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Dairy Pulse 184th Edition (15th to 30th, June 2023)



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Indian News

Panel set up to validate Rs 35 per kg purchase price for milk

JUN 29, 2023

<https://dairynews7x7.com/panel-set-up-to-validate-rs-35-per-kg-purchase-price-for-milk/>



Dairy Development Minister Radhakrishna Vikhe Patil has directed the private and cooperative milk institutes to pay a minimum price of Rs 35 for cow's milk and prevent milk adulteration. The government's directive has been welcomed by the Akhil Bharatiya Kisan Sabha and the Milk Producers' Farmers Sangharsh Samiti. For no particular reason, the milk companies in Maharashtra have started colluding and lowering the purchase price of milk since last one month. While the Union Minister said that milk products have to be imported as the production of milk has decreased in the country due to Lumpy Disease, the milk companies of Maharashtra complained that there has been a deluge of milk in Maharashtra. The state general secretary of Kisan Sabha alleged that the price of milk has been brought down from Rs 38 to Rs 31. It has been done by Ajit Navale.

The whole milk sector has become destabilized due to the frequent occurrence of collusive lowering of milk procurement prices by exaggerating the international developments regarding milk prices and calamities like Covid. Milk producers are shocked by this. In such a background, milk producers were demanding protection of FRP based on cost of production

for milk to ensure minimum stability and protection in terms of milk prices. In reality, however, it was being said by the government that no such intervention was possible regarding the rates. In such a background, it is a welcome thing if the government will now take an intervention role in favor of the farmers regarding the price. Dr. Kisan Sabha and Milk Producers Farmers Sangharsh Committee welcomed the intervention of the milk minister regarding the minimum price. Navale said.

The Minister of Dairy Development has said that a committee is being formed to check whether there are any problems in paying the price of Rs 35 to milk in the prevailing situation. The Milk Farmers Sangharsh Samiti has said that there is no reason to actually need any such committee. Despite what the milk companies in Maharashtra say, the central government itself has announced that the production of milk in the country has decreased due to lumpy disease. The Central Dairy Development Department has also announced that the time may come for India to import dairy products from abroad if necessary. Meanwhile, farmers are raising the question of where the deluge of milk came from in Maharashtra alone. The pretext of milk flood to loot the milk producers is not new to Maharashtra farmers. The Kisan Sabha has demanded that the Minister of Milk Development should understand this matter and start implementing the decision to pay the price of Rs 35 to milk immediately instead of wasting time by forming a committee.

Out of the 1 crore 30 lakh liters of milk collected in the organized sector in Maharashtra, as much as 76 percent of the milk is collected

from private milk companies. Regarding the rates on private companies and the looting done by these companies through scams like loyalty subsidy, bogus milometers, there is no law regulating them in Maharashtra, so the government's intervention is limited in this regard. The government has no legal weapon

available to take action against private milk companies if they defy the directive to pay a minimum price of Rs 35 for milk. Against this background, the Kisan Sabha has demanded that a law be made applicable to private and cooperative milk companies to prevent milk purchase rates, adulteration and robbery.

NDDDB ready with revival plan of UP-based Parag Dairy

JUN 28, 2023

<https://dairynews7x7.com/nddb-ready-with-revival-plan-of-up-based-parag-dairy/>



However, the revival of the dairy sector in Uttar Pradesh through cooperative strategies would require joint efforts of Dairy Cooperatives and Milk Producers Organisations, Shah added. The chairman also mentioned that the NDDDB has taken major initiatives in Uttar Pradesh to support dairy cooperatives, including Milk Producer Organisations in Banaras, Gorakhpur and Raebareli, among others.

National Dairy Development Board Chairman Meenesh Shah on Wednesday said it is ready with the revival plan of the Pradesh Cooperative Dairy Federation — popularly known as Parag Dairy — and discussions are on to bring its idle capacities to better utilisation.

“A roadmap for revival of Pradesh Cooperative Dairy Federation (Parag Dairy) has also been prepared and discussions are on to bring its idle capacities to better utilisation,” Shah said in a statement. Shah said the way Varanasi Milk Union has increased its per day capacity of the dairy plant from 6,000-7,000 litres to 2 lakh litres in just more than a year back — reinforces that the dairy cooperatives can be revived in Uttar Pradesh by providing better services to milk producers and bringing professionalism and efficiencies in operations.

“However, the revival of the dairy sector in Uttar Pradesh through cooperative strategies would require joint efforts of Dairy Cooperatives and Milk Producers’ Organisations,” Shah added. The chairman also mentioned that the

NDDB has taken major initiatives in Uttar Pradesh to support dairy cooperatives, including Milk Producer Organisations in Banaras, Gorakhpur and Raebareli, among others.

"The plurality of organisations providing services to farmers in the state like Uttar Pradesh actually provides better terms to milk produc-

ers," he said. Acknowledging the need for better availability of feed and fodder for which milk producers spend about 70 per cent of the producer price, Shah said that NDDB is promoting certified fodder seeds under the National Livestock Mission as well as the formation of Fodder Plus FPOs. Several other initiatives are also being undertaken like silage making, securing crop residue and total mixed ration, he added.

No shortage: Import of milk products ruled out-Rupala

JUN 28, 2023

<https://dairynews7x7.com/no-shortage-import-of-milk-products-ruled-out-rupala/>

The government on Tuesday stated that there is no shortage of [milk](#) and other dairy products in the country, although prices have risen in recent months. "There has been an increase in milk prices and the Government is trying its best to address the problem by increasing milk production and availability," Parshottam Rupala, minister of animal husbandry, fisheries and dairying said at a briefing.

While ruling out any possibility of milk products imports in the coming months, Rupala said that the country has adequate quantity of skimmed milk powder (SMP) and the milk chain is functioning smoothly.

He said that there is no shortage of milk and milk products in the country. There were reports of shortage, but that issue was 'created', and the ground reality is different, he said. He did not provide any timeline for reduction in milk prices.

Last month, Meenesh Shah, chairman & managing director, National Dairy Development Board had said that milk prices are unlikely to witness spikes in the coming months due to cooler temperature in April and parts of May, which has delayed the onset of 'lean' season, when milk production usually drops.

Retail inflation in milk was reported at 8.85% in May 2023. The milk inflation has remained elevated at over 6% since August 2022. Despite India being the largest milk producer since 1998, the commodity has been the second biggest factor after cereals such as rice and wheat in driving up retail inflation in the last fiscal.

Milk has the second highest weight in the food and beverages basket of the consumer price index at 6.61%, a notch lower than cereals and products with a 9.67% weight. Organised players, including Mother Dairy and Amul, hiked prices multiple times in the last one year citing higher fodder cost, robust demand and some impact due to reports of lumpy skin disease.

Industry sources said feed cost, which has a share of more than 65% in the cost of production of milk, has increased to Rs 20/kg from Rs 8 a year ago. The finance ministry in April had attributed the elevated milk inflation to a demand supply mismatch and said it could be one of the factors apart from volatile international crude oil prices and constrained supplies of milk would influence the country's inflation trajectory.

"Milk production has been impacted by a lumpy skin disease infecting millions of cattle

in late 2022,” the ministry said in the monthly economic review, adding that the vaccination drive against the disease is expected to curb the spread and immune the cattle against the skin disease.

According to official data, currently India is the world’s largest milk producer, and has a share of 23% in global milk production. For the first

time in decades, the country’s milk production is likely to have stagnated in 2022-23 due to Lumpy Skin Disease in cattle across several states and the lagged effect of Covid-19 in the form of stunting of the animals, a senior official with department of animal husbandry and dairying recently had stated. The milk production was estimated at 221 million tonne in 2021-22.

Investor Nikhil Vora loads up on Parag Milk, shares gain 8%

JUN 27, 2023

<https://dairynews7x7.com/investor-nikhil-vora-loads-up-on-parag-milk-shares-gain-8/>



Parag Milk Foods Ltd. shares gained close to 8 percent on June 26 on the back of veteran investor Nikhil Vora upping his stake in the company. At 11 am, the stock was quoting at Rs 130.10 on the NSE.

One of India’s top cheese makers and suppliers to pizza chains like Domino’s, Pizza Hut and Papa John’s is catching investors’ fancy. Sixth Sense Fund’s Nikhil Vora has added more to his stake on Parag Milk, thus powering a healthy 8% rally in the share price.

On June 23, Vora’s Sixth Sense Fund purchased additional 6.8 lakh shares of the company. As

of March end, Sixth Sense already had around 45 lakhs of fully paid-up equity shares, amounting to 3.8 percent of the company.

Parag Milk Foods is currently one of the top 5 producers of cheese in the country. The company’s key clients includes Domino’s, Pizza Hut, and Papa John’s. As per the company’s investor presentation, it has a milk processing capacity of 3.4 million litres per day.

Their ghee and cheese categories have expanded by 43.5%, while their most lucrative product, Avvatar, has grown by 123% year on year and has doubled their protein business.

Milk war cooling? Nandini puts a lid on Kerala expansion plans

JUN 27, 2023

<https://dairynews7x7.com/milk-war-cooling-nandini-puts-a-lid-on-kerala-expansion-plans/>



The milk war between Kerala and Karnataka appears to be cooling off as a change in government in Karnataka has triggered a rethink on the part of the Karnataka Milk Federation (KMF) regarding its expansion plans in Kerala.

Within days of Congress leader Bhima Naik replacing BJP's Balachandra Jarkiholi as the new chairman of KMF, its management has decided to hold talks with the Kerala Co-operative Milk Marketing Federation (Milma).

KMF had announced plans to open 25 new stores in Kerala over the next six months, despite opposition from Milma. KMF managing director and CEO B C Sateesh told TNIE that further expansion in the state would be put on hold until discussions with Milma take place.

He emphasised the cooperative nature of both organisations and expressed the need to address the concerns raised by Milma in a cordial manner. "We share a cordial relationship with Milma. Both are cooperative institutions. We provide them milk whenever a request is placed, especially during Onam," he added. However, the KMF CEO does not see a problem with cross-border sale of liquid milk, although KMF had objected to the entry of Amul in Karnataka.

"We are a pan-India brand. We are selling our products from Kashmir to Kanyakumari. We sell our liquid milk in Mumbai, Nagpur, Pune, Hyderabad, Chennai, etc," said Sateesh. He said the issue with Amul was sorted out and the issue raised by Milma will be dealt with in the same manner. Milma chairman K S Mani welcomed the development and said that an amicable solution would be to the benefit of the farmers and the milk federations.

"I do not know if the KMF's new stand is because of the change in their board. But we welcome it. We only intended a course correction," said Mani. The state government has sent letters to Karnataka on the concerns raised by Milma.

The Kerala co-operative is hoping that an opportunity for discussion will come up based on the letter or that it can be arranged during the Indian Cooperative Union meeting in Delhi on July 1-2.

Milma objected to the double standard of KMF in opposing Amul's entry into Karnataka while expanding its own presence.

"If they claim to have the right, as a pan-India brand, to sell milk anywhere why did they object to Amul, which is a much bigger brand? Selling milk in places where there is a strong

milk cooperative institution is not right even if it is in smaller volumes,” said Mani. When Amul’s entry into Karnataka ahead of the assembly election became a political issue, the Congress declared that it would not allow the BJP’s idea of centralising the control of milk federations in various states.

In the Kerala market, KMF’s brand Nandini sells its milk at a premium to Milma’s products. The issue of competitive pricing between the two came under scrutiny when reports emerged that KMF may raise its prices. There were reports that its chairman wanted to increase the cost of milk by `5 a litre in order to provide bet-

ter prices for farmers. Milma had previously accused Nandini of procuring milk at lower rates using government subsidies for cross-border sales.

Milma vs nandini

- KMF had announced plans to open 25 new stores in Kerala over the next six months
- Further expansion would be put on hold until discussions with Milma, says KMF CEO
- Milma welcomes development, calls for amicable solution

Aavin’s daily milk procurement crosses 31L litres

JUN 27, 2023

[HTTPS://DAIRYNEWS7X7.COM/AAVINS-DAILY-MILK-PROCUREMENT-CROSSES-31L-LITRES/](https://dairynews7x7.com/AAVINS-DAILY-MILK-PROCUREMENT-CROSSES-31L-LITRES/)

The Tamil Nadu Co-operative Milk Producers’ Federation Limited that sells milk under the brand Aavin on Monday said that the total milk procurement had crossed 31 lakh litres on Sunday.

“While milk is being procured from Vellore, Tirupattur, Ranipet, Tiruvannamalai, Salem, Krishnagiri and other districts for the state-run Aavin, an additional one lakh litre had been

procured on Sunday (June 25) for a total of 31 litres,” said Aavin. Aavin, which has a 16 per cent share of the milk market in Tamil Nadu, procures milk from nearly 5 lakh farmers.

Notably, the Milk and Dairy development minister Mano Thangaraj earlier said that the department is working on to increase the daily procurement of milk to nearly 70 lakh litres by this financial year.

Milma threatens to buy directly from Karnataka farmers

JUN 23, 2023

<https://dairynews7x7.com/kerala-milk-union-threatens-to-buy-directly-from-karnataka-farmers-in-escalating-dairy-war/>

The Kerala milk federation is opposing the sale of Karnataka-made dairy products in Kerala and has threatened to start sourcing milk directly from farmers in the neighbouring state if the “unhealthy trend” continues.

The Kerala Cooperative Milk Marketing Federation, known as Milma, has threatened to source milk directly from farmers in Karnataka in a development that is likely to escalate a simmering row between the milk unions of the two neighboring states. Milma has opposed the sale of Karnataka milk federation’s Nandini dairy products in Kerala.

Nandini recently opened outlets selling its milk products in a few cities of Kerala.

Milma, which is [opposed to the sale of Nandini products in Kerala](#), has now written to Karnataka Chief Minister Siddaramaiah urging

him to intervene and stop the sale of Nandini products in the state.

Milma’s Ernakulam regional union chairman MT Jayan said that the Kerala milk federation is opposed to the Karnataka milk federation’s attempts to sell Nandini milk in Kerala.

“Milma buys milk from cooperative federations in other states, including Karnataka, by paying a higher price than the selling price in Kerala to ensure the availability of milk in Kerala,” MT Jayan said.

“Milma has not yet attempted to procure milk directly from local farmers as it embodies the essence of the Anand model of co-operation. But if this unhealthy trend continues, we will consider collecting milk directly from farmers in Karnataka,” MT Jayan also said, adding that a letter had been sent to Karnataka Chief Minister Siddaramaiah seeking his intervention in the matter.

Nandini milk price likely to be increased by ₹5/ litre

JUN 23, 2023

<https://dairynews7x7.com/nandini-milk-price-likely-to-be-increased-by-₹5-litre/>

Newly elected Karnataka Milk Federation (KMF) chairman Bheema Naik on Wednesday said that the Congress government is likely to increase milk price in the state by ₹5 per litre amid demand from milk unions.

The hike in prices will be discussed with CM Siddaramaiah, after which a final decision will be taken, said Naik. (PTI)

Naik, who is chief minister Siddaramaiah’s close aide and a former MLA from Hagari bommanahalli, was elected unopposed as the new chief of KMF on Wednesday. He contested the recent assembly elections on a Congress ticket but lost to JD(S) candidate Nemaraja Naik.

After assuming charge, Naik said a proposal has been sent to the government to hike milk prices in the state. “We requested the government to hike milk prices in the state by ₹5 per litre. The hike in prices will be discussed with CM Siddaramaiah, after which a final decision will be taken,” Naik told reporters.

Earlier this month, KMF had demanded that the chief minister hike the milk price by ₹5 per litre as they are incurring losses due to high procuring price. The KMF had said that all the

15 milk unions in the state are facing losses of ₹15 lakh per day.

“All milk unions have demanded increase in milk price by ₹5 per litre. Apart from increasing the price, we will give priority to supplying quality milk, curd and ghee to the customers,” Naik added.

Cooperation minister KN Rajanna KN Rajanna on Wednesday said that the state government is committed to developing Nandini. “Government will pay attention to milk production and its cost. Milk production in the state is low, it should be increased,” Rajanna said.

“Also, farmers are not getting much profit at present. KMF will take steps for the welfare of

farmers. A meeting will be held with the CM in the next few days. The purchase price of milk from farmers needs to be increased,” Rajanna said, adding that a decision will be taken in the interests of farmers.

Recently, the unions had proposed to reduce the milk incentives given to the farmers. However, Siddaramaiah had instructed the KMF not to reduce the milk procurement price fixed by the government for producers. “One cannot cut the price suddenly. Any such decision should be taken only after discussing it with the government,” the chief minister told the KMF managing director.

Animal husbandry minister K Venkatesh also pointed out that KMF is in trouble, adding that price hike is necessary. “It is the responsibility of the new president to help them (unions). If the price hike is necessary, it will be discussed.”

Sylvester daCunha, creator of iconic Amul girl, no more

JUN 22, 2023

<https://dairynews7x7.com/ad-guru-sylvester-dacunha-who-created-amuls-iconic-utterly-butterly-girl-no-more/>



Sylvester daCunha, the man who created Amul’s Utterly Butterly girl, is no more. The advertising legend, who conceived the rosy-cheeked blue-haired moppet wearing a polka-dot frock as

Amul’s mascot in the 1960s, passed away in Mumbai on Tuesday night.

daCunha, who was equally renowned for his theatrical talent penning several English plays, was in his 80s. Condolences and

prayers poured in from leaders across sectors, particularly India's dairy giant Amul.

Jayen Mehta, MD of Amul marketer Gujarat Cooperative Milk Marketing Federation Ltd, termed the passing of daCunha a big loss to the ad industry. "He has been part of Amul's advertising for six decades. Obviously, Amul owes a lot to him for its entire branding and giving the Amul girl to the world. It is the world's longest advertising campaign with a single character," he said.

daCunha created the topical campaign featuring the iconic 'Amul girl' initially for Amul butter, with the tagline 'Utterly Butterly Delicious'. The little girl waltzed into the hearts of Indian consumers and the topical concept helped Amul strike a connect with consumers and the producers and farmers alike.

"The campaign would talk about anything and everything under the sky in a humorous way, involving anyone including celebrities, politicians, sportsperson and sometimes touching controversial topics, too. But the agency was trusted so blindly that the creatives were cleared without approval from the client," Mehta said.

Ageless positioning

Former Amul MD and current head of Indian Dairy Association, RS Sodhi, said,

"Farmers will remember daCunha for building India's biggest brand for them."

Shailendra Raj Mehta, President and Director, MICA, said, "We laughed with her (Amul girl) and also laughed till tears streamed out. She has had a witty take on all the social, political and cultural headlines of the day for five decades. Through her, Sylvester lives on."



The Amul girl

daCunha created the Amul topical campaign featuring the iconic 'Amul girl' initially for Amul butter, with the tagline 'Utterly Butterly Delicious'. The topical concept helped Amul strike a connect with consumers and the producers and farmers alike.

The ad designed by daCunha went public in 1966, when he was managing director of advertising agency ASP. He is survived by his wife Nisha, their son Rahul daCunha.

Milma's sales remain strong despite Nandini's entry into Kerala

JUN 21, 2023

<https://dairynews7x7.com/milmas-sales-remain-strong-despite-nandinis-entry-into-kerala-market/>



In a bid to infiltrate the Kerala market, the Karnataka Milk Marketing Federation (KMF) introduced its brand “Nandini” six months ago. However, Milma has managed to maintain its sales without significant impact.

According to recent data, Milma's average daily sales from January to May 2023 stood at 16.27 lakh liters, compared to 15.95 lakh liters from August to December 2022. These figures indicate that Milma's sales have increased even after the arrival of Nandini outlets in Kerala.

KMF launched five Nandini outlets in Kerala during the past six months, promoting Nandini as a more advantageous and affordable alternative to Milma milk. However, Milma Chairman KS Mani revealed that an inspection disproved these claims. Milma's blue packet milk is priced at Rs 26 (Rs 28 for 525ml in Kochi and Malabar region), whereas Nandini's milk is priced at Rs 27. Mani pointed out that deliberate attempts were being made to undermine

the Kerala brand by disregarding quantity in the price comparison.

Despite the competition from Nandini, Milma's sales have shown a growth of 12.5% in the financial year 2022-2023, surpassing the 9.4% growth recorded in the previous financial year.

Critics against the entry of Nandini argue that it demonstrates a double standard on the part of Karnataka, which opposed Amul's entry into their market. They view this as an unfair competition between the dairy cooperative societies of the two states, contrary to cooperative principles. Concerns are being raised regarding the potential decrease in the market share and profits of other stakeholders, including dairy farmers, as Nandini gains a foothold in the market.

One of the challenges faced by Milma is the need to increase milk storage capacity. Discussions on this issue began even before Nandini's arrival. Currently, Milma can store an average of 14.50 lakh liters of milk per day, while daily sales reach up to 17 lakh liters. This results in a shortfall of 2.50 lakh liters, which needs to be sourced from outside suppliers. Previously, Milma relied on milk from Karnataka, but due to shortages, Karnataka recently ceased its supply. Consequently, Milma has become dependent on Andhra and Maharashtra for milk procurement.

Amul Dairy taps fast-growing poultry , fish feed and pet food

JUN 21, 2023

<https://dairynews7x7.com/amul-dairy-taps-fast-growing-poultry-sector-to-roll-out-fish-feed-pet-food/>



The milk business is no longer about just cows and buffaloes. The Kaira District Co-operative Milk Producers Union Limited (KDCMPUL), popularly known as Amul Dairy, has now started tapping the rapidly expanding poultry sector.

Amul Dairy which has one of the largest cattle feed manufacturing unit has now launched Amul poultry feed for farmers. And that's not all. The milk union is set to roll out fish feed as well as a variety of pet foods. Amul Dairy has the capacity to manufacture 3,200 tonnes of cattle feed per day.

Interestingly, the poultry feed developed by Amul Dairy is 100% vegetarian, unlike the conventional poultry feed which is a mix of both vegetarian and non-vegetarian ingredients. According to dairy officials, vegetarian raw materials reduce the chances of poultry catching infections which often leads to higher mortality.

In the last 10 years, with 7.5% growth, poultry farming has emerged as one of the fastest growing segments in India which is now the third largest producer of eggs globally," said Amul Dairy's managing director Amit Vyas.

The poultry industry's revenue has already crossed Rs 2.5 lakh crore mark. "There are immense employment opportunities available in

this sector. But poultry disease is a major factor impacting the economics of farming. Hence, instead of animal origin ingredients that are used for manufacturing poultry feed, we are manufacturing poultry feed from vegetarian sources," he said.

"Our target is to sell 5,000 metric tonnes of poultry feed in 2023-24," said Vyas, adding that in the first month of production, it has already sold 40 tonnes of poultry feed in Maharashtra.

"We have started manufacturing in Maharashtra. We will soon start making the feed variants in Gujarat, West Bengal, Madhya Pradesh and Punjab," said Amul Dairy's chairman Vipul Patel.

For higher growth rate, delicious and tender meat with lower feed conversion ratio (FCR), higher egg production and lower cost, poultry feed for broiler or layer categories of chicken are generally manufactured using soybean, maize, bajra, barley, maize gluten among other growth promoting additives. The vegetarian ingredients are mixed with bone and meat meal, fish meal, blood meal and many more by-products of slaughterhouses.

"However, if animal origin ingredients are used, birds are more susceptible to infections like E Coli, salmonella and concordial often

turning fatal for them. Hence, we have manufactured poultry feed only from vegetarian sources. Our poultry feed has 20-23% protein, 3.5-4% fat along with a range of other nutrients," said a dairy official.

"The ingredients that we have used, lowers FCR and higher growth rate in broiler and layer birds," he said.

"We will soon launch layer feed for different phases of egg production and poultry feed supplements for the benefit of poultry farmers," said Vyas.

Congress' methods of milking division hurt the Dairy industry

JUN 21, 2023

<https://dairynews7x7.com/congress-methods-of-milking-division-hurt-the-economics-of-the-dairy-industry/>

Congress is known to be a party since Independence that thrives on divide & rule policy. Right from dividing our country based on religion, it went on to divide on the basis of caste, language etc. Now, it has reached a disgusting level of creating a divide based on economic origin – which is absolutely against the Constitution, which grants freedom of economic activity all over the country. The recent controversy over Nandini and Amul by the Congress during the Karnataka elections only for getting some votes is highly deplorable.

The division of people by Congress starts with its sets of lies. For instance, when GST was introduced that had the involvement of all States led by different parties, including Congress, it was falsely spread among the masses that GST is a system of looting the poor and benefiting the rich. The attempt was to pitch the poor vs rich, while in reality, the average tax had reduced from around 15per cent to less than 12 per cent. Also, the lie was spread to divide the exemplary federal institution into a central vs state issue, lying that the centre decides, while in reality, it is the entire committee that decides!

In the agitation against the farm laws, Congress favoured farmers selling produce only to APMC traders, not providing economic opportunities to farmers to realise competitive prices. However, BJP favoured farmers to sell produce to anybody offering competitive prices, including APMC traders. Obviously, where the market

competition is restricted (to only traders of AP-MCs), farmers will receive a lower share of consumer price, while traders realise higher margins. The compulsive lies of Congress ensured that farmers had to lose out on their economic gain.

In the recent Assembly elections, Congress politicised the market competition between Amul and Karnataka Milk Federation (KMF) by spreading rumours that Nandini is being undermined and will impact the State dairy farmers. Left to the market alone, the cooperatives might have had healthy competition, and each of the cooperatives of the State would expand based on the customer demand. This might have helped Nandini popularise in other States. But the virus of politicising the market activity has now spread to other States and is backfiring on the business potential of Nandini as the Kerala milk federation is now opposing the sale of Nandini products in its State. But well before the AMUL -Nandini controversy incited by Congress in Karnataka, KMF expansion in Kerala was not felt a concern as the milk demand of the State cannot be met by domestic production. Kerala's Milma mainly depends on Karnataka's Nandini and Aavin of Tamil Nadu during the festive seasons and when milk production is low in Kerala.

The controversy went so bad that the Kerala Minister went to the extent of calling KMF milk as of very low quality. So not only KMF had to lose its economic space in Kerala but had to take the flak for no fault of its. Thanks to the

divisive nature of Congress, today Karnataka's farmers and milk producers are at a loss.

While KMF's Nandini milk is the dominant player in the fresh milk market space, Amul occupies the third or sometimes fourth place. Although Amul plans to enter the quick commerce platform in Bengaluru to sell milk, the Gujarat brand has been selling fresh milk in Belgaum and Hubli for the past eight years. The company sells 6000-8000 litres per day in the two cities, compared to Nandini's 1.25-1.3 lakh litres per day. However, Amul's Taaza milk, at Rs 54 per litre, is costlier by Rs 14 compared to Nandini. This will mean that KMF will always retain its top space, while allowing other players to be in the smaller niche areas without hurting the producers and the consumers will also benefit from variety of products at multiple price points.

KMF supplies to over 81 per cent of villages (22,000 villages out of 27,028) of Karnataka from 26 lakh milk producers procuring 81 lakh kgs of milk every day from 17,000 cooperative milk societies, selling 52 per cent of milk (42 lakh kgs of milk) per day paying Rs 17 crore per day to farmers. The annual turnover of KMF is around Rs 14,000 crore in FY23.

There are already ten private brands selling milk in Bengaluru. Despite all this no one is able to compete with Nandini because of the price point and quality that people respect. Nandini is selling milk at the lowest rate. Nandini sells more than 10 Lakh Lts daily to milk-deficient States, and it also sells milk in Chennai, Mumbai and Hyderabad with competitive pricing with AMUL. This politics of Congress might now impact its sale in other states if others start similar regionalism-based divisiveness and protesting the sale of Nandini there. Nandini holds over 90per cent of the market share in Karnataka for milk and milk products. Therefore any State barring Nandini should not matter significantly for Nandini. Also, any unsold milk can always be converted to other milk products.

In organised milk marketing, outside Karnataka, Nandini, Amul, etc are all oligopolists. Oligopoly is characterised in imperfect competition where non-price competition, such as selling effort, branding, advertising dominate over price competition. This is the reason Amul is able to sell in markets outside Gujarat due to brand image built.

In Kerala, Nandini has opened their outlets in Mancheri and Tirur in the Malappuram district and Kochi in the Ernakulam district, and Pandalam in the Pathanamthitta district. And Nandini products are also available in supermarkets in major cities in Kerala. Nandini can also expand its market share in other States without hindrance through price competition. For example, if Nandini products are available over e-commerce at lower prices, then anybody would obtain a price advantage.

While Cooperatives are getting diluted in many sectors, it is only in Milk that Cooperatives have proved not only successful but also have growth with professionalism. India is a shining example for this in the entire world. The backbone of the Cooperative structure is democratic decision-making and involvement of members. Thus any decision concerning policy looming over economics, marketing, supply chain, value chain, spanning across states or within State can be made by respective Federations under NDDB.

In conclusion – Congress has the sad mindset of pitting one against the other for its own selfish gains, even if it means that large number of people will suffer. A case in point is that of KMF. The milk producers of Karnataka will have to feel unwanted & constrained in places like Kerala only because the local politicians there are following the same cheap tactics of not allowing outside players to come in – even when the dominant player will be the local player and the outsider would add to the gaps.

This as of now, hurts the Nandini & its ecosystem in a small way, but what is more important is the mindset that Congress spreads, that needs to be called out, stopped and rooted out.

Baramulla has become face of new white revolution'

JUN 20, 2023

<https://dairynews7x7.com/baramulla-has-become-face-of-new-white-revolution/>



Prime Minister Narendra Modi Sunday said that the Baramulla district in north Kashmir has become the face of new white revolution and over 5.5 lakh liters of milk were being produced on a daily basis in the district.

Addressing the nation in his monthly radio programme 'Mann ki Baat', the PM said that Jammu and Kashmir was being discussed throughout the world for positive developments.

"Some time ago I told you in 'Mann Ki Baat' how Nadru of Kashmir is relished outside the country as well. Now people of Baramulla district have done a great job," he said.

Modi said farming was going on in the district for a long time but there was a shortage of milk.

"People in Baramulla took this challenge as an opportunity and started working in the dairy sector in large numbers and women were the first ones to come forward in this sector," he said.

Citing an example, the PM said, Ishrat Nabi, a graduate from Nehlpora, Pattan had set up her dairy unit 'Mir Sisters Dairy Farm'.

"At her dairy unit, approximately 150 litres of milk are sold every day," he said.

Ishrat has set up her dairy unit under the Integrated Dairy Development Scheme (IDDS) of the Animal Husbandry Department. Under the scheme, the department, after proper verification, provides a 50 percent subsidy on each machine or any other equipment required to set up the dairy unit.

"We had to invest our full money for setting up a shed and applied for the subsidy for procurement of machines and livestock," Yamar Meer, Ishrat's brother said.

"We have 12 cows at our dairy unit that produce a huge quantity of milk on a daily basis," he said.

As per the guidelines of the scheme, the Animal Husbandry Department provides support in terms of incentives and subsidies for the establishment of dairy units, establishment of milk collection, chilling, and processing unit besides the establishment of market infrastructure including milk ATMs and establishment of milk and milk product transportation system.

Meanwhile, citing another successful example of a dairy unit, the PM said Wasim Enayat from Sopore area of the district has more than two dozen animals at his farm.

"He sells more than 200 litres of milk every day," he said.

Modi said another youth, Abid Hussain Mir from Nillah, Pattan also works in the dairy sector and the Animal Husbandry Department in Baramulla district has sponsored his unit under IDDS 2022-23.

“His enterprise is also progressing so well,” he said.

The PM said that due to the efforts of such people, more than 5.5 litres of milk were being produced daily in Baramulla.

“Entire Baramulla is becoming the face of a new white revolution as more than 500 dairy

units have been set up in the district in the last two and a half years to 3 years,” he said.

Modi said that Baramulla’s dairy industry was testimony to the fact that every part of the country was full of possibilities.

“The collective will of the people of any region can help achieve any target,” he said.

Govt launches “Dugdh Sankalan Sathi Mobile App”

JUN 17, 2023

<https://dairynews7x7.com/govt-launches-dugdh-sankalan-sathi-mobile-app-to-transform-indian-dairy-industries/>

Union Minister of Heavy Industries Dr. Mahendra Nath Pandey unveiled the ground-breaking “Dugdh Sanakalan Sathi Mobile App” today at Mussorie, Uttarakhand. This innovative application, designed and developed by Rajasthan Electronics & Instruments Limited (REIL), Jaipur, a “Mini Ratna” Central Public Sector Enterprises under the Ministry of Heavy Industries, is poised to make a lasting impact on the Indian Dairy Industries by addressing key challenges in the milk collection process. This mobile app aims to improve the quality of milk, foster transparency among stakeholders, and streamline operations at the grassroots village level, including Milk Cooperative Societies. The minister says the App is a revolutionary step towards realizing the commitment of Government to digitize the process and facilitate Direct Beneficiary Transfer to milk producers.

Speaking on the occasion, Dr. Mahendra Nath Pandey said, “Through this App Ministry of Heavy Industry has taken a revolutionary step towards realizing the commitment of Government of India to digitize the process and facilitate Direct Beneficiary Transfer to milk producers”. Expressing his enthusiasm for the initiative the Minister stated that ‘Dugdh Sankalan Sathi Mobile App’ will bring transparency, efficiency, and empowerment to all stakeholders

involved in the milk collection process, ultimately benefiting the milk producers and contributing to the growth of the dairy sector. He reiterated that this application will be contextually active in the field to improve operations at the grassroots level across all partnerships including milk producers, milk co-operative societies, milk organizations and state federations. Milk Collection Partner Mobile App will inform all services to milk producers in English, Hindi, Punjabi, Telugu and other languages

Recognizing the critical need for advancements in the dairy industry, REIL has developed a comprehensive cloud-based solution that leverages the latest state-of-the-art platform. This forward-thinking initiative reflects the Government of India’s commitment for digitizing processes and facilitating direct beneficiary transfers of the government subsidies to milk producers.

Shri Kamran Rizvi, Secretary, Ministry of Heavy Industries congratulated MD, REIL and his team, for developing and launching ‘DugdhSankalanSathi Mobile App’. He reiterated that, this mobile app will certainly boost the dairy development in the Country and the confidence and enthusiasm among the milk producers. He further stated that, by using this

mobile app, the transparency in the dairy business would be strengthened.

The “**Dugdh Sankalan Sathi Mobile App**” will bring significant benefits for all stakeholders involved in the milk collection process, including milk producers, cooperative societies, milk unions, and state federations. Key features and benefits of the app include:

- Increased transparency among stakeholders
- Online monitoring of daily milk poured at Milk Cooperative Societies
- Real-time milk price updates from the cloud server, ensuring transparency and eliminating human errors

- Direct beneficiary transfers of milk payment and government subsidies to the milk producers’ bank accounts through the app
- Push notifications for milk collection to the milk producers’ app
- Multilingual app with support for English, Hindi, Punjabi, Telugu, and more

Shri Rakesh Chopra, Managing Director, REIL stated that, REIL is committed to successfully implement the ‘DugdhSankalanSathi Mobile App’. He expressed his gratitude to the Union Heavy Industry Minister, Secretary and other senior officials of the Ministry and congratulated all stakeholders on 43rd foundation day of REIL.

Food choices key to tackling global warming: Study

JUN 17, 2023

<https://dairynews7x7.com/food-choices-key-to-tackling-global-warming-study/>

Food consumption in the five highest greenhouse gas (GHG) emitting countries, including India, was responsible for more than 40 per cent of global food supply chain emission in 2019, according to a study.

The research, published in the journal *Nature Food*, found that action to protect the planet against the impact of climate change will fall short unless emissions are reduced from the global food system, which now makes up a third of man-made GHG emissions.

The largest emission within food supply chains is triggered by beef and dairy consumption in rapidly developing countries, such as China and India, while emissions per head in developed countries with a high percentage of animal-based food declined, the researchers said. The team noted that the growth of the global population and rising demand for emission-intensive food are likely to boost emissions further.

‘Shift in diets’

“A global shift in diets, including reducing excessive intake of red meat and improving shares of plant-based protein — will not only reduce emissions but avoid health risks such as obesity and cardiovascular disease,” said study corresponding author, Klaus Hubacek from the University of Groningen in the Netherlands. Yuli Shan, from the University of Birmingham, noted that the agrifood system drives global land use and agricultural activities — contributing to around one-third of global anthropogenic greenhouse gas. “Population growth, expansion of food production and an increase in animal-based diets are likely to further increase emissions and squeeze the global carbon budget,” said Shan, corresponding author of the study.

“However, widespread and lasting diet shifts are very difficult to achieve quickly, so incentives that encourage consumers to reduce red

meat or buy products with higher environmental dividends could help to reduce food emissions,” Li said.

Emissions data

Researchers analysed data linking emissions to consumers between 2000 and 2019, revealing that in 2019, food consumption in the five highest emitting countries, China, India, Indonesia, Brazil and the US, was responsible for more than 40 per cent of global food supply chain emission.

Annual global GHG emissions associated with food increased by 14 per cent over the 20-year period. The substantial increase in consuming

animal-based products contributed to some 95 per cent of the global emissions rise, accounting for almost half of total food emissions, the researchers said.

Beef and dairy contributed 32 per cent and 46 per cent of the increase in global animal-based emissions, they said.

Consumption of grains and oil crops is responsible for 43 and 23 per cent of global plant-based emissions respectively, while rice contributes to over half of the global grain-related emissions, with Indonesia, China, and India being the top three contributors, the researchers added.

Milk prices unlikely to go up until Diwali as production increases

JUN 16, 2023

<https://dairynews7x7.com/milk-prices-unlikely-to-go-up-until-diwali-as-production-increases/>

Dairy sector experts have ruled out further milk price hikes – at least till Diwali – because of a sudden increase in production due to an unusually cool summer this year.

Meenesh Shah, chairman of the National Dairy Development Board, told Moneycontrol that retail prices of milk have actually fallen by up to Rs 2 per litre in Maharashtra in recent weeks. “Procurement of milk has been very good in March and April. We do not expect any further increase in retail prices of milk now, not till at least Diwali this year,” Shah said.

The pause marks a dramatic shift in the inflation narrative when it comes to retail prices of milk. Domestic retail prices of milk have climbed by about 15 percent in as many months, since milk production in 2022 was estimated to be at the previous year’s level of about 220 million tonnes,

and input costs for farmers rose simultaneously.

RS Sodhi, president of the Indian Dairy Association and former MD of Amul, said there is also no need for India to import milk in the near future. “No imports of milk have happened till now since the domestic supply situation has already normalised. International and Indian prices of skimmed milk powder are at par at zero duty, so imports would have anyway been a costly affair,” Sodhi said.

BC Satish, MD of the Karnataka Milk Federation, said milk procurement in the state increased to 8.7 million litres a day in the flush season – when milk supply is higher – from 7.3 million litres a day earlier.

The federation hasn’t increased retail prices since November 2022, when they

went up to Rs 39 per litre from Rs 37 per litre. He too does not expect prices to increase for the next few months.

The rise in milk prices had taken on political overtones, with opposition parties suggesting the country was headed for a crisis and criticising the Gujarat Co-operative Milk Marketing Federation (GCMMF), which owns the Amul brand, for trying to extend its market dominance by entering other states.

Jairam Ramesh, general secretary in charge of communications for the Congress party, tweeted last week that “India is on the brink of a milk crisis which is resulting in high levels of inflation and causing further pain to dairy farmers, who are already struggling with rising prices of fodder. As a result of this crisis which has lingered since the COVID pandemic, the largest milk producer in world is now forced to import milk and milk products from other countries. What is the Modi government doing in the midst of this crisis? Pitting one cooperative against the other in an attempt to benefit their electoral outcomes.”



fortuneindia.com/long-reads/wha...

India is on the brink of a milk crisis which is resulting in high levels of inflation and causing further pain to dairy farmers, who are already struggling with rising prices of fodder. As a result of this crisis which has lingered since the COVID... [Show more](#)



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What's Behind India's Milk Crisis

Fifty-three years since the White Revolution, just why the world's largest milk-producing nation falls short of demand, forcing imports.

However, both Shah and Sodhi said the country has not imported milk products till now despite the earlier supply crunch and was unlikely to consider doing so now since domestic milk supplies have increased.

Shah said milk procurement was 7.5 per cent higher in April from a year earlier. Enhanced purchases have meant stocks of skimmed milk powder and white butter are higher and this will ensure adequate supplies for the lean season.

The Reserve Bank of India's Monetary Policy Committee (RBI MPC) said last week that the consumer price inflation trajectory will likely be driven by food prices. “Wheat prices could see some correction on robust mandi arrivals and procurement. Milk prices, on the other hand, are likely to remain under pressure due to supply shortfalls and high fodder costs,” the committee said.

Sodhi of NDA said input costs for farmers are falling. Last year, input costs had risen by up to 25 percent on fodder and 20 percent on cattle feed. “Over the last two months, these prices have also started stabilising. Feed prices are under control now,” he said.

The background

India's “cow economy” has been in a difficult phase for much of 2022 and the first few months of 2023 due to several factors: the impact of COVID-19 on the dairy supply chain, disruption of breeding programmes due to the pandemic, and the lumpy skin disease epidemic last year that killed lakhs of cows.

Milk production has been robust in the past decade, though. As per data from the Department of Animal Husbandry and Dairying, India's milk output in the 10 years

FY22 jumped from 127.9 million tonnes to 221.06 million tonnes.

However, year-on-year (YoY) growth in milk production eased to 5.29 percent in FY22 from well over 6 percent in FY15. Though there are no official figures for FY23, production likely stagnated at the previous year's level.

In any case, India's milk production is nowhere near the government's target. According to the 2021-22 National Action Plan for Dairy Development put out by the Department of Animal Husbandry and Dairying, the target for FY24 was 300 million tonnes of milk to meet increasing demand, ensure nutritional security at the household level and support exports of milk and milk products.

This would have meant a CAGR of 8.56 percent in milk production and an increase in per capita availability of milk to 592 grams per day in FY24 from 337 grams per day. The plan also envisaged an increase in organised milk handling from 20 percent to 50 percent by FY24. Milk handling by cooperative dairies was to double to 20 percent.

The Indian dairy industry remains fragmented, with only about a fourth of the milk produced marketed by organised entities.

To enhance milk output, India must focus on rapid growth in the cattle population and provide incentives to farmers to rear cattle, including attractive pricing for milk. Also needed are investments in modern machinery and cold-chain infrastructure.

Kerala govt opposes expansion of Karnataka's dairy brand Nandini in state

JUN 16, 2023

<https://dairynews7x7.com/kerala-govt-opposes-expansion-of-karnatakas-dairy-brand-nandini-in-state/>



The Kerala government has filed a complaint with the National Dairy Development Board (NDDDB) against Karnataka dairy brand Nandini opening more outlets in the state.

Minister for Dairy Development, Milk Co-operatives J Chinchurani said Nandini had not sought permission to open outlets in the state.

“We had requested NDDDB to look into the matter”, she said.

Milma, Kerala's milk brand under the Kerala Co-operative Milk Marketing Federation, has been against the opening of Nandini outlets in Kerala.

"The move of Amul (Gujarat Milk Co-operative Federation) to promote its staple products in Karnataka has been met with strong resistance from the stakeholders in that state. But Karnataka Milk Marketing Federation recently opened its outlets in parts of Kerala to sell its Nandini brand of milk and other products. How could this be justified?" said Milma Chairman KS Mani.

"Whoever does this, it is a highly unethical practice which defeats the very purpose of India's dairy movement and harms the interests of the farmers," he added.

The move by the state government comes after Milma decided to oppose the sale of Karnataka Milk Federation's Nandini dairy products in Kerala.

Milma Malabar Region Cooperative Milk Producers Union chairman KS Mani said the issue would be raised in the next board of directors meeting of the National Cooperative Dairy Federation of India

Global News

Revolutionizing Dairy Sustainability: Reducing Methane Emissions by 80%

JUN 28, 2023

<https://dairynews7x7.com/revolutionizing-dairy-sustainability-reducing-methane-emissions-by-80/>



Resonant Technology Group recently announced that its patented product, SOP® Lagoon, can significantly reduce greenhouse gas emissions of the dairy industries – 80% for methane and 75% for carbon dioxide.

US-based Resonant is an affiliate of SOP (Save our Planet) , an Italian tech company run by biologists, agronomists, chemists, engineers, animal nutritionists, and veterinarians. SOP’s proprietary technology is for application to crops, animals, soils and vineyards.

Resonant is developing innovative ways of applying SOP® Inside technology aimed at mitigating GHG emissions. The company enables adaptation of SOP products in agriculture, food industries, and their supply chains.

A Breakthrough Solution to Cut Methane Emissions

Methane is a more powerful gas than CO₂ in heating up the planet. It accounts for about 50% of the increase in global temperatures while remaining in the atmosphere in a shorter period. Thus, cutting methane emissions could be the fastest way to prevent temperatures from going up.

Dairy cows are the major source of emitting around **8%** of global methane pollution. And about **80%** of the total GHG emissions of milk production comes from the farm level.

This is where Resonant’s SOP® Lagoon offers an unrivaled solution in reducing methane emissions at the dairy farm level.

SOP® Lagoon is a mineral 0.07 oz (2g)/head additive that is applied once a week into the lagoon. Lagoon dairy waste emissions account for up to **57%** of total dairy methane emissions.

The SOP proprietary product can be used alongside other products that are scientifically proven to reduce enteric and soil emissions. It has been used by farmers for animals, crops, soils and vineyards in Europe and North America.

A joint study from the University of Milan and University of California Davis scientifically showed that the SOP® Lagoon product’s application in dairy lagoons significantly reduced GHG emissions, targeting these pollutants:

- Methane – 80% emission reductions
- Carbon dioxide – 75% emission reductions

The researchers did a three-and-a-half month in-field study at a 520-head commercial dairy farm in Northern Italy. Their findings show the additive's GHG reduction potential identified above.

Other Ways to Lower Dairy Methane Emissions

The additive is also capable of reducing emissions from other sources, enteric (digestive) and soil. Overall reduction potential is more than **50%** of total emissions from dairy farming operations.

Other 4 separate studies have also confirmed SOP® Lagoon's ability to offer an immediate and meaningful solution in cutting the methane emissions of the dairy and livestock industries in general.

Other initiatives to reduce livestock emissions include improving reproductive efficiency in dairy cattle, which can cut methane emissions by **24%**.

Another solution is to lower emissions from enteric fermentation by changing the livestock's diet such as including seaweed or barley. Also, scraping manure and transporting it to another storage facility for cattle production systems may cut methane emissions by **55%**.

Enteric and manure emissions make up as much as **40%** of the total GHG emissions from dairy operations. The other **60%** comes from effluents and manure flowing from dairy lagoons or barns.

Addressing those sources on a large-scale basis can potentially reduce methane emissions in millions of tonnes of CO₂ equivalent (CO₂e). And each tonne of emission reduction generates one carbon credit.

Earning Extra by Cutting Methane

Carbon credits also known as carbon offsets in voluntary markets, provide extra income for entities that reduce GHG emissions.

While most credits are issued for activities reducing CO₂ emissions, methane reduction through manure management such as applying the additive is also eligible to earn credits. The world's largest certifier of carbon credits, Verra, had issued credits for cow methane reduction

And considering that methane can be 85x more potent than CO₂, reducing more of it means more carbon credits generation.

But the price for each carbon credit for methane reduction varies widely. Several factors affect the price, including location, market dynamics, and the certification standard.

On average, the price for a carbon credit ranges from less than **\$1/tonne of CO₂e to \$15/tonne** or more. Assuming that a 500-head dairy farm applies Resonant's SOP® Lagoon and reduces about 2,000 tons of CO₂e yearly (methane emissions), the owner can earn up to \$30,000 a year.

The additive can also reduce ammonia, which is being considered to be added to the target list of GHG emissions.

35% of the calcium for human is obtained from milk globally

JUN 27, 2023

[HTTPS://DAIRYNEWS7X7.COM/35-OF-THE-CALCIUM-FOR-HUMAN-IS-OBTAINED-FROM-MILK-GLOBALLY/](https://dairynews7x7.com/35-of-the-calcium-for-human-is-obtained-from-milk-globally/)



Along with all global sectors, the dairy industry is working to reduce its environmental impact as we look toward a shared 2050 net zero future. Research is currently focused on greenhouse gas mitigation strategies that do not compromise animal health and production, but many discussions maintain that a radical transformation—involving reducing animal-based foods and increasing plant-based foods—is needed in our agriculture production systems in order to meet climate goals.

A group of researchers from Virginia Tech's School of Animal Sciences is working to understand the trade-offs of this kind of transformation. Their new study published in the *Journal of Dairy Science*, sets out to understand the [dairy industry's](#) holistic impact, quantifying the contribution of dairy milk to [human nutrition](#), along with associations with agricultural greenhouse gas emissions and water use.

The study's lead investigator, Robin R. White, Ph.D., explained, "Global-scale assessments of the trade-offs associated with dairy production are required to better grasp the role of dairy in feeding the globe."

White's team noticed that previous investigations of the environmental footprint of dairy systems have incompletely reported on dairy's contribution of critical vitamins and minerals to [human health](#) and have often presented

outputs in terms of milk weight or energy/protein content only.

White continued, "We were interested in using network analysis methods to better understand the trade-offs between nutrition and [environmental impact](#) in the existing food systems, globally."

White and co-author Claire B. Gleason, Ph.D., started with data collected by the United Nations Food and Agriculture Organization, which allowed them to evaluate data at country and continent levels, and to quantify global supplies of different foods as well as the environmental impacts of these systems. All of the data sets used in the analysis are available in the open-access [Virginia Tech Data Repository](#).

The data were then leveraged to better consider global-scale contributions of fluid milk to human nutrition (especially calcium) and the environmental impacts of food production, specifically emissions and [water use](#). Foods were considered in their preprocessed forms only, and fluid milk from each dairy species was included. Total food supply was calculated using a simplified definition accounting for loss, waste, trade, and animal feed. These figures were then used as a reference supply of food that could be consumed by humans, factoring in nutrient requirements based on age and gender.

To understand how milk and meat products are associated with agricultural environmental impacts, supplies were also correlated with greenhouse emissions and blue water withdrawal for watering crops and livestock, using individual country data.

Taken together, the data demonstrate how uniquely critical milk is within the global agroecosystem and to nutritional adequacy of foods produced from that system. Although there are environmental trade-offs associated with milk production, it provides an essential source of important vitamins and minerals, such as protein, riboflavin, vitamin B₁₂, and phosphorus, while requiring relatively low energy.

White added, “Indeed, milk is one of the only low-energy sources of calcium available for [human consumption](#), and our results suggest that 35% of the calcium available for human consumption globally is obtained from milk.” Cal-

cium is among the most inadequately consumed essential micronutrients in the world for all countries, regardless of income level.

White and Gleason are quick to point out that there are several limitations to the analysis and that more research is needed. “There are two general types of food systems research. This type considers the structure of the existing food system and how interventions in that system might support objectives like improved sustainability or reduced emissions. Although this approach is grounded in our knowledge of biological and physical constraints on agriculture, it can preclude identification of outside-the-box solutions and is best viewed in complement with the broader body of research.”

Considering these limitations, improving global milk availability, including coordinating distribution of [milk](#) among supply chains, may be important priorities for enhancing availability of critical nutrients within food systems worldwide.

How China's dairy industry is addressing climate change

JUN 27, 2023



- Global food emissions are a major driver of greenhouse gas emissions, with meat and dairy being the largest contributor within farming.
- If worldwide emissions remain high, the dairy and meat industries are forecast to lose [\\$39.94](#) billion annually by the end of this century.
- To transition food systems to be more nutritious, affordable and environmentally sustainable, farmers must be supported.

When it comes to climate action, attention tends to be focused on renewables and low carbon transport, often neglecting the impact that agricultural commodities, such as dairy, have on global warming.

In fact, global food systems are a major driver of emissions. The Intergovernmental Panel on Climate Change's (IPCC) [Sixth Assessment Report](#) finds that the agriculture, forestry and other land use sector on average, accounted for 13-21% of global total anthropogenic greenhouse gas (GHG) emissions in the period 2010-2019.

Within the food system, the meat and dairy industry is accountable for the largest amount of emissions. At the same time, climatic changes are also creating significant impact on the dairy industry.

What is AMNC, the World Economic Forum's meeting in China?

The World Economic Forum's Annual Meeting of the New Champions focuses on leadership, innovation and entrepreneurship.

More than 2,000 participants, including leading experts in science and technology, attend the meeting in Dalian, People's Republic of China. They will take part in over 100 working sessions.

The meeting pools ideas and galvanizes progress towards a building a future where entrepreneurship serves everyone in society. The key focus areas are: Fostering Agile Industry Leadership, Achieving Technology Leadership, Sustaining Economic Leadership and Promoting Responsible Leadership.

Heat stress reduces milk yield, fluctuations in temperatures impede crop growth, and disrupted hydrological cycles result in water

shortages for productive farms. If global GHG emissions remain high, the dairy and meat industries will lose [\\$39.94](#) billion annually by the end of this century.

Beyond these financial losses, there will be broader socioeconomic implications for communities and society at large.

Businesses within the dairy industry are increasingly cognisant of the implications and are assuming leadership in transforming the sector to be more sustainable.

From farm to table

Milk has long been one of the most important sources of nutrition for human beings, with a high protein efficiency of [24%](#) – compared with 8.5% of pork. The demand for dairy products is expected to [double](#) by 2050 compared to 2000, due to changes in diets, population and income growth, especially among developing countries.

Increased production of milk and other dairy products is creating rising emissions from the industry. This occurs over the full life cycle, from producing the resources used on the farm, through processing and distribution to consumer consumption and waste handling.

This includes land cleared to make way for cattle, to the enteric fermentation, manure handling and storage during the growth cycles, and the product packaging and retail in supermarkets.

Other agricultural commodities, such as soy and palm oil are also heavily used in this industry. Notably, as a great fat supplement, palm oil is introduced into dairy products such as milk powder and ice cream, as well as into animal feed to provide energy and enable milk to maintain its fat content.

China's dairy industry

China is the [leading global importer](#) – and the fourth largest producer – of dairy products. Retail sales of dairy in 2021 totalled \$62 billion,

making it the second largest dairy market in the world after the US.

Given the scale and size of the sector, China's commitment to reduce the environmental footprint of its agricultural commodities, together with net zero strategies from leading Chinese food companies, will bring meaningful and positive impact at global scale.

Sustainable transition across dairy supply chain

China Mengniu Dairy Company Ltd recently became the country's first dairy company to commit to a fully deforestation-free supply chain by 2030. This commitment is wide-ranging in scope, covering the company's factories and ranches, ensuring that cattle are fed using products from deforestation-free supply chains and that services and materials are procured from companies that do not contribute to forest loss.

This is a huge step forward for sustainable dairy production, given that the company is the largest dairy producer in China – the seventh largest in the world – supplying more than 95% of urban households in China. It joins other Chinese food giants in making the deforestation-free pledge, including COFCO International.

As an industry leader, Mengniu's deforestation-free commitment will catalyse and drive large-scale transformation across global agri-commodity supply chains over the next seven years. Under the pledge, all its suppliers, including suppliers in the palm oil and soybean sectors, will need to ensure that their products are traceable and certified to be deforestation-free.

To illustrate, China is the world's [largest importer of soy](#), where 85% of the soymeal after the oil extraction stage becomes animal feed. With more than 60% of the soybean coming from Brazil, such a commitment will help prevent further deforestation in the critical Amazon biome.

Role of consumers and investors

Consumers also hold significant power in accelerating business transitions to sustainable supply chains. There is growing awareness among Chinese consumers, especially the younger generation, on climate change and sustainable consumption.

According to [EY Future Consumer Index](#) in 2022, one in four global consumers place “planet first” as the biggest influential factor in purchasing decisions, ahead of “affordability first” or “experience first”. Two thirds of Chinese consumers believe that businesses need to bring about positive social impact, double that of the global average.

Companies should consider these shifting consumer trends in their sales and marketing strategies. Companies who are prepared to go the extra mile to reduce their emissions, stop deforestation and support more climate-friendly consumption will be able to strengthen their competitive advantage and improve consumer relationships in the longer run.

Existing and potential investors are also increasingly interested in financing nature-based solutions such as sustainable food production and supply chains, as part of fulfilling their own nature and climate commitments.

With the adoption of [Kunming-Montreal Global Biodiversity Framework](#) during the UN Biodiversity Conference (COP15) by close to 200 countries in December 2022, more companies and investors are taking action to better safeguard biodiversity, protect and restore landscapes.

The Taskforce on Nature-related Financial Disclosures (TNFD) provides a useful framework for nature related risk management and disclosure.

Putting farmers at the core

While no single business can tackle the environmental crisis on their own, every business

has a role to play and responsibility to be part of the solution. Mengniu’s deforestation-free commitment presents a triple win for people, the planet and prosperity. More companies should do the same.

What is the World Economic Forum doing to help ensure global food security?

Two billion people in the world currently suffer from malnutrition and according to some estimates, we need 60% more food to feed the global population by 2050. Yet the agricultural sector is ill-equipped to meet this demand: 700 million of its workers currently live in poverty, and it is already responsible for 70% of the world’s water consumption and 30% of global greenhouse gas emissions.

New technologies could help our food systems become more sustainable and efficient, but unfortunately the agricultural sector has fallen behind other sectors in terms of technology adoption.

Launched in 2018, the Forum’s [Innovation with a Purpose Platform](#) is a large-scale partnership that facilitates the adoption of new technologies and other innovations to transform the way we produce, distribute and consume our food.

With research, increasing investments in new agriculture technologies and the integration of local and regional initiatives aimed at enhancing food security, the platform is working with over 50 partner institutions and 1,000 leaders around the world to leverage emerging technologies to make our food systems more sustainable, inclusive and efficient.

The World Economic Forum [is bringing together public and private actors from across supply chains](#) to catalyse and promote action oriented partnerships and solutions to address the world’s food and climate crises, working with companies to translate their ambition and commitments to credible and effective actions.

Farmers lie at the heart of the food systems transformation. To transition food systems to

be more nutritious, more affordable and more environmentally sustainable, it is essential to provide support to the farmers, especially

smallholder farmers, promote active collaboration across supply chains, and help farms harness the power of technological innovations. These are pre-requisite for success.

World Dairy Innovation Awards-Yili takes home 18 awards

JUN 27, 2023

<https://dairynews7x7.com/world-dairy-innovation-awards-winners-announced-yili-takes-home-18-awards/>

The 16th Global Dairy Congress was held in London, UK on June 21-22. Widely considered a “weathervane” of industrial innovation, the World Dairy Innovation Awards announced its 2023 winners during the Congress. Thanks to its comprehensive and balanced strengths in innovation, Yili was able to take home 18 awards, including Winner of the Children’s dairy product and Packaging design, 14 Finalist Awards and 2 Commended Awards.

Dr. Yun Zhanyou, Vice President of Yili Group, and Dr. Gerrit Smit, Managing Director of the Yili Innovation Center Europe, attending the award ceremony.

“World Integrally Sharing Health (WISH)’ has always been Yili’s vision. Yili has been pursuing a high-quality development model driven by innovation and embracing a New Vision for Value Creation. We shall continue to provide world consumers with nutritious and healthy products that serve their full life-cycle,” said Dr. Yun Zhanyou, Vice President of Yili Group.

Stay consumer-centered and safeguard health throughout people’s entire life-cycle

Receiving awards under multiple categories of the World Dairy Innovation Awards, including liquid milk, yogurt, milk powder, and ice cream, among others, Yili fully demonstrated its balanced innovation achievements across different categories of healthy food.

As the bedrock of Yili’s business, liquid milk products delivered eye-catching results during the Congress. Satine PRO UF Milk Limited Edition of Blue and White Porcelain was announced the Winner of Packaging design.

Emerging as one of the secondary growth poles of Yili, the Group’s cheese products also achieved incredible results at the 2023 World Dairy Innovation Awards ceremony. Yili’s Yijia-hao Cheese Bomb became the Winner of the Children’s dairy product.

In terms of ice cream products, Yili’s overseas brand Joyday ice cream earned the Commended Award under the CSR/sustainability initiative category for its outstanding activities devoted to supporting public welfare.

Yili’s strengths in innovation are highly recognized worldwide, as evidenced by the endorsement given by world-class awards for its work

As Yili continues to enhance its innovation strengths, the Group is rapidly expanding the global reach of its influence throughout the industry. In 2022, Yili won six awards, continuing to lead the industry with the highest number of awards received. This year, Yili was proud to be honored with an incredible tally of 18 awards, further highlighting its extraordinary capabilities in innovation.

Yili’s innovation efforts feature industry-pioneering R&D inputs and a global innovation

network. At present, Yili has established 15 innovation centers in Asia, Europe and Oceania. It has also been continuously extending its cooperation with universities, research institutions and other collaborating partners, to expand its innovative ecosystem.

Looking to the future, Yili will continue to adhere to its New Vision for Value Creation, stay focused on meeting consumer demands and steadily advance its innovative R&D. Committed to fulfilling its responsibilities as an industry leader and realizing its goals around high-quality development, Yili is dedicated to delivering an even wider range of healthy products to global consumers in the years ahead.

Nestlé's mission to cut emissions

JUN 26, 2023

<https://dairynews7x7.com/nestles-mission-to-cut-emissions/>



The company says it is working with farmers, suppliers, leading universities, industry organisations, start-ups and local governments to research, test, validate, and scale up different agricultural solutions and technologies, including for dairy livestock.

In a message to mark World Milk Day on June 1, the company noted that one area of research is on feed supplements that can reduce methane emissions from enteric fermentation – the cow's digestion process and the largest source of emissions in fresh milk production.

In the United States, for instance, Nestlé is facilitating research to assess the efficacy and the human, animal and environmental health and safety aspects of feed supplements, which have the potential to reduce enteric methane emissions. The second biggest source of greenhouse gas emissions on a dairy farm is from the feed for cows, for example, from its production, storage, and disposal.

Nestlé is working with farmers to implement regenerative agriculture practices, such as the introduction of cover crops or more widespread use of organic fertilisers, in the production of feed to cut emissions. Farmers on one of Nestlé's pilot farms in South Africa, for instance, are growing their own multispecies pasture for animal feed while reducing the use of chemical fertilisers.

"This helps improve soil quality, which enables more carbon capture," the company says.

The company also supports farmers in calculating exactly how much feed cows need based on factors like weight, age, and gestation period to reduce overfeeding and waste.

"Better manure management will also help reduce dairy farm emissions. In Mexico, cow manure is separated into liquids and solids. The solids are composted and returned to the soil while the liquid is incorporated into the irrigation system."

In addition to these approaches, Nestlé is working with many more dairy farmers around the world. Through over 100 full-scale climate projects, farmers are planting trees on existing pastures, introducing multiple species on pastures, establishing new pastures in woodlands (silvopasture), rotating the land where cows graze, collecting and storing manure, and adopting more renewable sources of energy.

In Brazil, Nestlé is working with more than 1500 dairy farmers to adopt more animal-friendly housing systems, cover cropping and more renewable sources of energy as well as practices to help conserve water. Nestlé is helping small and medium-sized farmers in Pakistan increase their efficiencies through low-stress housing for animals, farmer capacity building and solar and biogas energy, among others. In Chile, Nestlé is working with farmers to improve pasture yields through multi-species pastures, rotational grazing, and pasture management, while helping them improve nitrogen use efficiency.

Researchers at the company's recently inaugurated Institute of Agricultural Sciences look for ways to reduce emissions, while considering the nutritional quality of milk, food safety, regulatory compliance, and animal welfare.

Nestle says the effectiveness of new technologies and approaches are evaluated on multiple research farms all over the world. Before being scaled up, they need to prove to be operationally feasible and economically viable for farmers.

"There is no one-size-fits all approach. Different practices and different solutions need to be applied in different combinations depending on an individual farm's crops, livestock, environment, soil type, and many other factors.

"Solutions to reduce dairy emissions will be essential in Nestlé's journey to reach net zero greenhouse gas emissions by 2050," it says.

High consumer acceptance for precision fermentation dairy products

JUN 25, 2023



Researchers from University of Bath and German start-up Formo conducted a consumer study in five countries showing high acceptance for animal-free cheese produced by precision fermentation. Market potential could exceed the shares of plant-based alternatives, the authors say.

German food tech startup Formo and the University of Bath, UK, have announced the results

of the world's first international study on animal-free acceptance of Dairy products in which 5,054 people from Brazil, Germany, India, UK and US have been asked towards their general acceptance as well as their relative perception of animal-free cheese compared to plant-based alternatives and conventional cheese products.



Source: University of Bath/Formo

Published in *Frontiers in Sustainable Food Systems* the study results show a positive majority for alternative cheese products produced with precision fermentation. Another finding: 79% of consumers are willing to try animal-free cheese and 71% showed their willingness to buy these products. “Building on the relevant success of plant-based milk alternatives, we are now seeing the next generation of cheese and dairy products,” says Christopher Bryant, one of the study authors at University of Bath. “The consumer acceptance is largely driven by the growing groups of flexitarians and cheese lovers. We see a strong indicator that the openness to animal-free cheese products far exceeds the niche market of plant-based alternatives.” Experts tax the mass cheese market to reach \$240 billion.

According to the study, consumers are also expecting taste improvements to come along with the precision fermentation manufacturing methods. At the same time, they appreciate the ethical and ecological benefits of the animal-free cheese products. “The results of our survey confirm that plant-based alternatives cannot keep up with the taste, texture and functionality of animal cheese products, and therefore do not find widespread acceptance. At the same time, consumers are aware that animal products are bad for the environment,” says Oscar Zollman Thomas, business analyst at Formo, who was responsible for

the study in the Berlin-based company. “Precision fermentation, on the other hand, enables production to be more hedonistic and simultaneously sustainable.”

According to Formo co-founder Raffael Wohlgensinger, the market is now ready for animal-free cheese and precision fermentation products. However he still sees a lack of regulatory initiatives and funding to actively advance this field. “If no action is

taken we believe that the investment gap towards US and Asia is widening and that the FoodTech hubs for this area will be established outside the EU.”

Formo is using precision fermentation to insert a copied stretch of cow DNA into microorganisms so that they are producing real milk without animal cruelty. By combining these milk proteins with plant-based fats, the company aims to obtain dairy products that behave like animal milk does, but that does contain no cholesterol. With industrial animal agriculture responsible for 18% of all greenhouse gas emissions, keeping animals out of dairy production would be more efficient and beneficial, the company argues. The start-up is aiming to launch commercially cultivated products by 2023. “Currently we focus on a small selection of high-quality European cheese, from fresh cheeses such as ricotta to aged and ripened variations. With our process, we will be able to create cheeses that are indistinguishable from the original,” CSO and co-founder Britta Winterberg said in late April. At that time, the company launched its new branding as Formo. Originally, the company was founded in 2019 as Legendairy Foods. According to Wohlgensinger, the launch of a “protectable consumer brand” was initiated because the company now has entered the phase of having first validated prototypes.

Currently, the company also thinks about possible labels for the new products. “We are

working on establishing a consistent nomenclature for precision-fermentation products. Our goal is to make our process as transparent as possible for consumers, and consistent terminology is the first step towards achieving this goal”, explained Wohlgesinger in an interview [recently published with organization Proveg](#). Among the challenges that are ahead is regulatory approval, he also admitted. “In the best-case scenario, the approval process in the EU takes at least 18 months. We are confident that our products will be approved. However, the uncertainty of this process and the

lengthy duration poses some challenges in terms of planning.”

Globally, also other companies are tapping into precision fermentation in order to produce a variety of dairy products. Perfect Day in the US, ReMilk and BioMilk in Israel, Those Vegan Cowboys in Belgium, and Better Dairy in the UK are all developing a new generation of cultured dairy products.

Vinamilk Announces “Pathways to Dairy Net Zero 2050”

JUN 23, 2023

<https://dairynews7x7.com/vinamilk-announces-pathways-to-dairy-net-zero-2050-and-the-first-carbon-neutral-factory-and-farm-in-vietnam/>



Vinamilk marks a significant milestone in its pioneering journey toward sustainable development by mapping out its Pathways to Dairy Net Zero 2050, which seeks to reduce its environmental impact while bolstering sustainability efforts throughout the company’s entire value chain.

Vinamilk is the first local dairy producer to publicly announce its pledge to carbon neutrality and Net Zero following the Vietnamese Government’s commitment to achieving net-zero emissions by 2050, made by Prime Minister at the COP26 in 2021.

The leading dairy brand identified its sustainability focus in four fundamental pillars: sustainable agriculture, green production, environmentally friendly logistics, and sustainable consumption. Furthermore, the company strives to reduce its greenhouse gas emissions by 15%

by 2027, 55% by 2035, and reach net zero emissions by 2050.

Besides declaring its Net Zero goal, Vinamilk takes pride in being the first dairy company in Vietnam (Source: Intage Vietnam) to obtain a carbon-neutrality certification from Bureau Veritas and BSI for its dairy factory and farm, located in Nghe An province, following the PAS 2060:2014 standards.

According to the published and verified report, the total greenhouse gas emissions of these two units that have been neutralized is 17,560 tons of CO₂, equivalent to approximately 1.7 million trees. This is the result of a “dual action” approach involving efforts to reduce emissions in Vinamilk’s production and livestock activities, while also maintaining the company’s trees source to absorb greenhouse gases over the years.

Achieving greenhouse gas emission reductions and moving towards Net Zero in the dairy industry poses significant challenges, especially for large-scale dairy farms. It requires comprehensive investments in technology, transitioning to renewable energy, and applying circular economy practices. Vinamilk’s accomplishments are noteworthy and serve as a significant motivation for the broader dairy sector’s journey toward Net Zero – as assessed by Mr. Nguyen Viet Dung, General Director, Bureau Veritas Vietnam.

Vinamilk has long made substantial contributions toward enhancing the sustainability of Vietnam’s dairy industry. Since 2012, Vinamilk has published its sustainability report which **aligned with the GRI Standards and the United Nations’ Sustainable Development Goals (SDGs) and recently included** sustainable development as one of its strategic development goals from 2022 to 2026. It has utilized solar energy in 13 farms and 11 factories, pioneered [the Green Farm](#) model and successfully achieving the “1 Million Trees for Vietnam Fund” goal.

“Vinamilk recognizes that achieving “reducing, neutralizing, and eliminating greenhouse gas emissions to 0” is not merely an option but an inevitable journey. We must race against time and seize opportunities, unwavering in our pursuit of the Net Zero target by 2050, leaving no room for delay or deviation from our determined plans,” expressed Mrs. Mai Kieu Lien, CEO of Vinamilk.

As a supporter of the “Pathways to Dairy Net Zero” initiative and aligning with its ESG strategy, Vinamilk intends to launch more elaborate activities to achieve its sustainability goals such as boosting afforestation initiatives and strengthening international collaboration.

About Vinamilk

Vinamilk is the leading dairy company in Vietnam and the 36th largest dairy manufacturer, in terms of revenue. It manages 15 farms and 17 modern factories domestic and overseas.

CPG Powerhouses Join Remilk : The New Cow-Free Dairy Industry

JUN 23, 2023

<https://dairynews7x7.com/cpg-powerhouses-join-remilk-to-create-the-new-cow-free-dairy-industry/>



Animal-free dairy startup [Remilk](#) announces the appointment of three CPG powerhouses to its Board of Directors, with F&B execs bringing track records of transformation, innovation, and breakthrough achievements.

“With guidance from this outstanding Board of Directors, Remilk’s transformative vision can become a global on-shelf reality”

Alicia Enciso, recent CMO of Nestle USA; Floris Wesseling, former President of Danone Europe; and Pedro Padierna, former CEO and Chairman of PepsiCo Mexico, join the Israeli company bringing their experience, broad vision, and deep knowledge of the F&D ecosystem.

Replacing animal agriculture

Remilk, a leader in developing and producing [animal-free milk](#) proteins using a proprietary fermentation process, has received regulatory approval in the [USA](#) and [Israel](#). The company supplies raw materials, contracting with major food companies worldwide for production and distribution. A recent commercial agreement involves launching a line of dairy products for the Israeli market with the CBC Group, Coca-Cola's franchisee in Israel. Since its establishment in 2019, [Remilk has raised over \\$120 million](#).

"Remilk has undertaken a bold mission to replace animal agriculture as the primary source of protein for the dairy industry," said Tomer Harpaz, Executive Chairman of the Board of Remilk and founder of EL food technologies.

Israeli companies [Wilk](#) and [Imagindairy](#) also work in the animal-free dairy space developing different technologies to produce milk proteins without cows. Both companies have received investments from Danone's corporate venture arm, Danone Manifesto Ventures.

Outstanding Board of Directors

Alicia Enciso is a global marketing executive and expert in building brands across the globe.

She has a strong track record of creating high-growth strategies, sustainability-focused practices, innovation pipelines, and leading digital and e-commerce transformations. "Enciso joins at an important juncture as environmental need and consumer desire converge," says Remilk.

Floris Wesseling is an FMCG executive with 25 years of experience in the industry on different continents. He has a strong track record of leading businesses through various growth phases, has a pulse on consumer demand, and has experience spanning both traditional and alternative dairy. "He brings a wealth of knowledge and insights," says Remilk.

Pedro Padierna, recognized as a transformative CEO and leader, has a 30-year career at PepsiCo. He held senior roles across disciplines, including R&D, marketing, government affairs, and public policy. "Padierna's extensive work with government decision-makers and key public opinion leaders will be instrumental as Remilk continues to secure regulatory approvals around the world," argues the Israeli company.

"With guidance from this outstanding Board of Directors, Remilk's transformative vision can become a global on-shelf reality at the scale and speed required to address a pressing need. It is a true privilege to work alongside the leaders who helped build some of the largest food and beverage companies in the world," commented Aviv Wolff, co-founder and CEO of Remilk.

Chinese dairy imports pick up

JUN 23, 2023

<https://dairynews7x7.com/chinese-dairy-imports-pick-up/>

After the devastating year of 2022 for [Chinese](#) Dairy imports, all eyes were and continue to be on 2023. Will imports improve?

Today, China has published May import data. The single month of May is pretty sound but the YTD May continues to suffer from the bad start of the year.

In May we see strong results in SMP, WMP, LACTOSE, AND WHEY. Combined, the import volume rose by 30,187 mtonnes.

May has been the first month in 2023 in which [WMP](#) import volumes were higher than in 2022.

Overall, the total May dairy imports have been 10.41% higher than in the same month 2022

Due to the strongly negative imports in January, however, the Year to Date May imports continue to lag by -6.54%

In May, the deficit in dairy imports declined from -1.07 billion kgs LME to -567 million kgs LME.

With that the Year to date total decline decreased by 47.11% compared to April.

Nestlé Health Science teams with Royal Dairy farm to emissio

JUN 23, 2023

<https://dairynews7x7.com/nestle-health-science-teams-with-royal-dairy-farm-to-reduce-ghg-emissions/>

Nestlé Health Science is collaborating with Royal Dairy farm in Washington state to help reduce greenhouse gas emissions through climate smart farming practices.

Together, Royal Dairy and Nestlé Health Science are aligned on four key areas of environmentally-focused innovation: cow feed, manure management, renewable energy, and regenerative agriculture, to show how dairy milk can be a sustainable source of nutrition.

To help bring this sustainable source of nutrition to families, Royal Dairy joins Nestlé Health Science's family of dairy suppliers for Carnation Breakfast Essentials nutritional powder drink mix, which is available at national retailers.

"Dairy farmers are experts who know their land and what will work on their farms best, but high costs and technological barriers mean many farmers need support transitioning to practices that can reduce greenhouse gas emissions," said Christiane Baker, Director of Sustainability U.S., Nestlé Health Science. "Royal Dairy is pioneering a comprehensive regenerative approach to dairy that helps reduce

our carbon footprint while also supporting a more sustainable food system for all. We're proud to help Royal Dairy implement additional sustainable solutions that can better their business and the planet, and we look forward to exploring ways to expand this initiative in the future."

Austin Allred and his family purchased Royal Dairy in 2016, which started its path to sustainability. The Allred family is on a path to incorporate even more practices that are sustainable and centered around their land and animals. Raised and trained as a fruit and vegetable farmer, Austin and his family understand the importance of nutrition and soil health in food production. Nutrient-rich manure improves soil health, which more efficiently grows feed for cows, which is then converted into nourishing milk for people. The farm's 10,000 cows produce more than one million gallons of milk per month.

"It has always been Royal Dairy's mission to produce food sustainably so we can take care of our land, our cows, and our families for years to come," commented Austin Allred, Founder, Royal Dairy. "My family and I are thrilled to partner with Nestlé Health Science and its brand Carnation Breakfast Essentials to advance our sustainability practices further and bring climate smart dairy to consumers

throughout the country. We look forward to exploring new ways we can bring sustainable dairy products to more families."

The Nestlé Health Science and Royal Dairy collaboration is a part of the Dairy Scale for Good pilot, which aims to demonstrate practices and technologies that are sustainable, feasible, and economically viable on a commercial dairy farm.

This pilot is a key pillar of the U.S. Dairy Net Zero Initiative, which advances research, on-farm pilots and new market development, as an essential first phase to make sustainability practices more accessible and affordable to farms of all sizes and accelerate progress toward the industry's 2050 environmental goals.

"The industry collaboration behind the Net Zero Initiative means we are focused on finding and scaling solutions that work," said Karen Scanlon, EVP of Environmental Stewardship, Innovation Center for U.S. Dairy. "Through the extraordinary partnership with Royal Dairy and Carnation Breakfast Essentials, we will learn how food industry partners work together to lower barriers for greater emission reductions. What's more, we will broadly share lessons on how to support continuous progress while offering a nutritious and sustainable dairy choice for families."

Dairy Cows and the Greenhouse Gas Myth

JUN 22, 2023

<https://dairynews7x7.com/dairy-cows-and-the-greenhouse-gas-myth/>

The industry must accept the facts. Dairy cows do emit methane through belching, flatulence and manure decomposition. But are they the big offenders that many would like the [general public to believe?](#)

Working with a notion that stated elimination of the entire U.S. dairy herd would lessen climate change, USDA partnered with researchers at Virginia Tech in 2020 to test the hypothesis.

The research team created three scenarios to look at different assumptions on how and why to remove dairy cattle from the U.S. food production system. The scenarios included ways

to repurpose land previously used for dairy to other uses.

One intervening issue in eliminating all dairy is the compensation (or lack of) of the essential nutrition contained in milk and other dairy products. Just as our dairy farmers have to balance nutrition for their cows weighed against feed costs, the nutrition that comes naturally from dairy products must be weighed against any negative environmental impacts that might exist.

It is truly a simplification to think that removing all dairy cows from production would somehow reduce greenhouse gases enough to make any significant improvement to the negatives associated with climate change. In fact, in order to be fair to the dairy industry, there has to be some comparison with other industries that are also associated with the emissions.

Let's look at the transportation sector.

According to the research, milk production contributes 1.3% of all greenhouse gases while transportation as an industry contributes about 28%. All of agriculture contributes 10%. The generation of electricity contributes about 27%.

These figures are important for all of us in the dairy industry so we can communicate effectively with those who blame dairy (and agriculture) for climate change issues.

To get back to a discussion of greenhouse gas emission vs. nutrients provided, Americans get more than half of their needed calcium and vitamin D from milk, cheese and yogurt. In addition, milk products contribute substantially to human needs for protein, vitamin A, several of the B vitamins, and several minerals.

According to Katie Brown of the National Dairy Council in February 2021, "The efficiency through which dairy provides us with these nutrients would not be possible without cows."

More broadly, it is not easy to obtain the essential nutrients found in dairy products from

any other individual food source, plus there may be increased costs associated with the production of that source.

What were the overall study results?

Researchers found that if the dairy herd was removed from the U.S., greenhouse gas emissions would only be reduced by 0.7% while seriously reducing nutrient availability as noted above. Each scenario presented different alternatives, but the results were the same — dairy is not a primary contributor to greenhouse gas emissions.

The researchers also examined what they call the "downstream" effects of removing all dairy herds, specifically fertilizer production and land use. Considering these scenarios, the increased production of synthetic fertilizers would actually increase the emission of greenhouse gases. And we would no longer have land used to pasture dairy cows or to grow nutritious feed for them.

The dairy industry also has not received credit for the improvements it has made toward better environmental stewardship.

Farmers' willingness to invest in better management of their land, air and water resources has lessened dairy's negative environmental impact. It now takes 30% less water and 21% less land for a combined 19% smaller carbon footprint to produce a gallon of milk, according to Dairy Management Inc.

These better management practices are coupled with the cow's ability to consume plants and byproducts not fit for human consumption, turning them into nutrient-rich milk.

The answer to the question I posed at the beginning of this column is a resounding "No!" Dairy is not the major offender of greenhouse gas emissions that the general public seems to believe.

Please join me, the board and staff in celebrating efforts made by American dairy to do its part to protect our environment.

Dairy industry: PCJCCI underlines Pakistan, China cooperation

JUN 21, 2023

<https://dairynews7x7.com/dairy-industry-pcjcci-underlines-pakistan-china-cooperation/>



Cooperation between China and Pakistan on dairy industry and multifarious demands for high-quality dairy products in China would provide a contemporary path of development for Pakistan's domestic dairy sector, stated by Moazzam Ghurki, President Pakistan China Joint Chamber of Commerce and Industry (PCJCCI) during a think tank session held at PCJCCI Secretariat today.

He said that Pakistan is among the world's top five largest milk producers, with over 60 million tonnes of milk production each year. Such ventures and exports could definitely add value to Pakistan's economy.

He added that China learned that Pakistan is the most important exporter and producer of dairy products in South Asia. Chinese technologies are low-priced, and if we adopt the techniques and technology used by China, Pakistan can flourish in this industry.

Fang Yulong, Senior Vice President PCJCCI shared his views by saying that we are willing to explore more about Pakistani dairy industry to see if we have the opportunity to be part of it. From 2011 to 2023, China's dairy imports rose at a compound annual growth of 12.3 percent, and the demand is still expanding. Milk powder, liquid milk, high value-added dairy

products such as whey, cheese, butter and cream are also in high demand in the Chinese market.

Hamza Khalid, Vice President PCJCCI said that currently China's dairy imports mainly come from New Zealand (40.44 percent), the Netherlands (17.15 percent) and Australia (7.38 percent). Our government should support this industry to boost export and domestic production, especially to control the adulteration of loose milk.

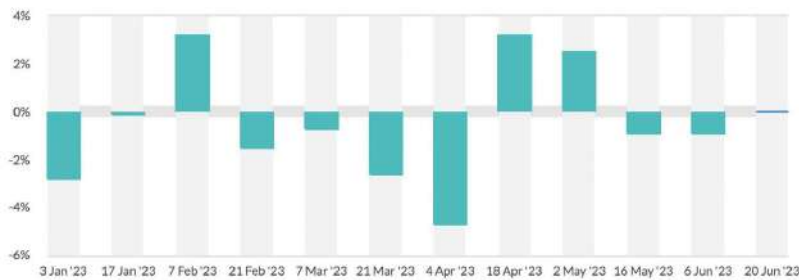
He further added that the local farmers were facing many problems, such as a lack of education, latest storage facilities, transfer of milk, and cold storage, and to get rid of these, the government should come forward to train and educate farmers about modern technology.

Salahuddin Hanif, Secretary General PCJCCI added that animal husbandry was one of the pillar industries in Pakistan, "specifically, Balochistan, where Gwadar Port under China-Pakistan Economic Corridor (CPEC) is located". Balochistan has the unique advantages of breeding beef cattle and dairy cows and if the industrial chain of China can be extended to Pakistan, it is expected to achieve win-win outcomes for the dairy industry of both countries.

Dairy prices unchanged, volumes drop at auction – GDT events

JUN 21, 2023

<https://dairynews7x7.com/dairy-prices-unchanged-volumes-drop-at-auction-gdt-events/>



International milk prices were unchanged while volumes fell on Tuesday in the second Global Dairy Trade (GDT) auction of the month.

The GDT Price Index remained flat, with an average selling price of \$3,479 per tonne. The index fell 0.9% at the previous auction held on June 6, with an average selling price of \$3,399, GDT Events said.

A total of 20,372 metric tonnes of dairy products was sold at the latest auction, down about 11.9% from the previous sale, the auction platform said.

Key results remains as follows :

Key Results

AMF index	up	0.5%	average price	US\$4,758/MT
Butter index	up	5.5%	average price	US\$5,379/MT
Ched index	down	3.3%	average price	US\$4,533/MT
SMP index	down	2.3%	average price	US\$2,667/MT
WMP index	unchanged,		average price	US\$3,172/MT

The results could affect the New Zealand dollar as the dairy sector generates more than 7% of the nation's gross domestic product.

HighGround Dairy global dairy consultant Stuart Davison said the market was expecting another slide in whole milk powder on the GDT after Fonterra shuffled its offer volumes.

Davison said he didn't think the lower volume at the upcoming auction would support prices.

"Buyers are well aware that there will be greater volumes on offer in less than two months on the GDT platform," he said.

The GDT index has dropped 25% over the past 12 months, while the average price for whole milk powder has [slid 23%](#).

Demand for dairy products has softened as [China's economy](#) hasn't rebounded as fast as expected after its emergence from strict zero-Covid lockdown measures

Fonterra chief executive Miles Hurrell has said [he expects Chinese demand to start returning to normal](#) towards the end of this calendar year.

Hurrell said Fonterra remained "very positive" about the Chinese market over the medium to long term due to its favourable demographics with a growing middle class and increased consumption of dairy product.

Davison said buyers were cautious and demand out of China remained "bearish" after local milk production increased.

In the short-term, summer heat waves in China may stimulate demand for liquid milk and products like ice cream, while lower interest rates and other Government stimulus measures may boost demand over the coming six months, he said.

Still, he said that may not drive prices higher on the GDT.

The New Zealand milk co-operative, which is owned by about 10,500 farmers, controls nearly a third of the world dairy trade.

GDT Events is owned by New Zealand's Fonterra Co-operative Group Ltd, but operates independently from the dairy giant.

U.S.-listed CRA International Inc is the trading manager for the Global Dairy Trade auction, which is held twice a month, with the next scheduled for July 4.

Raw milk: the ultimate dairy product is back – but is it safe?

JUN 20, 2023

<https://dairynews7x7.com/raw-milk-the-ultimate-dairy-product-is-back-but-is-it-safe/>



Name: Raw milk.
Age: Ancient.
Status: The hot new milk that everyone has to try!

I'm already confused. How can something be ancient and new at the same time? Oh, that's easy. People used to drink raw milk for centuries. Then they stopped. Now, they're drinking it again.

Interesting. Why did they stop? There's a chance that they died of food poisoning from drinking all that raw milk.

Sorry, what? Anyway, hey! Raw milk is the best drink in the world and you should try it. Even the queen's son says so.

But didn't you just say ... This weekend, Tom Parker Bowles wrote that raw milk has endured "no pasteurisation, homogenisation or standardisation, meaning it still contains the full complement of vitamins, minerals and natural digestive enzymes, as well as providing the most lusciously creamy mouthful of pure dairy delight; rich, sweet and voluptuously full-bodied."

Oh, that sounds quite nice. Remember, we're talking about the queen's son here. A litre of raw milk costs about £3.50, compared with £1.35 for the same amount of the usual stuff at a supermarket.

Is it worth the expense? As a food fad, raw milk is growing in popularity. Aside from Parker Bowles, a fleet of TikTok influencers cannot overstate how good it is.

Why do I feel a “but” coming on? But, I mean, where to start? Pasteurisation has saved countless lives, because it eliminates bacteria such as E coli, salmonella, listeria and campylobacter; these can cause illnesses that – not to be too delicate – tend to leave you pallid, sweaty and blasting hot liquid jets from both ends at once.

Blimey. Sorry. But raw milk is banned in Scotland. Additionally, in 2016, 65 cases of food poisoning were linked to a vending machine in Cumbria that dispensed raw milk. Reputable vendors claim their raw milk is perfectly safe (as long as it’s kept fresh), but one study found that Americans who eat and drink raw dairy products are more than 800 times more likely to contract food poisoning than people who choose pasteurised ones.

I’ll stick to semi-skimmed then. No! Don’t do that, either. Do you know what enormous emitters of greenhouse gases cows are? Industrial livestock farming is a huge emergency to the climate emergency.

Iran becomes Asia’s largest net dairy exporter: report

JUN 19, 2023

<https://dairynews7x7.com/iran-becomes-asias-largest-net-dairy-exporter-report/>



The reports published on Saturday said that the FAO had put Iran’s dairy exports last year at 1.583 million metric tons (mt) while estimating that the country had imported only 86,000 mt of such products over the same period.

The figures, cited from FAO’s Food Outlook, a biannual report on global food markets, showed that Iran’s dairy exports accounted for 17% of the total milk and dairy exports by Asian countries in 2022.

Almond milk? No! While it’s better for the environment than cow milk, it takes 74 litres of water just to make one glass of almond milk. It represents a huge strain on the planet’s resources, especially in areas where the almonds are grown.

Oat? Soy? Rice? All require water and cause greenhouse emissions.

Aargh! What do I do? Honestly, would it be such a sacrifice to drink your tea black?

Do say: “Raw milk will make you lean and ripped.”

Don’t say: “Because you’ll end up sick and dehydrated.”

Dairy exports from Iran accounted for 13% of the country’s total milk and dairy production last year which reached 7.840 million mt, showed FAO figures which indicated that the output may drop slightly in 2023 to 7.820 million mt.

The official IRNA news agency, which covered more items from FAO’s recent Food Outlook, said that Iran was the 13th largest rice producer and the 11th largest meat producer in Asia in 2022.

It also said that Iran was the world's 13th largest wheat supplier in 2022 with a total output of nearly 13 million mt.

Iran has introduced extensive measures to ensure food security in the country since 2018

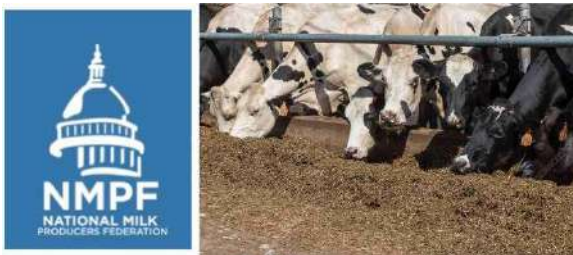
when its oil exports came under American sanctions.

The country has encouraged increased production and exports of agrifood as part of its plans to reduce reliance on oil exports and to create jobs for its population.

Dairy Market Report Outlook

JUN 16, 2023

<https://dairynews7x7.com/dairy-market-report-outlook/>



The current extended period of milk-production growth has so far been the weakest of all such periods since 1996, but prices continues to decrease even as inflation ebbs and consumer demand for dairy products recovers. Production of most major categories of dairy products mirrored that modest growth of milk production. Growth in total domestic consumption during this year's first quarter kept pace with both milk-production and milk-solids production growth. Total export growth was positive during the quarter, compared to the previous year, which set a new calendar-year record.

The volume of milk solids imported into the country in December 2023 exceeded 4 percent of domestic production for the first time since 2016. But it has since returned to the 3 percent to 3.5 percent range, typical for monthly import volumes since 1995.

Retail-price inflation that hit dairy products hard during 2022 has been quickly unwinding in recent months, as measured by annual change in the various consumer-price indices. The Dairy Margin Coverage margin has approached \$6 per hundredweight in March, the smallest levels since summer 2021.

Commercial Use of Dairy Products

Domestic yogurt consumption has returned during this year's first quarter to the strongly-positive growth it achieved during the first two years of the pandemic, after dropping in 2022.

Domestic butter consumption has also strongly rebounded during February and March from the previous year's mostly depressed levels, when it became a poster child for runaway retail-food-price inflation. Growth in total milk consumed domestically in all products continued to be positive by all measures during the first quarter, particularly as measured by fat-basis milk equivalent. On a total solids-milk-equivalent basis, it was on par with both milk-production and milk-solids production growth.

U.S. Dairy Trade

U.S. exports of many of the major product categories increased – compared to a year earlier – by modest percentages during this year’s first quarter. Total exports showed gains in milk solids, both total as well as percent of first-quarter domestic-milk-solids production. The average unit value of milk solids imported into the United States during the first quarter of 2023 was \$5.44 per pound. Thirty-two percent of those total milk-solids imports were concentrated-milk proteins, both milk-protein concentrate and casein, with an average unit value of \$4.11 per pound. Another 20 percent was cheese, with an average unit value of \$6.88 per pound.

U.S. Dairy Exports	Jan–Mar 2023	Jan–Mar 2022	2022–2023 Change	Percent Change
	(metric tons)			
Butter	10,776	14,728	-3,952	-27%
Anhydrous Milk Fat/Butteroil	1,726	4,162	-2,437	-59%
American-type Cheese	20,273	19,605	668	3%
Cheddar Cheese	20,147	19,186	962	5%
All Other Cheese	88,140	84,474	3,666	4%
Total Cheese	108,413	104,079	4,334	4%
Dry Skim Milk	209,253	202,950	6,303	3%
Whole Milk Powder	4,713	9,075	-4,362	-48%
Dry Whey	50,581	46,517	4,064	9%
Whey Protein Concentrate/Isolate	51,751	52,979	-1,228	-2%
Lactose	116,252	92,133	24,119	26%
Percent of U.S. Milk Solids Exported	16.7%	16.1%	0.6%	4%

National Milk Producers Federation

U.S. Dairy Imports	Jan–Mar 2023	Jan–Mar 2022	2022–2023 Change	Percent Change
	(metric tons)			
Butter	13,902	9,056	4,845	54%
Cheese	42,033	40,548	1,485	4%
Dry Skim Milk	144	218	-74	-34%
MPC (all protein levels)	19,019	15,778	3,240	21%
Casein	21,783	17,962	3,821	21%
Percent of U.S. Milk Solids Imported	3.6%	3.1%	0.5%	16%

National Milk Producers Federation

Milk Production

Annual milk-production growth since July 2022 has been positive but weak. Since 1996 there have been 10 similar episodes when U.S. annual milk-production growth switched from negative to positive – and thereafter stayed positive for at least the next nine months. Growth during those following nine-

month periods averaged from 1.28 percent to 2.70 percent. The current one has averaged 0.96 percent, with few states showing anything like breakout increases in production. U.S. total milk-solids production increased just 0.2 percent faster than total milk production during the first quarter.

Dairy Products

Production of most of the key dairy-product categories was mostly at more than year-ago levels by small-single-digit percentages during the first quarter. A notable exception was a small-double-digit percentage decrease in skim-milk-powder production, which is mostly destined for export when made in this country.

Milk and Dairy Products Production	Jan–Mar 2023	Jan–Mar 2022	2022–2023 Change	Percent Change
Milk Production				
Cows (1,000 head)	9,427	9,384	43	0.5%
Per Cow (pounds)	6,031	6,000	31	0.5%
Total Milk (million pounds)	56,858	56,305	553	1.0%
Total Milk Solids (million pounds)	7,556	7,465	91	1.2%
Dairy Products Production				
		(million pounds)		
Cheese				
American Types	1,440	1,403	37	2.7%
Cheddar	1,017	984	32	3.3%
Italian Types	1,470	1,462	8	0.6%
Mozzarella	1,157	1,141	16	1.4%
Total Cheese	3,534	3,501	33	1.0%
Butter	594	582	12	2.0%
Dry Milk Products				
Nonfat Dry Milk	558	531	26	5.0%
Skim Milk Powder	118	135	-17	-12.8%
Dry Whey	222	219	3	1.2%
Whey Protein Concentrate	120	110	10	8.7%

National Milk Producers Federation

Dairy Product Inventories

End-of-month inventories of the key dairy products at the end of March were mostly little changed from both a month earlier and a year earlier. March-ending American-type-cheese stocks returned to their average level for the past several months, following a one-month dip at the end of February. Manufacturer stocks of dry skim milk have generally averaged about 300 million pounds for the past six years, with periodic but relatively short forays to more than that level.

Dairy Product Inventories	Mar 2023	Feb 2023	Mar 2022	2022–2023 Change
	(million pounds)			
Butter	293	295	283	3%
American Cheese	832	817	828	0%
Other Cheese	627	629	637	-2%
Dry Skim Milk	325	326	296	10%
Dry Whey	68	69	69	-2%

National Milk Producers Federation

Dairy Product, Federal Order Class Prices

Class III and Class IV prices switched places from a month earlier in April, as Class III increased by almost the same amount as Class IV decreased. Cheese and dry-whey prices increased, while butter and nonfat dry milk declined.

Dairy Product and Federal Order Prices	Apr 2023	Mar 2023	Apr 2022	2022–2023 Change
NDPSR Dairy Product Prices	(per pound)			
Butter	\$2.402	\$2.426	\$2.769	-\$0.368
Cheddar Cheese	\$1.878	\$1.840	\$2.291	-\$0.414
40-Pound Blocks	\$1.941	\$1.950	\$2.276	-\$0.335
500-Pound Barrels	\$1.794	\$1.719	\$2.276	-\$0.482
Nonfat Dry Milk	\$1.155	\$1.194	\$1.831	-\$0.676
Dry Whey	\$0.440	\$0.426	\$0.739	-\$0.300
Federal Order Class Prices for Milk	(per hundredweight)			
Class I Mover	\$18.85	\$18.99	\$24.38	-\$5.53
Class II	\$19.20	\$19.52	\$25.71	-\$6.51
Class III	\$18.52	\$18.10	\$24.42	-\$5.90
Class IV	\$17.95	\$18.38	\$25.31	-\$7.36
Retail Dairy Product Prices				
Fluid Whole Milk (per gallon)	\$4.042	\$4.098	\$4.012	\$0.030
Lowfat Fluid Milk (per gallon)	\$3.700	\$3.748	\$3.682	\$0.018
Cheddar Cheese (per pound)	\$5.940	\$5.922	\$5.656	\$0.284
Butter (per pound)	\$4.452	\$4.663	\$4.150	\$0.302

National Milk Producers Federation

Fluid milk, which led the previous year's increasing retail-price inflation for dairy products, is now leading it back to lesser prices. In January 2022 the consumer-price index for all fluid milk was 6.8 percent more than a year earlier, while the overall consumer-price index for all dairy products increased by 3.1 percent. After maxing out at 17 percent in August 2022, by April this year the fluid-milk consumer-price index was just 1.6 percent more than a year ago. In contrast the overall dairy consumer-price index was still 8 percent more than a year earlier in April, after hitting a maximum of 16.4 percent this past November. Butter was dairy's most volatile inflation performer, starting 2022 at just

3.7 percent more year-over-year, peaking at 31.4 percent this past December, but decreasing to just 5 percent by April.

Milk, Feed Prices

Following three straight months when the Dairy Margin Coverage margin decreased by well more than \$1 per hundredweight, the margin decreased again in March, but by just 11 cents from February. The milk price decreased again for the fifth month in a row, to \$21.10 per hundredweight. That's \$0.50 per hundredweight less than the month before, but feed costs were less by almost as much at \$0.40 per hundredweight. It was the first monthly decrease on the Dairy Margin Coverage feed cost since this past November. The reduced feed costs were driven almost equally by decreases in the prices of all three feed components of the formula, when expressed on a milk-equivalent basis. The March Dairy Margin Coverage margin of \$6.08 per hundredweight will result in a payment of \$3.42 per hundredweight for Tier 1 coverage at the maximum \$9.50-per-hundredweight level.

Milk and Feed Prices	Mar 2023	Feb 2023	Mar 2022	2022-2023 Change
Producer Prices				
All Milk (per cwt.)	\$21.10	\$21.60	\$25.60	-\$4.50
Feed Prices				
Corn (per bushel)	\$6.67	\$6.80	\$6.56	\$0.11
Soybean Meal (per ton)	\$484	\$501	\$494	-\$10
Premium Alfalfa Hay (per ton)	\$314	\$324	\$299	\$15
Feed Prices (per cwt of milk)				
Corn	\$7.16	\$7.30	\$7.04	\$0.12
Soybean Meal	\$3.56	\$3.68	\$3.63	-\$0.07
Premium Alfalfa Hay	\$4.30	\$4.44	\$4.10	\$0.21
DMC Feed Cost* (per cwt.)	\$15.02	\$15.41	\$14.35	\$0.66
DMC Margin* (per cwt.)	\$6.08	\$6.19	\$11.55	-\$5.46
<i>* DMC calculations are not revised</i>				

National Milk Producers Federation

Looking Ahead

The U.S. Department of Agriculture's World Agricultural Supply and Demand Estimates report always adds the following year starting with its May update. This year's initial forecast calls for 2024 annual milk production to grow by 1 percent from this year, or 0.7 percent when adjusted for leap year. It also reduced its 2023 growth forecast to 0.9 percent more than the previous year. The department currently expects this year's modest milk-production expansion to extend through next year.

The May World Agricultural Supply and Demand Estimates report continues to be bearish regarding milk prices. It further reduced its U.S. average all-milk price calendar-year estimate for this year to \$20.50 per hundredweight. That's a decrease of almost \$5 per hundredweight from calendar-year 2022, and forecasts the 2024 annual average at \$19.90 per hundredweight. At the same time, the dairy futures were indicating 2023 and 2024 calendar-year average U.S. all-milk prices at \$21.15 per hundredweight and \$21.30 per hundredweight, respectively.

The same futures were still indicating that the monthly Dairy Margin Coverage margins were close to bottoming out for the year, at about \$6 per hundredweight this spring, followed by a slow increase that's unlikely to exceed \$9.50 per hundredweight until the fourth quarter.

Peter Vitaliano is with the National Milk Producers Federation, a farm-commodity organization representing most of the dairy-marketing cooperatives serving the United States.

Dairy Management Inc. and state, regional and international organizations work together to drive demand for dairy products on behalf of America's dairy farmers, through the programs of the American Dairy Association, the National Dairy Council and the U.S. Dairy Export Council.

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