

MAIN FEATURE



Selling milk at the Zimbabwean roadside

A snapshot of Zim dairy

by Fidelis Zvomuya

The dairy sector in Zimbabwe is in a bad and perilous state due to the current economic crisis, hyper-inflation, power cuts, unavailability of fuel, shortages and high input costs resulting in the farmers' survival no longer being about money, but the passion they have for the industry, Ajs Kirk, chairperson of Zimbabwe's National Association of Dairy Farmers (NADF) says.

Kirk says the future viability of farmers is under siege due to mounting pressure from both the economy being driven by an inflation rate of close to 7 000% and the increasing unavailability of basic inputs.

"These challenges have seen milk output declining drastically in recent years. Both farmers and milk processors face bankruptcy due to dramatic, sustained and manipulated fall in prices. Right now the price is approximately below the total economic cost of production," he says.

The latest snapshot of Zimbabwe's dairy industry shows that 200 dairy farmers and 158 000 dairy cows have disappeared from the industry since 1990. The country's milk production nose-dived by 65% from 256 million litres in 1990 to 90 million in 2006.

This falls 50% short of the dairy domestic demand which is estimated at 180 million litres per year. This national requirement is against a drop in the country's *per capita* consumption which went down to the current 7 litres from a high of 25 litres in 1990.

The number of registered producers declined from 514 in 1990 to 278 in 2007. An estimated 200 former dairy farms are no longer being used for milk production despite them having basic dairy infrastructure in place.

Milking herds

Milking herd size declined from 191 000 in 1990 to the current 33 000, giving an average yield of 14 litres per cow per day down from 25 litres. Poor breeding, inappropriate breeds, the lack of high technology and cutting edge research on feed and genetics is another challenge that has affected production and milk quality.

"We are surviving as dairy farmers just because we know that if the country's dairy industry collapses, it will never rise again.

"If we kill our cows that have evolved after generations of area-specific breeding and adaptation, they can never be replaced. I have come to the conclusion that waiting for the light at the end of the tunnel that seems to be moving away and dimming all the time, is futile," Kirk says.

Kirk notes that farmers need to identify cost-effective milk production processes, assist in the development of policies and actionable strategic plans to address constraints such as farmers' viability, the high cost of stock feed.

"These challenges have seen milk output declining drastically in recent years. Both farmers and milk processors face bankruptcy due to dramatic, sustained and manipulated fall in prices"

"Despite all these challenges, we need to understand the relevant global dairy industry value chains as our rebuilding and revitalisation plans hinge on a strong market that exerts a pull effect that is attractive and quantifies incentives for the producers," he says.

Compromising quality

Poor infrastructure, low *per capita* income and poor milking herds and marketing are all a cause of concern for the sector.

Shortages of drugs and milking machines is compromising quality of the milk with the average somatic cell count (SCC) having gone up to 741 000 this year from last year's 593 000. The country's national SCC requirement is anything less than 400 000.

"The quality of the product is also our major concern," Kirk says. Despite a decline in the number of producers, the number of processing companies has increased from two in 1990 to

(Continued on page 13)

(Continued from page 11)

the current 34. But these facilities are currently utilising 30% of their processing capacity.

Anthony Mandiwanza, group chief executive of Dairibord Holdings Limited, says these processing facilities have an existing installed capacity to process in excess of 400 million litres per year. According to Mandiwanza, Zimbabwe needs to put in place policies and strategic focus that will see an increase in milk production with a target of 240 million litres by 2010.

“The country has potential exports in excess of 100 million litres that can earn US\$65 million per year,” Mandiwanza says.

But a scientist with Chinhoyi University of Technology, Evelyn Garwe, says the sustainable viability and commercial competitiveness of dairy producers in Zimbabwe does not only rely on policy changes,

but also relies heavily on the establishment of new and appropriate technologies for managing and feeding cows to optimise productivity.

Garwe says research is the main source of

“Despite a decline in the number of producers, the number of processing companies has increased from two in 1990 to the current 34”

technological innovations and is very important in strengthening the country's dairy potential. “In order for research to achieve the intended results, there is the need for a narrow definition of priorities, a well-trained multidisciplinary team of scientists and long term commitment,” Garwe says.

The regulatory environment

Zimbabwe has weak research and productivity programmes designed to increase milk production, but very effective regulations for enforcing regulated milk prices. In 2007 alone the milk price in Zimbabwe went up by 3 746% from Z\$650 per litre in January to Z\$1 400 in February, Z\$3 200 in March, Z\$11 000 in April to the current Z\$25 000. Farmers are still saying this milk price is not fair at all.

Most dairy farms' income is highly concentrated, with 97% coming from raw milk sales, 2% excess heifer sales and 1% cattle slaughter.

At the same time the cost of performing dairy farming in Zimbabwe is pegged at 76,8% feed, 19,2% indirect costs, 2% animal health chemicals, 0,3% artificial insemination, 0,7 disinfectants, 1,1% labour. “If for whatever reason we cannot produce milk at a competitive price, we must change our system or stop production,” Kirk says.

He says currently dairy farmers have been reduced to investment experts, political



The commercial dairy herd in Zimbabwe has declined drastically

analysts, police and chief negotiators as they have to take these challenging tasks for critical survival.

“This professional change has seen the country's milk quality declining as farmers are not spending time on their dairies due to all these challenges. We can't plan or budget at the moment, because we are now operating at a monthly inflation rate of 100%.” **DMA**