"Dairying in Argentina: cheap milk,... but sustainable?"

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Dairying in Argentina
Argentina,... where the South is cold!!!

Main Dairy Regions in Argentina
- Cordoba: 37%
- Santa Fe: 32%
- Buenos Aires: 25%
- Entre Rios: 3.1%
- La Pampa: 1.4%
- Other: < 3%

Dairying in Argentina
Landscape
Dairying in Argentina
Good Soil

Dairying in Argentina
Temperate Climate

Dairying in Argentina
Climate of Grazing Countries

Dairying in Argentina
No Tillage

Ferreira | Virginia Tech Dairy Science

2014 Virginia State Feed Association & Nutritional Management "Cow" College
Dairying in Argentina
No Tillage

Dairying in Argentina
Conserved Forages

Dairying in Argentina
Winter Crops

Dairying in Argentina
Summer Crops

Picture from Nicolas Capelle
Dairying in Argentina
Heat Stress

"The yellow belt... dairying in tropics"
St. Pierre
Dairying in Argentina

Heat Stress

![Image of cows in a barn]

Rainfalls

![Bar chart showing rainfalls from 2011 to 2013]

Dairying in Argentina

Lincoln (Buenos Aires), November 2012

![Image of cows in flooded area]

Lincoln (Buenos Aires), November 2012
Dairying in Argentina
Pehuajo (Buenos Aires), November 2012

Consequences of Rainfall

Waste Management

"... involvement with the environment"
J. Perdue
Dairying in Argentina

Waste Management

Benchmarking

Period Jul 2011 – Jun 2012

Feed Cost as Percentage of Milk Sales, %

Southern California
Lincoln, ARS

67.4
46.7

Dairying in Argentina

Milk Market

- Population: 41 million people
- National milk production: 11.3 billion L/year

Ministerio de Agricultura Ganadería y Pesca (2013)
Dairying in Argentina

Government

- Resolución 61/2007 (February 2007)
  - Scenario: low global stocks and high demand
  - “... establish mechanisms that insure milk supply in the local market”
  - Cut value of US$ 2,100 per tonne of milk powder
  - In October 2007, at US$ 4,000 – US$ 4,500 per tonne (FOB), there was >50% export duties!!!

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Dairying in Argentina

Cropping vs. Milking

<table>
<thead>
<tr>
<th></th>
<th>AR$/ha EBITDA</th>
<th>AR$/ha Operating Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>-1,324</td>
<td>-1,000</td>
</tr>
<tr>
<td>Soybean</td>
<td>2,557</td>
<td>0</td>
</tr>
<tr>
<td>Corn</td>
<td>-67</td>
<td>-800</td>
</tr>
<tr>
<td>Dairy</td>
<td>4,162</td>
<td>-900</td>
</tr>
</tbody>
</table>
Infrastructure is completely lacking.

St. Pierre
Dairying in Argentina

Infrastructure

![Car on muddy road]

"If we do not import labor, we will import food."

K. Boswell

Dairying in Argentina

People

![Person with horse]

Personel's Opinion of Dairying

Workforce Survey: "What do dairying staff like less from their job?"

- Mud/Rain: 42%
- Weather (cold/hot): 10%
- Working Hours: 9%
- Lack of Free Days: 11%
- Calf Care: 23%
- Others: 5%

(40 dairies, Region Santa Fe Centro, AACREA)
Dairying in Argentina

Labor

“Concerns about how the animals were raised”
J. Perdue

Animal Welfare
Dairying in Argentina

Cultural Issues

“... these soldiers have been slaughtering cattle from their childhood, and this act of necessary cruelty makes them familiar with bloodshed and hardens their heart against the groans of their victims.” From the book Facundo (Domingo F. Sarmiento, 1845)

“... treat animals humanly”

J. Perdue

Dairying in Argentina

... If Cows Could Speak!
Dairying in Argentina
Sustainability

... waste management?
... animal welfare?

THANKS!