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Nigerian potential is growing

Nigeria is a potential market for 1,3 million tons of milk valued at about US\$3 billion a USDA, says the Foreign Agricultural Services Grain Report. The report said that of the country's estimated 1,3 billion litres of total domestic fluid milk production in 2006, only about 600 000 litres worth about US\$1,5 million entered the formal marketing channels.

"The country's dairy imports were valued at about US\$275 million during 2006. High costs of production and low yielding genetics have retarded the sector's growth. Imports of processed dairy products will continue to increase as rising income boosts demand and domestic production continues to be insufficient," the report said.

The report prepared by Levin Flake and Uche Nzeka, said that domestic production is expected to increase significantly only if local infrastructure is improved and production cost lowered.

Nigeria's national herd is estimated at 14 million which includes about 900 000 milking cows. Average yield from this traditional system is four litres of milk per day per cow. Nigeria imports most of its dairy products from New Zealand, Australia, South America, the EU, India, Ukraine, and Poland. The average farmgate price of raw milk in Nigeria is 40 cents per litre with an average of pasteurised milk going for US\$2,50 per litre. – *Fidelis Zvomuya*

Investment boost for Tanzania

East Africa's largest dairy company, Brookside Dairy of Kenya, has urged the Tanzanian government to remove taxes on animal feeds and farm inputs, as well as improve infrastructure in milk growing areas and provide farmers with micro-financing to enable growth in the sector.

The company's general manager for milk procurement and extension services, John Gethi,

recently officially announced his company's Ksh1,34 billion about \$20 million investment in Tanzania.

"This investment will see our company boosting Tanzania's milk consumption to 600 000 litres of dairy in the next two years. We are also going to acquire new machinery and renovate our newly acquired Arusha factory so that it can handle more milk delivery," he said.

Gethi said the Arusha factory will be upgraded with the addition of a new UHT processing facility at a cost of \$2 million. Brookside receives some 13 000 litres of milk from local farmers daily, up from 1 000 litres three years ago. It has set a target of 60 000 litres by 2009. – *The Monitor*

Packed milk for the DRC

Rwanda's Kigali based Rubirizi Dairy is aiming to supply packed milk to Burundi and the Democratic Republic of Congo. Robert Ruzindana, a veterinary consultant, said Rubirizi's plan to venture into the new markets, comes at a time when packed milk manufacturers in the country are complaining that they are being edged out of business by the local milk sellers who retail the dairy products cheaply.

He said government programmes on agriculture are really good – but government must try to stop unlicensed individuals from trading milk: "To level the playing field, stakeholders in the dairy industry should aim at providing packed milk. Unpacked milk is dangerous as it can cause chronic diseases such as TB and brucellosis."

Ruzindana said that the conflict in the eastern DRC is bringing production to a standstill. Rubirizi dairy deals in fresh milk, yoghurt and fresh cream. The company also plans to start producing white cheese, milk shake, skim milk and butter. – *AllAfrica.com*

Still room for growth

Dairy farmers in Kenya have raised milk output in the first half of this year, hitting the 3,5 billion litre mark or a 32% leap over a similar period last year – the highest in more than a decade. Dairy statistics from the country, however, show there is still huge headroom for growth as more Kenyans consume milk products.

But even with these positive statistics, concern is rising about over-reliance on fickle natural pasture or rain-fed systems. Bhaskar Rajamani, director of Spin Knit Kenya Dairy said depending on natural pasture raises the phenomenon of there being a surplus during the rainy season and a deficit with the onset of the dry season.

The Central Bank of Kenya's monthly economic survey shows that the processors bought nearly 357 million litres of milk in 2006 – a 5,9% rise over the 2005 intake. – *Business Daily*

Brookside enters South African market

Brookside Dairy in Kenya will supply five million litres of milk annually to the Southern African Development Community (SADC) countries. The processor has received an order to supply milk worth over Sh 500 million in the next three years.

Brookside Dairy general manager for sales and marketing, Elias Ocholla, says the block is currently facing severe milk shortfalls, which the Milk Producers' Organisation of South Africa estimates at over 20 million litres annually. The shortfall is expected to last for the next two to three years.

Ocholla added that milk shortages in the SADC were caused by a near-collapse of the small-scale dairy farmer industry due to a combination of reasons – among them rising inflation of cattle feed. The collapse has forced large milk processors such as South African based Parmalat and Clover to cease supplying satellite countries, until they can meet their domestic needs. – *East African Standard*

Small-scale farmers key to Zim dairy

The two-day national dairy symposium held in Zimbabwe recently, was an eye-opener for stakeholders in the dairy sector who had the opportunity to share ideas on the development of the sector with experts from other countries, as well as come up with strategies to resuscitate the industry.

A true private sector initiative, the symposium brought together experts from milk-producing countries such as South Africa, Kenya and Ireland, who spoke passionately about the need to improve viability and to build the capacity of the smallholder dairy farmer to increase output.

Analysts say lack of private sector participation in development policies coupled with lack of information on agricultural developments in other countries, have been the missing link in efforts to resuscitate



Zimbabwe's productive sector which is export-driven. The country now relies heavily on large-scale milk producers who have their own problems. – *AllAfrica.com DMA*