

Briefly | Africa

East Africa milk war intensifies

The milk war between Kenya and Tanzania has intensified, with Tanzania's minister of East African Cooperation, Dr Diodorus Kamala, now insisting that either Brookside Dairy Tanzania Ltd stops sending milk across the border for processing, or leave the country altogether.

According to Dr Kamala, turning the plant into a collection point has denied Tanzanians employment opportunities that they would have enjoyed, had the milk been processed locally. He said the intention of the government when they privatised the company, was to encourage value-addition and create employment in Tanzania.

However, Brookside has argued that since there wasn't enough milk in the area where they operate, they had no option but to establish a series of measures in Kenya. An official of the firm declined to divulge what had been discussed with the minister, saying it was being handled by the management and relevant authorities. – *The East African*

Kenya faces export shortage

The ghost of post-election violence in Kenya has returned to haunt the dairy industry, with reports that milk shortages could persist well beyond the first quarter of 2009. In what appears to be mixed fortunes, dairy farmers are enjoying their best ever producer prices and regular payments, courtesy of stiff competition among processors, while at the same time having to contend with rising production costs and a persistent drought that has led to the drying up of pastures.

This, coupled with a steep rise in the cost of animal feeds and veterinary services, has eroded margins by 30%. Although processors

have increased producer prices by a similar margin from about Ksh17 (\$0,26) per litre in 2007, to the current Ksh22 (\$0,33) to Ksh26 (\$0,4), depending on the buyer, a rise in the general cost of living has impacted negatively on the farmers' overall fortunes.

In June last year, the Kenya Dairy Board was upbeat, reporting that the country was headed for huge earnings from milk exports, but this has remained a mirage. Exporters have failed to service export orders and have shelved plans to expand into new markets, owing to shortages.

Kenya Dairy Board managing director, Machira Gichohi, said the country faces a huge shortfall of 450 million litres and will not be able to service export orders. He also warned that the country's processors may begin to concentrate on lucrative exports, creating a deficit in local markets.

Despite the grim scenario, he said: "Milk prices are good in the international markets and dairy farmers stand to earn more than they have in the history of the sector." – *The East African*

Mbale to house semen

Land O'Lakes, a private dairy industry development charity, is to set up an artificial insemination centre in Mbale town, Uganda, with funding from USAid and the US department of agriculture. The country manager of Land O'Lakes, Dr Paul Kimbugwe, spoke at the first cattle show at Mbale's cricket grounds, saying that the project would help farmers to improve their herds for both beef and dairy products.

Kimbugwe said the intervention aims to improve milk production and household income of farmers. Presiding over the

function, the acting agriculture commissioner, Rev Sandra Mwebaze, said the government was to increase milk production to 1,4 billion litres annually and make 400 million litres available for export by 2010. – *New Vision*

Milk pricing plan for Malawi

The Malawian government has advised milk buyers to come up with better prices that reflect the rising cost of producing the product by local farmers. Principal secretary in the ministry of agriculture, Andrew Daudi, said there was a great need to consolidate the pricing of milk in the country in order to halt the exploitation of dairy farmers.

During the official opening of a national symposium for the Dairy Producers Association Limited of Malawi (DPAL), Daudi said farmers currently sell their milk for between K60 and K80 per litre, but once processed it is sold at K170 per 250 ml. Yet the cost of producing one litre of unprocessed milk has almost doubled, according to industry estimates.

He said the difference between the buying price and the selling price of the product was unfair, and asked participants to come up with a right mechanism to compensate the farmers. Malawi produces 35 million tons of milk per year. – *The Nation*

Super dairy farm in Namibia

Namibia Dairies kicked off with the structural development of its super dairy farm in Mariental in August this year. The N\$80 million investment will create 50 new jobs and will produce 30 to 40% of Namibia's total milk production, reducing the country's dependency on imports.

"When completed, this super farm will be one of the most modern dairy facilities in the world, using state-of-the-art technology to provide Namibian consumers with quality, healthy and affordable products," said Hugh

Froggatt, managing director of Namibia Dairies, at the groundbreaking ceremony.

The farm will house 4 000 cows and will integrate the company's existing dairy farms at Gocheganas near Windhoek and the farm Pardah. But despite the super farm, Namibia Dairies will still procure raw milk from small and mid-scale dairy producers.

Refuting claims that milk prices in Namibia are too high because of infant industry protection, Thieme said the dairy industry has over a long period of time "absorbed inflationary increases in the price of fodder and transport". – *The Namibian*

Put the NAIC to good use

Small-scale dairy farmers in Tanzania are yet to make the best use of the services offered at the Usa River-based National Artificial Insemination Centre (NAIC) to improve productivity of their dairy animals. NAIC director, Charles Makundi, said the centre exported its services to foreign dairy farmers, while the local small-scale farmers were unaware of the availability of the service at their doors step.

Makundi lamented that many small-scale farmers were ignorant of the advantage they would get from improving their breeds for better production through the use of artificial insemination.

NAIC has 23 bulls capable of producing between 10 000 to 15 000 insemination vials annually. Plans are underway to add ten bulls to their stock in order to meet increasing local and export demand. The director said their breeds were Ayrshire, Friesian, Jersey, Sahiwan, Mpwapwa and Boran originating from South Africa, Kenya and Tanzania.

Four sub-centres will soon be opened in Mbeya for the southern highlands, Mwanza for the lake zone, Dar es Salaam for the coastal and eastern zone, and Dodoma for the central zone. – *Arusha Times* 