



Esada News

by Fidelis Zvomuya

The African dairy industry and continental governments must join hands for the introduction of successful national school milk feeding programmes so as to help improve the health of the continent's billions of under-nourished children.

Addressing the 3rd Esada Conference and Exhibition, Parmalat CEO Theo Hendrickse said that a successful school milk programme is a direct intervention that will result in promoting a milk drinking culture. This will increase *per capita* consumption, which will in turn help sustain dairy producers.

“The dairy industry can play an important role in reducing the number of children suffering from extreme hunger and at the same time assist in the improvement of learners’ ability to perform in class. We need to remind ourselves at the outset of this conference that drinking milk or eating yoghurt on a regular basis, can dramatically change the future of our children in the region,” he said.

It is the duty of the industry with the support of all governments on the continent, to see to it that school milk schemes flourish Hendrickse said. “So much is written on the subject and it has been deliberated at length at various conferences around the world. Yet we have only small pockets of success. This is not good enough. We need less talk and more action,” Hendrickse said.

He said Parmalat Botswana is very proud to be associated with one continental school milk programme success story where the government is tackling the challenge of reducing the number of people suffering from extreme hunger, head-on.

“The government of Botswana started a national school feeding scheme in 2003, involving about 320 000 learners at more than 600 schools throughout the country. Parmalat has been one of the suppliers to the Botswana

School Feeding Programme which has been running successfully since its inception. It is not surprising that Botswana is on track to achieving the goals of universal primary education and reducing the number of people who suffer from extreme hunger,” he said.

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In Kenya, through the government school milk programme, the people are now consuming between 30-95 litres per year. The challenges of establishing successful school milk programmes across the continent, are much more readily achievable than many of the other development challenges confronting Africa. “Let’s get it done. When Esada next meets, I hope that there will be many more success stories,” Hendrickse said.

Professor Girja Pandey of Zambia’s Golden Valley Agricultural Research Trust (Gart) says there must be some incentives for secondary producers to become involved in this programme, as it will not yield any profits.

Professor Pandey said the school milk programme is common in many countries and called other African states that have not introduced such programmes, to consider the introduction of this programme to improve the attendance of pupils in the schools and contribute towards the health and mental empowerment of the future generation. **DMA**

Briefly | Africa

Shortages jeopardise farmers

The survival of small and medium-sized dairy farmers in South Africa could be at risk, as input costs rocket and the selling price of milk at the farm gate fails to keep pace, say economists. The country's milk shortage, which hit the market in early 2007 and is expected to last until November, is likely to see consumers paying more for milk.

The shortage has been attributed to lower rainfall than usual, forcing farmers to use expensive alternative feed sources. An international shortage is also placing pressure on the country's ability to import milk, and retailers and dairy processors have been accused of keeping farmers' prices down, placing small farmers in jeopardy. – *Business Day*

Back to normal for Namibia

The Namibian Dairy Producers Association (DPA) has assured consumers that the industry is producing enough milk for local consumption. DPA President, Japie Engelbrecht, told *New Era* newspaper that there were no problems with milk, but rather with cheese and possibly with UHT milk.

"We have taken up the matter with Namibia Dairies and there are no shortages. As far as I know, the meeting was quite open and there is no such thing in the near future," he said. Engelbrecht said the problem the industry is facing at present is lack of lucern, which forms the main component of dairy cattle feed. "There is nothing here or in South Africa until September/October when the first rains are expected," he said.

Other supermarket chains that stock up a lot of imported milk, lamented that the shortage was due to the local industry's failure to

produce sufficient milk. The unnamed source also explained that the supermarkets were facing problems in importing milk due to the implementation of the 40% levy on imported UHT milk. The levy was implemented in April after the industry asked for an extension of the Infant Industry Protection (IIP) to bring relief, among others, to the industry which was being bombarded by competitively priced products from South Africa.

South Africa is already facing milk shortages. In March, the country's Milk Producers Organisation (MPO) warned of milk shortages, especially in winter as a result of sharp increases in maize and feed costs, combined with low producer prices. – *New Era*

Parmalat to restructure

The South African operation of the global dairy group, Parmalat, is to spend R100 million on increasing its production capacity, Theo Hendrikse, CEO of Parmalat SA, has said. The capital expenditure will be used to expand Parmalat's distribution and increase its capacity in the cheese and long-life milk sectors.

The sudden growth in the SA cheese sector meant Parmalat had taken "emergency measures" to expand manufacturing capacity at its factory at Bonnievale in the Southern Cape, to meet the current shortage, Hendrikse said.

Parmalat holds the leading market position in long-life milk and cheese in South Africa, and is second in market share in the yoghurt category. Milk and cheese account for 75% of the group's SA sales. The local dairy market, which is worth R16,3 billion annually, is the biggest in Africa and is expected to generate 86% of the group's R2,9 billion of projected sales this year. The group's operations in Zambia, Mozambique,

Botswana and Swaziland will account for the remainder.

Hendrikse said Parmalat would in future look for expansion opportunities further afield in sub-Saharan Africa, with viable milk sources, following other successes it has had on the continent. – *Food and Beverage Reporter*

Farmers stuck with milk

Sameer Agricultural and Livestock, the firm managing the former Ugandan Dairy Corporation, has suspended milk purchases from dairy farmers in Western Uganda, citing the country's current diesel crisis. Ashok Garg, a director at the Sameer Group, said the farmers should not worry "because we will be in position to collect all their milk as soon as the diesel problem is solved."

Transactions between Sameer and the Uganda Crane Creameries Cooperative Union (UCCU) farmers have been based on an agreement the farmers signed with the former Dairy Corporation in 2003. Under this agreement, the farmers were supposed to supply over 100 000 litres of milk daily.

UCCU is an apex body for seven farmers' unions in seven Western Uganda districts. "Sameer has breached the agreement first by not being able to buy 100 000 litres that were agreed upon and secondly, by abruptly stopping milk purchases without notifying stakeholders," George Nuwagira, the UCCU chairman said.

Before the suspension, Sameer was buying 50 000 litres daily which is half of the amount agreed upon. – *New Vision*

RVF death toll rises

Authorities in Tanzania are still struggling to control an outbreak of Rift Valley fever (RVF), a highly contagious viral disease that infects livestock and humans. The United Nations World Health Organisation (WHO) said that 264 human cases of RVF had been reported in

Tanzania between mid-January and 3 May, with 109 of the patients having died.

In neighbouring Kenya, a total of 684 cases of RVF, including 155 deaths, were detected between 30 November 2006 and 12 March 2007, according to WHO. About 333 cases were reported in the North Eastern Province and the rest in the Rift Valley, Coast, Central and Eastern provinces. The disease has also hit Somalia. – *Irin News*

Shortage looms in Botswana

It is only a matter of time before milk prices in Botswana skyrocket. *Monitor* newspaper reported that some shops in the country will soon run out of liquid milk. Major wholesalers have confirmed that the supply of such milk has decreased considerably.

Commercial manager of Clover Botswana, Henk Luwes, confirmed that there is a serious shortage of milk across the whole world, adding that Clover South Africa, their principal supplier, is running short of 78 million litres of milk every month of both the UHT Ultramel and fresh milk. However, the supply of fresh milk will remain constant.

He added that powdered milk and other dairy products have not been affected yet. Luwes noted that they have in the past experienced a decrease in milk supply during winter and would not predict what would happen in the next three to four months. He was also unsure whether the shortage could be due to the current drought situation in the Southern African region or high demand. Clover Botswana supplies local retailers.

Stanley Mosielele, chief animal production officer in the Ministry of Agriculture, confirmed that there is the likelihood of a decline in local milk production due to a shortage of feeds and the resultant escalation in feed prices and the prevailing drought conditions. He said that Botswana is 50% self-sufficient in fresh raw liquid milk production with six million litres per annum.