MONTHLY DIGEST
(Livestock/Dairy Sub sector)

EAC LIVESTOCK SUB-SECTOR NEWS UPDATES
(December, 2015)

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LIST OF ABBREVIATION

CBOs Community Based Organizations
CGIAR Consultative Group for International Agricultural Research
COMESA Common Market for East and Southern Africa
EAC East African Community
FAO Food and Agriculture Organization
IFAD International Fund for Agricultural Development
ILRI International Livestock Research Institute
MAAIF Ministry of Agriculture, Animal Industry and Fisheries
NGOs Non-government Organization
SEZ Special Economic Zone
TLMI Tanzania Livestock Modernization Initiative
UBOS Uganda Bureau of statistics
UCSD University of California, San Diego
URoT United Republic of Tanzania
USAID United States Agency for International Development
1. Investment in the Livestock sub-sector gains momentum as the year 2015 closes

1.1 One Year Training Program for relevant government official kicks off as a precursor to development of the Tanzania’s ‘Livestock Master Plan’

The need to make evidenced based decisions in public sector is growing. A total of eight staff from the Ministry of Livestock and Fisheries Development in Tanzania are underwent a 14-month training and planning program using a ‘Livestock Sector Investment and Policy Toolkit’. The training was geared towards building sub-sector models for a 15-year Livestock Sector Analysis and a 5-year ‘Livestock Master Plan’ for the country. It was spearheaded by experts from the International Livestock Research Institute (ILRI) and funded by the Bill & Melinda Gates Foundation. The Livestock Master Plan is expected to provide options for investments in commercializing the sub-sector towards providing greater returns to contribute to the country’s national goals of reducing poverty, improving food security and increasing earnings from exports.

The Livestock Sector Investment and Policy Toolkit was developed by livestock experts at the French agricultural research and international cooperation organization (CIRAD), the Food and Agriculture Organization of the United Nations (FAO) and the World Bank under the auspices of African Union Inter-African Bureau for Animal Resources (AU-IBAR). It has since been applied in Mali, Zambia and Ethiopia. The livestock specialists trained their counterparts in Tanzania during the in December 2015.


1.2 A USAID funded Value Chain Development Program in 23 Counties Launched in Kenya

A USD 25 million program is poised to transform the lives of more than 317,000 farmers in 23 counties in Kenya by commercializing their hitherto subsistence farming. The program called ‘Accelerated Value Chain Development (AVCD)’ started in October 2015 and will be implemented by ILRI in partnership with the International Crops for Research Institute for the Semi-Arid Tropics (ICRISAT) and the International Potato Center (CIP). AVCD which is funded by USAID within its Feed the Future Program Kenya seeks to apply technologies and innovations in livestock and dairy as well as staple root crops and drought-tolerant crops value chains, contributing to increased productivity, inclusive agricultural growth, and nutrition and food security. The three implementing CGIAR centers will work closely with other partners—county governments, NGOs, CBOs, private sector actors and other USAID-funded projects/programs, as well as leverage knowledge and best practices from academic institutions and foundations in Kenya.

http://news.ilri.org/2015/12/15/avcd/

1.3 A Uganda Dairy Processing company to open shop in Kenya in 2016

Pearl Dairy, one of the dairy processing companies located in the western town of Mbarara in Uganda is looking into tapping into the relatively higher consumption dairy products in Kenya to expand its market. The company plans to open a new USS 1 million production and repacking line in Kenya at the beginning of 2016. Currently, Pearl Dairy exports 90% of its products to other EAC countries and COMESA due to low consumption of dairy products in Uganda which
currently stands at 52 litres per person per year which is less than half of what is consumed in Kenya at 120 litres per person per year. Pearl Dairy, a subsidiary of the Midland Group currently processes in excess of 25 tonnes of milk powder annually but plans to increase this capacity in 2016 by commissioning its Nairobi plant. In the long run, the company is looking into expanding its infrastructure into the East African Community region and COMESA where its Lato brand of ghee, butter milk and milk powder have penetrated well.

Prospects of expanding market share in Middle East and Asia where the company recently started exporting to has been a driver of plans for expansion of its capacity in the EAC region. It is noteworthy that the company is keen on transferring the gains from penetration of new markets to more than 18,000 contracted farmers in form of creating reliable demand for their milk and equipping them to adopt more hygienic milk production techniques.


1.4 A Government of Uganda - Turkish Firm partnership in Meat Processing in Uganda
Uganda is soon to join her other EAC counterparts-Kenya and Rwanda-in operationalizing Free Special Economic Zones (SEZs), a concept of catalyzing economic development. The country through the Ministry of Finance has signed a contract with ASB group of companies from Turkey to establish an SEZ in Kaweweta, Nakaseke district for the purpose of production, processing, packaging and export of agribusiness products among which is meat. Specifically, the Turkish firm will establish a meat processing and packaging plant to produce for export markets. It is envisioned that the SEZ will accelerate infrastructure development, create more than 15,000 jobs, and increase productivity, as well as leverage technological transfer.


1.5 Small-scale poultry Farmers in Mwanza region of Tanzania benefit from a 2-days Training on Poultry Breeding under ACGG
The ‘African Chicken Genetic Gain’ (ACGG) is an Africa-wide project led by the International Livestock Research Institute (ILRI) as part of the larger ‘LiveGene’ initiative. It aims at testing and making available high-producing, farmer-preferred genotypes that increase smallholder chicken productivity. As part of the project’s activities, smallholder poultry farmers in the Mwanza region of Tanzania have received a two-days training on poultry breeding. Farmers from the Southern zone, Eastern, Central, Southern highlands of the country will also benefit from the five -year USD 8 million project.

http://allafrica.com/stories/201512020533.html and http://africaacgg.net/about/

2. Research Findings and Impact of Innovations in Livestock Sub-sector in East Africa

2.1 Commercialize Livestock-subsector and Invest in livestock Extension services to increase incomes from Livestock-a UBOS survey recommendations-
A new report by Uganda Bureau of Statistics (UBOS)-Better Data for Better Livestock Policies-revealed that 19 million people representing 52% of Ugandan households depend on livestock for their livelihoods. Of this number, 17.3 million most of whom are poor live in the rural areas.
However, and expectedly so, contribution of livestock to households’ income is more in the rural areas at 18% compared to 12% in urban areas while in total, livestock products contribute 17% of households’ income in Uganda. The report also shows that if livestock farmers utilized extension services, the total aggregate household income would increase by more than USD 260 million per annum. Currently, only 19% of the livestock farmers in the country utilize extension services.

During a dissemination workshop to mark the Africa Statistics Week, an official from the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) in Uganda said that demand for livestock products in Uganda will increase four times in the next decade making the sub-sector the largest contributor to agriculture. He recommended that livestock policies and investments should have a dual approach to ensure access to extension services and basic production inputs by especially farmers who largely depend on livestock for their livelihoods. This he said should be complemented by efforts to scale up commercialization of hitherto small-scale livestock industry so as to incentivize investment in access to output markets.


2.2 An ILRI-Uganda Initiative in environmental-friendly disposal of bio-degradable waste in Uganda Lauded by a High-level EC-IFAD delegation

Up-grading of agricultural value chains often come at a cost of environmental degradation. However, a team from ILRI-Uganda has come up with an innovation in the pig value chain to showcase complementarity of commercialization of the livestock sub-sector and conservation of the environment. At the Wambizzi Pig Cooperative Society slaughterhouse, the only centralized pig abattoir in Uganda, the ILRI-led team is piloting a set-up of a bio-digester that will utilize waste from pig slaughter to produce biogas for heating and lighting. It is this technology that attracted a delegation of officials from the European Commission (EC) and the International Fund for Agricultural Development (IFAD) who hailed it for its ability to reduce deforestation and water pollution due to dumping of untreated waste from pig slaughter. The delegation urged ILRI to leverage more of such innovations to further conserve the environment.


2.3 Business as unusual in the Milk Vending Business in Uganda: use of ATMs

Demand for quality and affordable milk is what ticked-off a mix of budding Ugandan and British investors in a relatively new milk vending technology in Uganda-Anytime Milk Machine (ATM) under the company New Found Company (NFC). ATM is a mechanized nozzle that allows consumers to purchase fresh milk in any quantity using their own canisters thereby eliminating the need to pre-package the milk as is conventional hence making it cheaper. The technology eliminates the role of middle men by delivering milk directly from farms to coolers for pasteurization and straight to the vending machine, an aspect that also contributes to lowering the cost of milk. In the East African region, the technology exists in Kenya and Rwanda although it has been long in use in Italy. The company is taking advantage of dropping poverty levels in Uganda and more disposable income on which the first item to spend is food.

http://allafrica.com/stories/201512080672.html
2.4 Mobile Phone based Learning- and Gamification a Panacea for accelerating uptake of IBLI in Kenya and Ethiopia

Misinformation about a product or a service by target clientele can affect its uptake. To circumvent this scenario, the ILRI based Index-Based Livestock Insurance (IBLI) project is conducting Randomized Control Trials (RCTs) to pilot use of mlearning, financial incentives and gamification to equip sales agents with relevant information on the product which they will in turn use to provide correct information to potential clients. The latter method involves use of game techniques such as points scoring to entice potential users of a product. The ultimate goal is to avoid information asymmetry among targeted users of IBLI which could hinder quick uptake. Use of mlearning has been guided by high degree of mobile phone penetration especially in Kenya. The technology will be used to complement knowledge acquired from classrooms. It is in response to a discovery that misinformation spread by sales agents of IBLI—through private sector insurance agencies—risked damaging the reputation of the product before it reached a critical mass. The mLearning application dubbed ‘the Pocket IBLT’ was developed by experts from the University of California, San Diego (UCSD) and consists of micro-lessons that could conveniently be read by ILRI agents.

http://ibli.ilri.org/2015/12/17/capdev-brief4/