

PRESS RELEASE

25th IFCN Dairy Conference 2024



KIEL, JULY 2024

WEST MEETS EAST; ASIAN DAIRIES: STANDING LOCALLY, THINKING GLOBALLY

The International Farm Comparison Network (IFCN) had invited its dairy researchers from all around the world to its 25th its annual Dairy Conference in Japan. This year's conference was focused on the subject "West meets East; Asian dairies, standing locally, thinking globally". The event took place in Asia for the first time in history, it was held in Japan's top dairy region in Obihiro on the island of Hokkaido from June 30th to July 2nd, 2024 with more than 100 international participants as well as around 100 representatives from the Japanese dairy sector.

IFCN Summary results

The year 2023 was characterised by a sharp drop in the IFCN World Milk Price Indicator of around 25% to an average of 39.8 USD/100 kg solid corrected milk, in line with the long-term average milk price. Despite this decrease in price, milk production growth was triggered and reached 20.5 mill tons vs. 2022. Although it exceeded last's years growth, it was still short 4.6 mill tons of the usual increase.

Erik Elgersma, IFCN Advisory Board member, concluded that the current milk production was not increasing as fast as the population, so people that were not fed properly at this time, would be denied access to animal protein.

On a positive note, at farm level, profitability can be attained in various markets by adapting systems to meet local conditions.

Japan: A country with dairy potential

The second day of the conference was dedicated to the Asian and especially the Japanese dairy sector. Hokkaido is the main dairy region producing more than 50% of the total Japanese milk. At national level, production was restricted during 2022 and 2023 due to supply-demand imbalance. However, this picture has changed and consumers are demanding more dairy products again, but producers struggle with high feed costs because of high dependency on imported feed. In this sense, Dr. Yoshiharu Shimizuike, from the Hokkaido University, explain that "the important aspect is to increase the domestic production of feed".

Dairy farms in Japan face multiple challenges, and founding cooperations of several farms can be the solution to overcome the shortages in land, labour, and also succession. One way to achieve this, is with "friendly management for both, cows and human beings" as the Japanese dairy farmer Mitsumasa Yamamoto, CEO from M-Queen's, has experienced. Dairy processors see themselves as "the bridge from producer to consumer and therefore aim to produce and sell safe and high quality dairy products as well as guaranteeing long term stability", according to Nobuyuki Suzuki, director from Yotsuba Milk Products Co. Ltd.. Also, dairy processors support farmers in many ways, i.e. they offer local seminars around Japan, provide support programs for improving the farm management, feeding, hygiene, technical support as well as trainings for new generations (farm successors). Overall, dairy consumption has been stable over the last years, however, "with the implementation of school

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lunch milk programs, Japan looks to improve the physical condition of children, promote the local dairy industry and increase the milk price for producers” as explained by Dr. Toshiyuki Nakata from Tomoe Dairy Processing Co. Ltd..

Southeast Asia: A dairy promising region

Milk consumption is a rising trend as it increases from generation to generation. Viet Nam, Malaysia, Thailand and Indonesia face common challenges: Heat stress, shortage of dairy cows, lack of land and limited feed supply. As an opportunity, many countries have launched school milk programs in order to promote dairy consumption, improve nutrition and health in the younger generations.

After 2 days of intensive discussion, all participants agreed that dairy is part of the solution not the problem. Altogether we should be more vocal. There are no simple answers to complicated issues.

The event was hosted by J-milk and supported by the companies: AB Agri, smaXtec, Holm & Laue, EVONIK, Deloitte and Calf Business Advice.



About: IFCN is a global dairy research and consultancy network based in Kiel, Germany. Founded in 2000, it now brings together more than 100 researchers and provides expertise in the form of data services to more than 130 companies in the global dairy supply chain.

IFCN Dairy Research Network

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