



GLOBAL DAIRY PLATFORM



Rabobank

CREATING A SUSTAINABLE, COMPETITIVE AND A VISIONARY TANZANIAN DAIRY SUBSECTOR: MARKET DEVELOPMENT AND NUTRITION.

25th – 26th February, 2019
Dar es Salaam Serena, Dar es Salaam, Tanzania



Executive Summary

**Creating a
Sustainable,
Competitive and a
Visionary
Tanzanian Dairy
Subsector: Market
Development and
Nutrition**

Dairy Subsector Round Table
Meeting, 25-26th February, Dar
Es Salaam Serena, Tanzania

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Executive summary

The Tanzania dairy industry has undergone significant structural changes since end of 1995 when most of the previously Government owned farms and milk processing factories were privatized. The country produces about 2.4 billion liters from cattle herd estimated at 28 million cattle of which only about 1.1 million are dairy cattle (TLMP, 2017). The rest are traditional cattle which produce seasonal little surplus milk (about 160 liters/lactation) for human consumption. Milk production is sparse and concentrated in the highland regions, around the Coast and the Lake Victoria basin. Consequently, Tanzania's population of about 54 million people has a low per capita milk consumption of only 47 liters/annum- a quarter of 200 -250 liters/capita recommended by FAO.

Out of the estimated 6.5 million liters of milk produced per day, only about 150,000liters is processed by more than 80 small and medium scale milk processing plants that have a combined milk processing capacity of about 750,000 liters/day. Therefore, about 80% of locally produced milk is consumed without undergoing formal processing. There is therefore a huge unexploited value added along the value chain that could make the dairy industry generate more income, employment opportunities, health and nutrition support for the population. To realize the potential, the Government has put in place strategies and programs such as the Livestock Master Plan (TLMP) and the Agriculture Sector Development Programs Phase II (ASDP II).

To develop to its full potential, the Tanzania dairy subsector requires a multi-stakeholder engagement, aligned efforts and a shared vision. It is in view of this that the Global Dairy Platform (GDP) working in partnership with the Ministry of Livestock and Fisheries (MLF), the International Livestock Research Institute (ILRI), NMB Bank Plc. and Rabo Partnerships organized a two-day roundtable meeting in Dar es Salaam on 25-26th February 2019.

The objective of the meeting was to bring together a cross-section of different stakeholders to deliberate on common vision, strategies to achieve the agreed vision and the actions needed to be taken by different stakeholders in order to develop the dairy subsector and realize its full potential so as to contribute to socio-economic development and human nutrition in Tanzania. Over 130 stakeholders participated in the meeting (including press).

The round table meeting involved presentations by invited key note speakers on issues ranging from global and regional dairy development experiences, dairy production systems and their competitiveness and evidence based policy advocacy; Dairy development strategies in Tanzania as elaborated in the Tanzania Livestock Master Plan (TLMP); access to financial services and role of milk and milk products in human nutrition and health.

After two day of discussions and deliberations, the stakeholders agreed on a common Vision that it is possible to double the current production and milk supply/consumption to 100 liters per capita in about five years. Listed below is a non-exhaustive overview of areas that are worth further investigations/actions to be taken:

- 1) Mapping of the sector should be done in order to know what should happen, where, and who will do what. This will involve:
 - a. Identifying and registering all value chain actors in major milk shed areas starting with the Coastal milk shed area (Tanga, Coast, Morogoro, Dar es salaam); The Southern Highlands; the Northern highlands (Kilimanjaro, Arusha, Manyara) and the Lake Region (Kagera, Mara, Mwanza)

- b. Identifying areas of dairy farmer/milk producer concentration suitable for organization of milk collection along currently established milk processing investments.
- 2) Promoting and coordinating the formation and/or capacity strengthening of farmers organizations especially producer co-operative societies, district/regional dairy stakeholder platforms as well as the Tanzania Dairy Board, stakeholders' member organizations (TAMPRODA, TAMPA) and the Dairy Development Forum.
- 3) Assess the capacity needs of the stakeholders institutions and empower them through facilitation of access to technologies such as milk cooling tanks; Artificial Insemination (AI) services, packaging, market promotion, milk quality, feeding, dairy cattle management improvement programs, etc.
- 4) Putting in place a program for promoting women and youth involvement in dairy farming and value addition by allocating land specifically for dairy farming in the key milk shed areas identified and mapped as elaborated in 1) above.
- 5) Strengthening service delivery including subsidized Artificial Insemination (AI), extension services, dipping, vaccinations against Brucellosis, FMD through farmers organizations and developing a robust dairy information system and database.
- 6) Government to improve the business environment for the dairy sector by addressing the problem of multiple regulation and taxes and VAT zero rating the dairy industry for a period of at least five years so as to stimulate further local milk processing.
- 7) Allocation of land for livestock and protecting land rights for the land allocated for communal grazing and individual land tenure.
- 8) Enhancing access to credit financing by promoting insurance for livestock so that dairy stock can used as collateral.
- 9) Promotion of milk consumption by:
 - i) Rolling out school feeding program that include milk to reach 500,000 school children per day.
 - ii) Establishing LISHE Fund to support r the 1000shs/child nutrition policy under the Ministry of Health.
- 10) Establishing Livestock Feed Centers (Pasture seed farms); and promoting commercial production of hay.

Further, Global Dairy Platform (GDP) promised to report back to stakeholders by June 2019 after consultations with Platform's members in order to determine key areas of focus and collaboration.