artificial Insemination Program**
- **Genetic Improvement Program**
- **PCC Initiatives like Gene Pool, training and extension**
- **Dairy Fast Track Program (dairy cattle, buffalo, dairy goat)**

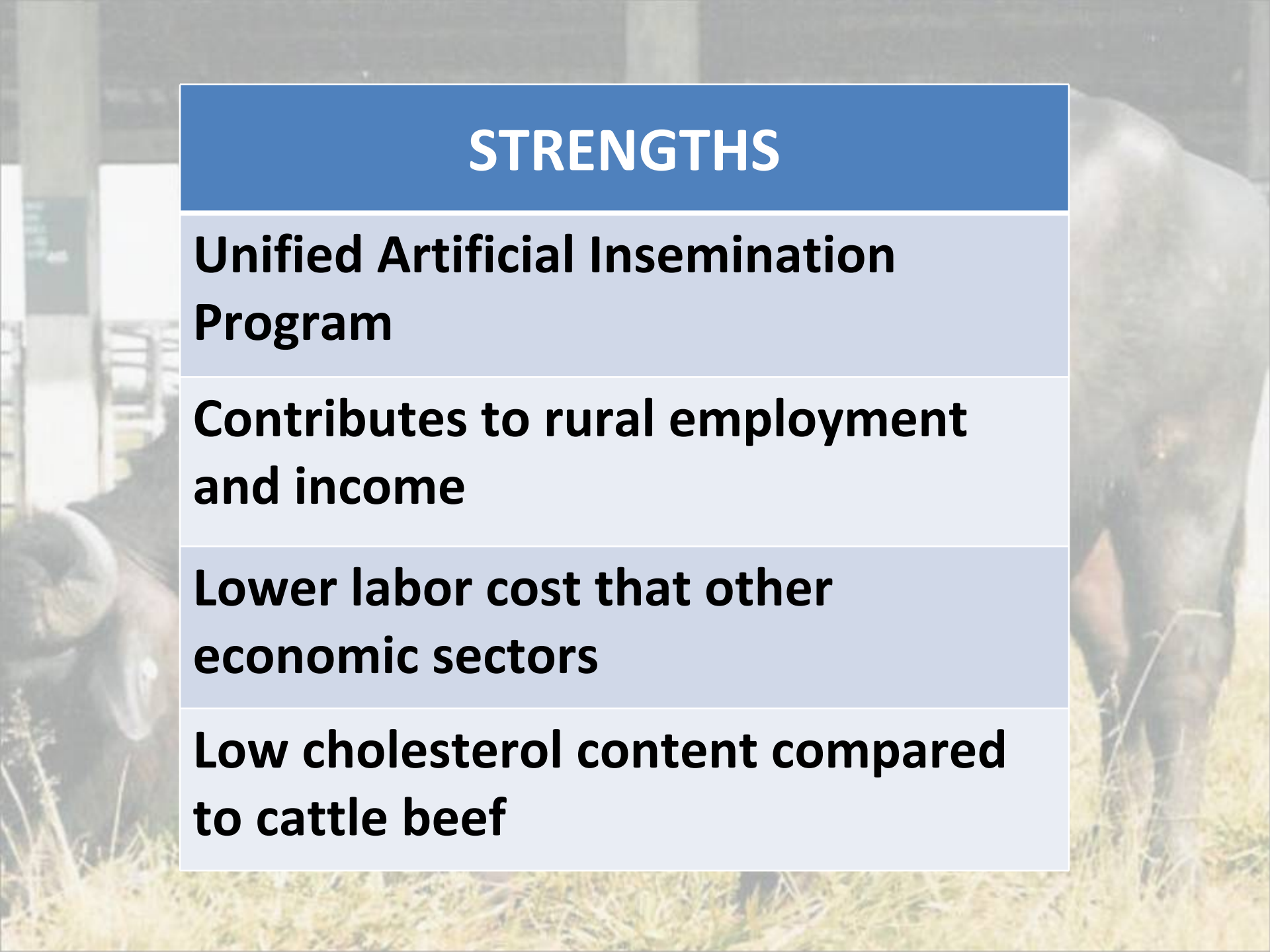
A background image showing a carabao (water buffalo) in a grassy field. The carabao is dark-colored and is partially visible on the right side of the frame. The field is filled with dry, yellowish grass. In the background, there are some structures and trees, but they are out of focus.

STRENGTHS

Technological advancements in the genetic improvement and conservation of carabao industry

Favorable policy reforms and programs such as the Carabao Bill, Animal Welfare Act, AFMA of 1997

High Demand for buffalo meat and carabao milk

A background image of a water buffalo standing in a grassy field. The buffalo is dark-colored and is facing towards the left. The field is green and yellow, suggesting dry grass. The image is slightly blurred.

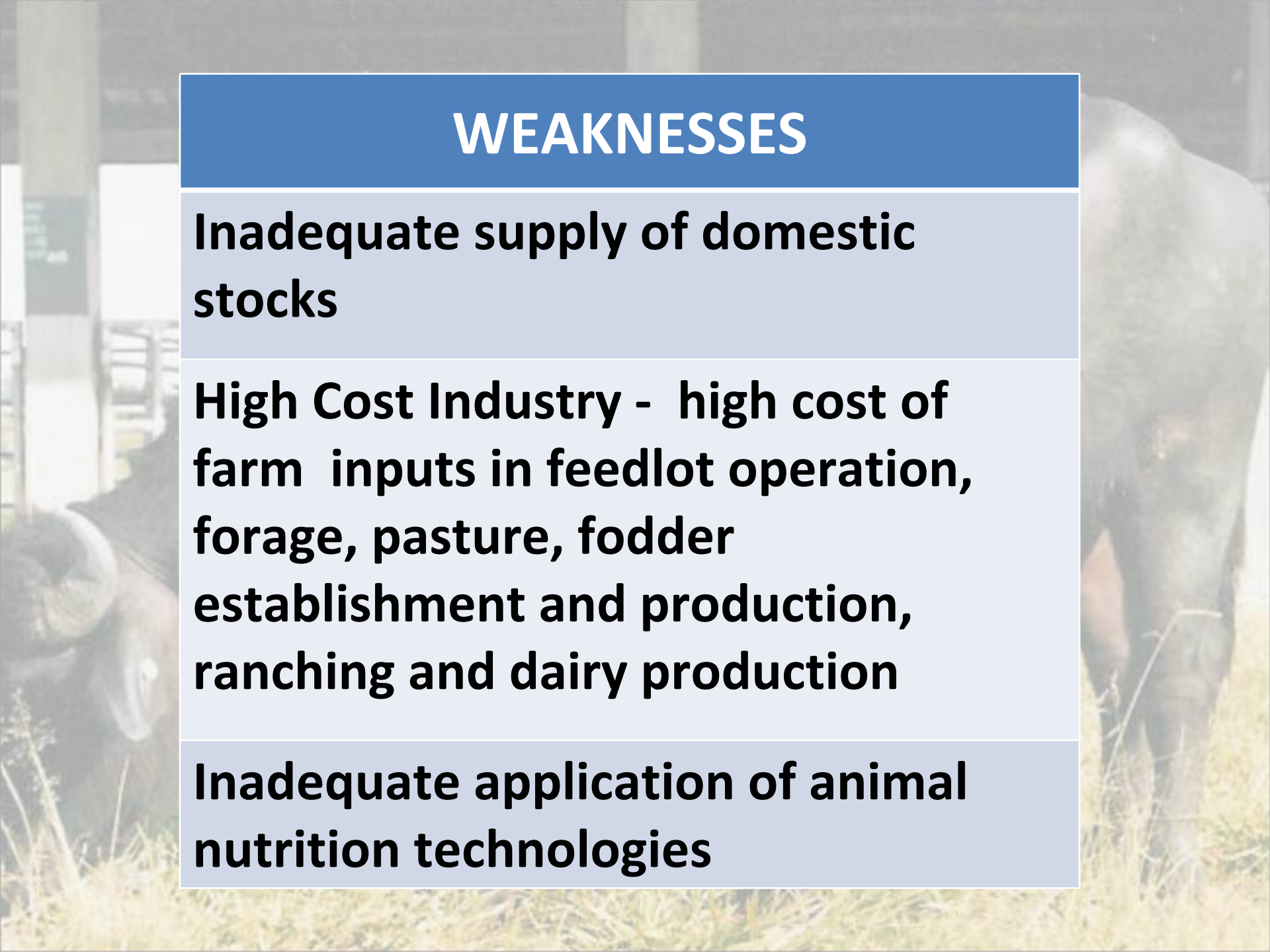
STRENGTHS

Unified Artificial Insemination Program

Contributes to rural employment and income

Lower labor cost than other economic sectors

Low cholesterol content compared to cattle beef

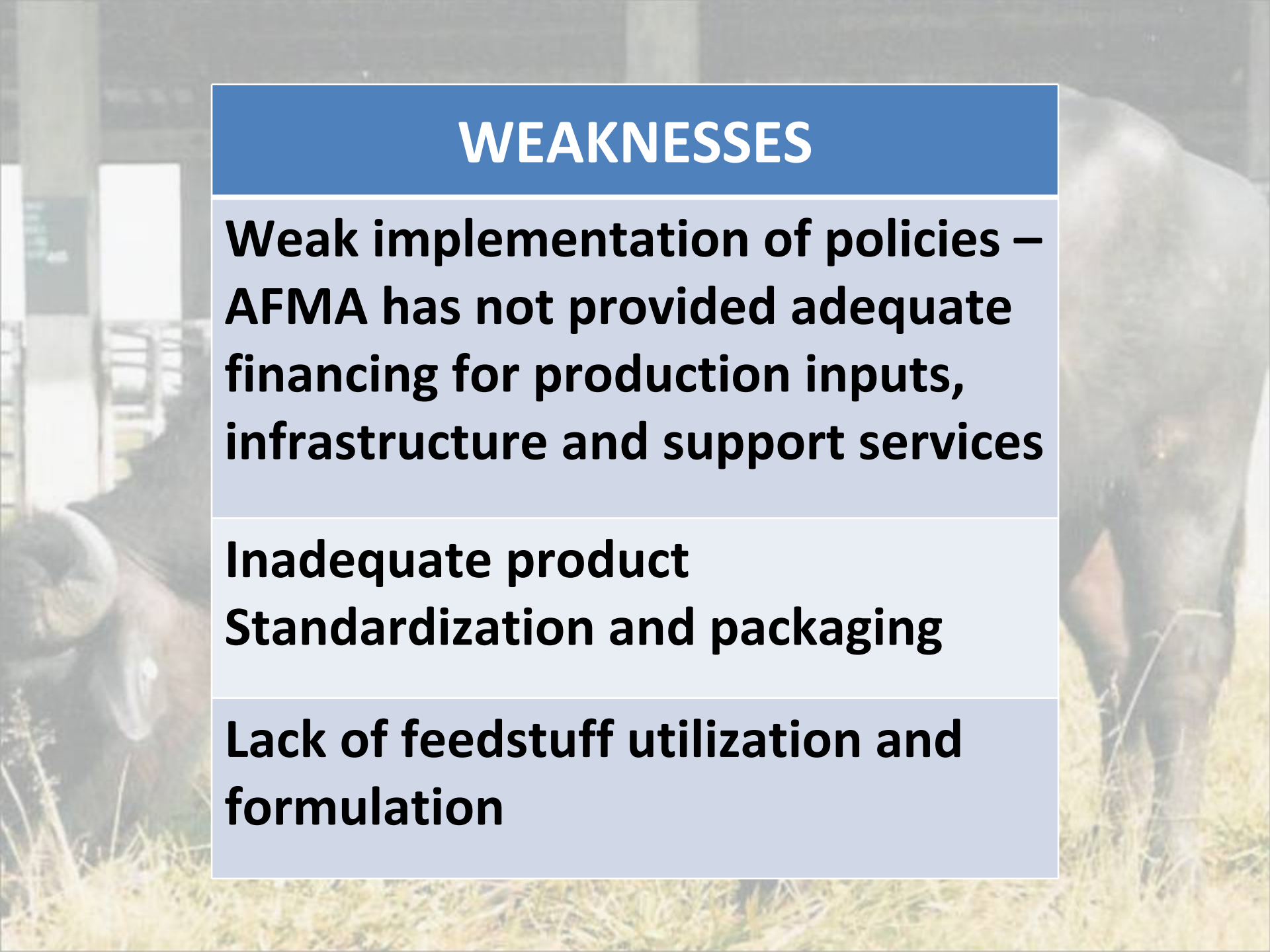
A background image of a cow in a field, slightly blurred, with a blue header bar at the top.

WEAKNESSES

Inadequate supply of domestic stocks

High Cost Industry - high cost of farm inputs in feedlot operation, forage, pasture, fodder establishment and production, ranching and dairy production

Inadequate application of animal nutrition technologies

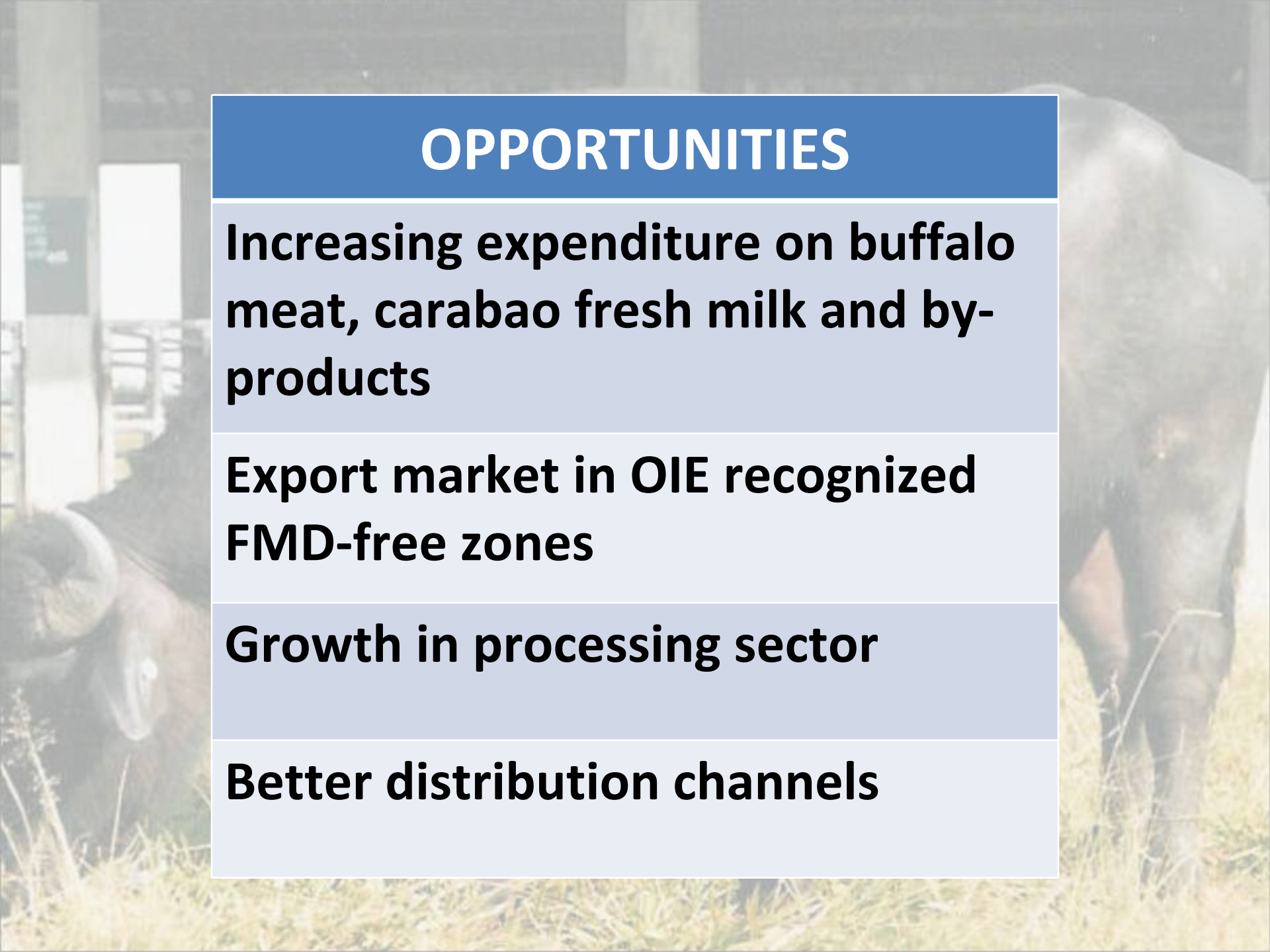
A background image of a cow in a field, partially obscured by a semi-transparent overlay containing text.

WEAKNESSES

**Weak implementation of policies –
AFMA has not provided adequate
financing for production inputs,
infrastructure and support services**

**Inadequate product
Standardization and packaging**

**Lack of feedstuff utilization and
formulation**

A background image of a buffalo standing in a grassy field. The buffalo is dark-colored and is facing towards the left. The field is green and there are some trees in the background.

OPPORTUNITIES

Increasing expenditure on buffalo meat, carabao fresh milk and by-products

Export market in OIE recognized FMD-free zones

Growth in processing sector

Better distribution channels

A water buffalo is standing in a field of tall, dry grass. The buffalo is dark-colored with a lighter patch on its neck. In the background, there is a fence and some trees. Overlaid on the image is a semi-transparent box containing the word 'THREATS' in a blue header and three light blue rows of text.

THREATS

Cheaper substitutes

High retailer and reseller's margin

High cost of production



GOOD DAY and may the

BUFFALO PRODUCTION CONGRESS 2009

be a

CONDUIT *for* **GROWTH** *and* **PROGRESS**

of the **BUFFALO INDUSTRY**