

MONTHLY DIGEST (Livestock Sub-sector in the EAC)



RECENT DEVELOPMENTS IN THE LIVESTOCK SUB-SECTOR IN THE EAC (May, 2015)



**Information in this Document is
Proprietary Property of the Registered
Trustees of Kilimo Trust. Don't Copy
and/or Use without Written Permission**

KILIMO TRUST: *regional solutions to local problems*



Prepared by



regional solutions to local problems

www.kilimotrust.org

Table of Contents

1. NEWS IN THE LIVESTOCK SUB-SECTOR IN THE EAC: MAY 2015	2
1.1 Constraints of Commercialization of Dairy Sector in Tanzania	2
1.2 The Impact of Political Strife to Livestock Keepers in Burundi	2
1.3 Pioneer Merger of Dairy Processors in Kenya and Uganda.....	3
1.4 Perpetual Cattle Rustling in Northern Region of Kenya rears its ugly head Again!!	3
1.5 To Eat or Not to Eat? The debate revolving around the beast of burden in Kenya.....	4
1.6 Inter-relationship between human and animal health: a case of Kenya.....	4
1.7 Agriculture Policing Kick starts in Uganda.....	5
1.8 One more problem to the already troubled Fishing Industry in Uganda: Climate Change	5

1. NEWS IN THE LIVESTOCK SUB-SECTOR IN THE EAC: MAY 2015

1.1 Constraints of Commercialization of Dairy Sector in Tanzania

The small-scale nature of milk actors in the dairy value chain from production to trading has been poised as a bottleneck that is curtailing full commercialization of the industry in Tanzania. As a result, a vicious cycle follows whereby, due to lack of economy of scales, actors are perpetually constrained with limited access to inputs and services including breeding, feed and animal health at farm level causing a spiraling effect in form of inconsistent supply in quantity and quality to downstream actors such as processors.

A participatory methodology of Farmers Group Discussion in Tanzania as part of the ‘Maziwa Zaidi’ project has shed light into priority challenges that constrain the dairy sector in Tanzania: feed shortage, limited knowledge by farmers of zoonotic diseases as well as benefits of collective action in commercializing livestock production. These constraints are now being looked into through more in-depth studies under the “Maziwa Zaidi” projects including piloting of best-bet interventions and monitoring of related outcomes.

The “Maziwa Zaidi” project is seen as panacea organizational model to the problems associated with the ‘pre-commercial’ dairy farmers who dominate the sector and who development efforts have hitherto neglected. http://livestockfish.cgiar.org/2015/05/15/tanzania_vcreport/

1.2 The Impact of Political Strife to Livestock Keepers in Burundi

Political strife has a direct negative impact on the productive sectors of economies globally and results in an average of 12.5% drop in agricultural production (Kamenyi et al 2014). This has been the case for Burundi a country that is currently facing political insurgency occasioned by an electioneering period in the better part of 2015. As a result, some affected citizens sought refuge in Rwanda with their animals and are now affected by limited pastures and vaccines. Authorities from Rwanda are now calling upon these refugees to sell off their animals due to lack of pastures and risk of spreading of diseases.

As would be expected, these livestock keepers are not only adversely affected by potential loss of a source of livelihood but also glaring post-conflict socio-economic ramifications especially in the absence of government safety nets and insurance instruments.

<http://www.newtimes.co.rw/section/article/2015-05-07/188552/>) and Kimenyi M., Adibe J., Djiré M., Jirgi A., Kergna A., Deressa T., Pugliese J. and Westbury A. 2014. The Impact of Conflict and Political Instability on Agricultural Investments in Mali and Nigeria. African Growth Initiative Working Paper 17. <http://www.brookings.edu/research/papers/2014/07/conflict-political-instability-agricultural-investments-mali-nigeria>

1.3 Pioneer Merger of Dairy Processors in Kenya and Uganda

Mergers and acquisition of big livestock products processors is a rare occurrence in East Africa much less, one that transcends national boundaries. However, this narrative is changing with the recent acquisition of Sameer Agriculture Livestock Limited (SALL) by the Kenyan giant Kenyan dairy processor Brookside at a cost of US\$1.06 million. While the news about the acquisition have not been officially confirmed in Uganda, Kenyan dailies and other types of media are rife with the news. Standard Digital (2015) reported the premier move by Brookside as one of its kind beyond the Kenyan border and senior officials at the company confirmed the move to some of the suppliers of the former SALL in Western Uganda. The Star Newspaper in its May 1 2015 news article reported that the government of Uganda which owned 43% stake at SALL confirmed a close of the deal at an un-substantiated UGX1.05 trillion (Ksh 3.5 billion).

This move is reported to be causing political ‘shivers’ and for a good measure; SALL is the biggest dairy processor in Uganda with the largest installed capacity and the acquisition by an even bigger giant is poised to monopolize dairy processing in Uganda to the disadvantage of consumers and small industry players. Also, it is reported that there is public dissatisfaction over the move that is seen as a continuance of unabated sale of public investments at throw-away prices.

SALL, joint venture company was a result of a 10 year lease of the then Uganda Dairy Corporation in August 2006. It was co-owned by Sameer Group of Kenya and with RJ Corp of India. Initial reports indicate that financial benefits are already trickling down to dairy farmers in Uganda three months into the acquisition as exemplified by a UGX 20 billion pay-out for milk deliveries, a 100% increase over a similar period in 2014. While this is good news, it remains to be seen if there will be equitable distribution of gains from this acquisition to all players in the dairy industry in Uganda amidst claims that Brookside has previously used its market advantage to retail Kenyan milk in Uganda outlets.

<http://www.standardmedia.co.ke/business/article/2000164166/kenya-s-brookside-acquires-ugandan-dairy-firm-in-expansion-drive>, <http://www.the-star.co.ke/news/brookside-buys-sameers-uganda-dairy-operations#sthash.uIM1rhpt.dpbs> and <http://www.theeastafrican.co.ke/news/Kenyatta-family-firm-buying-into-Uganda-dairy-raises-debate-/2558/2703528/-/lhjrr0z/-/index.html>

1.4 Perpetual Cattle Rustling in Northern Region of Kenya rears its ugly head Again!!

It's quite unfortunate that livestock resources on which the community of Northern Kenya regarded as their ‘four-legged gold’ should turn into the same reason for which to turn against each other and cause such maleficent bloodshed. Yet, 54 people in this region are reported to have been killed in cattle rustling related incidences in the recent past.

It is apparent that the problem of cattle rustling is deep rooted driven by demand forces. On one hand is a lucrative national and international market that is already too willing to buy cattle regardless of the means of obtaining it while on the other is a proliferation of weapons and idle youth in this region who are motivated at a small cost to instigate cattle rustling. In addition,

severity of cattle rustling in some pockets of Northern Kenya has resulted in the Kenyan government regarding it as “terrorist activity”. The question then begs, have the institutions mandated with prevention of this vice lost the war or is it that there is need to re-think traditional strategies applied to deal with cattle rustling?

<http://clippings.ilri.org/2015/05/12/blood-sucking-ticks-and-their-disease-and-death-toll-in-africa/> and <http://www.irinnews.org/report/99846/cattle-rustling-and-the-politics-of-business-in-kenya>

1.5 To Eat or Not to Eat? The debate revolving around the beast of burden in Kenya

Donkey meat has recently found its way on to tables of some households in Kenya amidst a contest between campaigners of ‘enlarged food basket’ on one hand and livestock experts, animal rights activists and legislators from regions where the animal is used for transport on the other. The latter group says besides the meat not been culturally acceptable among Kenyan communities historically, allowing consumption of the donkey meat will cause depletion of the current stock of 600,000 donkeys in the country faster than they can procreate throwing the livelihoods of communities who depend on it into disarray.

Given that there are no known scientific reasons for which donkey meat should not be eaten, the practice, which only started in Kenya in the very recent times is not seen as socially acceptable a situation that puts into a sharp perspective the influence of culture and socialization on choice of food. As the debate rages on, it will be interesting to see how the interest of proponents of eating donkey meat and those of the opinion that the animal should only be used for transport play out.

<http://www.standardmedia.co.ke/thecounties/article/2000158485/report-nairobians-eating-donkey-game-meat>

1.6 Inter-relationship between human and animal health: a case of Kenya

Kenya was the choice of study area for a study that is seen as a frontrunner in empirically demystifying the relation between livestock health and that of their keepers. The study that involved 6,400 adults and children, along with more than 8,000 cattle, 2,400 goats, 1,300 sheep and 18,000 chickens in Western Kenya over a period of one year revealed there is indeed a positive co-relation between animals’ and humans’ health on three levels: socio-economic, nutritional and transmission of zoonotic diseases. On the socio-economic front, healthy and productive livestock results in higher household incomes and increased access to education and health care; while on that of nutrition, healthy livestock increases access to animal-based foods, which in turn lowers malnutrition and disease

Further, the study which was conducted by a team of veterinary and economic scientists from Washington State University showed that there is a direct relationship between specific health complications in both livestock and humans such as gastrointestinal and respiratory syndromes. Although the study answers a fundamental question on the relationship of animal and human health, it leaves a glaring gap in information as to how these diseases are transmitted between animals and humans or the underlying causes.

<https://news.wsu.edu/2015/05/11/humans-livestock-in-kenya-linked-in-sickness-and-in-health/>

1.7 Agriculture Policing Kick starts in Uganda

The need to stamp out agricultural (including livestock) malpractices has necessitated creation of a special Agriculture Unit within the Ugandan Police. One of a kind in Africa, it is a laudable move that if well implemented could see reduced agriculture related offenses perhaps as a way of repositioning the strategic importance of the sector in the economy of the country. The unit which has been decentralized at district level to increase efficiency and accessibility to the people who really need it, is set to deal with offences such as catching of illegal fish as well as distribution of fake inputs, two major constraints in livestock and crop sub-sectors respectively in Uganda.

Unabated proliferation of counterfeit agro-inputs in the Ugandan market is common place which is not surprising especially against the backdrop of limited enforcement of institutions mandated with curbing the vice and current laws which are ineffective in dealing with counterfeits.

<http://ugandaradionetwork.com/a/story.php?s=73846#ixzz3bTexolE1>

1.8 One more problem to the already troubled Fishing Industry in Uganda: Climate Change

The National Fisheries Resources Research Institute (NaFIRRI) in Uganda is raising alarm over the increasing rate of warming of lakes that could see more that 30% reduction in water levels, in the next 30 years if nothing is done to reverse this trend thus adversely affecting the country's fishing industry. NaFiRRI notes that fisheries is highly vulnerable to climate change and the current development will have a devastating impact on the volume of fish found in this lakes as reduction of water levels results in decreased ability of the water ecosystem to support the life of fish.

Fish farmers and inhabitants of areas near lakes are likely to be negatively impacted through unstable livelihoods, changes in the availability and quality of diets, and overall health. What makes this situation even more profound is the fact that the fishing sub-sector is already overstretched by overexploited fishery resources and degraded ecosystems.

<http://ugandaradionetwork.com/a/story.php?s=73709#ixzz3bTgQ113Z>