

Briefly | Africa

Doha Round suspended

World trade talks collapsed after nearly five years of halting progress towards a global pact worth billions of dollars in benefits to developing countries. This came after the World Trade Organisation (WTO) director-general, Pascal Lamy, recommended that the 149 members suspend talks.

He did not suggest a time or date at which talks could resume. After talks among the "group of six" (Australia, Brazil, the European Union, India, Japan and the US) broke down, Lamy said that gaps in the positions of key players remained too wide. Despite the debacle, all members of the G6 said that they remained committed to the multilateral trading system and to completing the Doha round, even if they would not say how or when the negotiations could be revived.

The 149-member WTO had been hoping to complete negotiations on the Doha Round by the end of the year. But the setback in Geneva left the Round bereft of a target date and with a host of potentially complicating international events on the horizon, including several elections and the expiry next year of US presidential powers to negotiate trade deals. – *Reuters*

New owner for Uganda Dairy Corp

Over 250 workers of Dairy Corporation have been laid off as the Ugandan government prepares to hand over the parastatal to the new owners, the Sameer Group of Kenya. The corporation has been leased to Sameer for ten years, sources at Dairy Corporation told *Daily Monitor*.

Sameer Group is taking over Dairy Corporation after a botched lease of \$1 to a Thai company, Malee Sampran PLC in 2004. The lease on a directive from President Yoweri Museveni, received public criticism that forced the Thais to abandon the venture. In March this year, Sameer registered Sameer Agriculture and Livestock Uganda to take over Dairy Corporation.

DCL currently produces about 40 000 litres a day of pasteurised milk and 30 000 litres of UHT in addition to yoghurt, cheese and ghee. However, the production output has dropped due to the persistent drought in Western Uganda and other milk-producing regions. The haphazard privatisation forced World Food Programme, the UN relief agency that was interested in financing a school milk-feeding programme for schools worth millions of dollars, to withdraw. – *The Monitor*

New directors for Kenya's KDB

A new board of directors for the Kenya Dairy Board (KDB) was inaugurated amid fears of a milk glut. The industry has grown by 160% over the past two years and New KCC officials expect more robust growth in the short term. Githunguri Dairy wrote to the Kenyan cooperative development ministry, complaining that its members were losing 10 000 litres of milk daily because New KCC failed to take their deliveries. The Kenya Federation of Agriculture Producers was quoted in *The Nation* asking the partly state-funded KCC to invest in milk powdering to stop the growing loss to farmers.

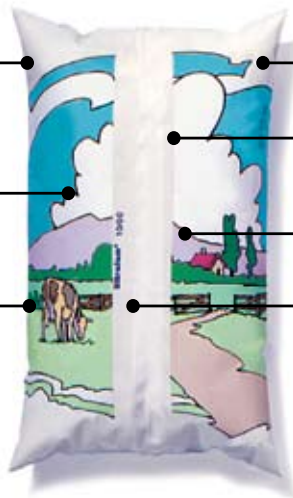
KDB managing director, Machira Gichohi, whose term has been extended by three years, said the massive increase in production had led to a crisis in the sub-sector. Board chairman Reuben Chesire, asked the minister to look into the possibility of milk consumption in schools to increase the sales. The board has three government representatives – twelve represent milk-producing provinces, while private schools are represented by one member.

Munyao said he was in favour of a school milk programme to boost the health of six million children – an idea the industry has been keen on. The minister, while urging dairies to export their products, cited marketing efforts by New KCC who had opened depots in Kigali, Rwanda, as a positive step in addressing demand. He added that Eritrea also needed Kenyan milk. – *The Nation*



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Malawi Dairibord makes acquisition

Dairibord Malawi Limited, a subsidiary of Zimbabwe's biggest milk processor, DZL Holdings, has snapped up an 80% stake in Mulanje Peak Foods (MPF), a fruit-canning plant in Malawi. The MPF plant, which is located in the Mulanje district of Blantyre, ceased operations in 2000. It started off as Mulanje Canning Corporation (MCC) in 1969. It has capacity to process fruit, vegetables, juices and condiments. A consortium of indigenous partners owns the remaining 20% shareholding in MPF. – *The Financial Gazette*

Brazilian expertise for Africa

Ghana will host the first African branch of the Brazilian Agricultural Research Corporation (Embrapa). The branch will act as a regional base for sharing Brazil's agricultural knowledge with the whole continent, and will be located at the Council of Scientific and Industrial Research in Accra.

Two staff members will identify local research needs, plan studies that can be undertaken in Brazil, and seek international partners to cooperate in the agency's initiatives. Research will be carried out in Brazil by Embrapa's 38 research units, which will send their findings back to Ghana.

The branch was established after increasing demands from Africa for Brazilian agricultural technology. The move comes as part of Brazil's commitment to South-South Cooperation. "This is a fascinating experience and a challenge to work with African countries," said Sotó Pacheco Costa, Embrapa's supervisor of bilateral cooperation. "We are hoping to help resolve the problems in the agricultural sector and become closer partners." – *allafrica.com*

Kenya exports cattle to Rwanda

Kenya has exported another consignment of more than 500 dairy cattle to Rwanda. The Kenyan director of livestock production, Julius Kiptarus, said that last year's export of 120 cattle to Rwanda motivated it to order more. Speaking during a dairy farmers' field day in Kenya's Keiyo district, the director said the standard of dairy production in the country has been recognised in the region.

Morocco fights starvation

In a bid to eradicate cannabis production in Morocco by 2008, the North African country is encouraging farmers to rather grow olives, tend livestock and produce dairy products and poultry. Although the Moroccan government managed to cut the trade by 10% from 2004 to 2005, according to the International Narcotics Control Board, many farmers feel that not enough has been done to provide them with other opportunities.

A protest by 3 000 farmers made it clear that although they supported government's attempts to cool the narcotics trade, they also needed to survive. – *Business in Africa*

New name for Angolan Ministry

The Angolan Ministry of Agriculture and Rural Development has undergone a name-change. It will in future be known as the National Fund for Farming and Cattle Raising. A technical council will establish the methodology to the elaboration of a plan on Angola's food security. – *Angola Press Agency*

Research project launched

A research project to identify impediments to agricultural development in East Africa, has been launched. The Sh987 million project will be co-ordinated by the Semwanga Group, a Ugandan consultancy firm.

The project, funded by the Association for Strengthening Agricultural Research in Eastern and Central Africa (Asareca), aims to identify agricultural problems in Uganda, Rwanda and Burundi. "Increased research in agriculture is the only way African countries would move out consistent poverty and hunger," said Uganda's Agriculture Minister, Hillary Onek.

He said most of the Eastern and Central African countries were net importers of agricultural commodities. Yet, they could be Africa's food baskets. "The picture that emerges is of a region comprising of countries that are unable to meet the needs of their burgeoning populations and sluggish growth in agricultural productivity, which has translated into sluggish overall growth and low *per capita* income levels," the minister said. – *allafrica.com*

Nigeria wants agriculture as profession

A call has been made for the professionalisation of agriculture in Nigeria. Rising from a one-week round-table on practical training held at the University of Agriculture in Abeokuta, Nigeria, deans of agriculture at Nigerian universities said that to increase enrolment in agricultural courses at tertiary institutions, incentives such as scholarships and bursaries should also be provided to students.

Agricultural graduates should enjoy a higher pay than other professions, because of its intensive nature. Additionally, funding to agricultural production and research at institutions, should be a priority. The participants also recommended improved funding for infrastructural development for research and commercial farms to improve entrepreneurial skill of students in tertiary institutions.

The round-table noted the deplorable state of facilities for practical training of agriculture undergraduates in Nigeria, the likely effect of poor practical training and lack of hands-on experience on the quality of agricultural graduates. It also emphasised the need for skills acquisition to ensure well-trained agriculturists and farmers, capable of taking advantage of the improved technologies available. – *This Day*

Uganda mobilises farmers into co-ops

The Ugandan government has developed a plan to mobilise all peasants across the country into cooperatives to help farmers realise profit from agriculture production. The Minister of Agriculture, Hillary Onek, said the plan would teach farmers marketing principles and standardise agriculture products for export. It will also include essential processes of value addition so that local products fetch better prices.

“Our farmers are being cheated by unscrupulous traders who pay them peanuts because they lack basic skills of marketing to negotiate for better prices,” he said. While presiding over the 84th International Cooperative Day, Trade and Industry State Minister, Gagawala Wambuzi, said government would soon enact a law on insurance to protect the cooperatives movement.

“Government recognises cooperatives as partners in building the economy, strong mobilisation of markets and negotiating of fair prices. However, to enable you to do better business, we are considering enacting a law on insurance to protect members’ savings under cooperative leadership,” Wambuzi said.

The first cooperative society was registered in Uganda in 1913. However, the 1970s and 80s movement started to wane due to political upheavals and wars leading to gross mismanagement by staff and interference by government. In the 1990s, government adopted economic liberalisation policies, which among others removed the monopoly position previously enjoyed by the cooperatives in marketing and production of major cash crops and stopped providing cooperatives with crop finance to purchase members’ produce. – *The Monitor*

US\$50 million for ASPS

The Agricultural Sector Programme Support (ASPS) has received US\$50 million to support the on-going agribusiness drive among commercially oriented farmers throughout Uganda.

According to a statement from ASPS, the Danish Agency for International Development (Danida), contributed towards a revolving fund to be channelled towards farmers’ activities over a five-year period.

When properly utilised, the money is expected to increase opportunities for agriculture, and boost profits for enterprises within the economy, says the AgriBusiness Development Component (ABDC) team leader, Jaap Blom. ASPS recently established what it called the “enterprise innovation fund” after securing the money to ensure that agri-business takes root.

The cash is “to provide successful applicants with fast access to resources to develop and implement innovative responses to the growth of their businesses,” the statement adds. Blom says they expect the second phase to lay ground for the poor to engage more in farming for business. “And these are particularly the poor and women – who can better demand and control agricultural development processes and the delivery of services,” he said. – *East African Business Week DMA*