

PROMOTING LOCAL DAIRY VALUE CHAINS IN WEST AFRICA



Milk production: In Mali, the concept of “*noyau laitier*” consists in an intensified model with improved production techniques (stabling) and access to inputs (fodder in the dry season, veterinary care, extension services).



Milk collection: bikes and motorbikes allow to collect milk within a radius of 10-15 Km.



Milk transformation: modern pasteurisation, here with energy-efficient stoves (no taste of smoke as traditional woodstoves) as a step to economies of scale.



Milk sale: the concept of mini-kiosks in Mali has shown how women as traditional “owners of milk” gain back control on the value chain.

Nearly 150 million households, or 750 million people, practice milk production in the world; the majority of them are small-scale farmers in developing countries. With more than 80% of the milk produced in developing countries coming from small-scale dairy producers, dairying improves food security and represents a source of employment and income to millions of smallholder families. Women usually have an important role in milk production, as they are traditionally involved in milking, feeding, processing and marketing of dairy products.

CONSTRAINTS TO THE DEVELOPMENT OF A LOCAL DAIRY SECTOR:

- Lack of technical assistance and support in animal health;
- Limited access to animal feed, veterinary inputs, credit;
- Market access constraints, including unfair competition with milk powder imports
- Lack of infrastructure and means for transporting this perishable product (bad roads, lack of rural electrification, cold chain and milk bulking facilities);
- Lack of transformation and commercialization structures (including transformation techniques, packaging, etc.) and lack of knowledge on marketing strategies and market analysis;
- Consumption of dairy products from the local milk sector is sometimes limited by various factors (price, marketing) that drive consumers and distributors to prefer products from the imported milk powder chain.

In Mali, VSF-Suisse and CAB Demeso support a peri-urban dairy value chain project, linking up producers (small dairy cow farmers) to collection and distribution centers which have linked up with sellers in Bamako and Kayes. The project is looking ways of commercializing increasing milk quantities, e.g. through street and door-to-door vendors using cold boxes, as well as so-called “dairy kiosks” (selling points managed mostly by women, often also transforming milk).

In Niger, VSF Belgium and its local partner Karkara established “Multi-service collection centers for peasants” in the peri-urban area of Niamey, responding to the need for combining milk collection and commercialization with other services such as extension work and feed provision. Rather than focusing on milk transformation, these centers – managed by producers’ cooperatives – assure milk collection and quality control, and jointly sell milk to the urban dairy industry, which is more and more demanding for local quality milk.

SOCIO-ECONOMIC CONTRIBUTIONS OF LOCAL DAIRY SECTOR:

Due to lower production costs (work force of family members; intensive land use; low investments) the small-scale dairy sector can be competitive with large scale dairy farms in peri-urban areas. An obstacle is that smallholder farmers can often only access local (informal) markets. Collection and transportation of milk (motorcycles, bicycles) allows only activities within a radius of 10 to 15 km. Experiences in Senegal, Niger, Burkina Faso and Mali have shown that supporting milk collection centers, mini-dairies as well as mini-kiosks and street vendors with appropriate linkages/networks resulted in tangible economic impacts and an improvement in living standards of farmers, including:

- An increase in milk production and improved quality through systematic controls;
- The creation of sustainable jobs and regular cash income for farmers, collectors, processors and vendors, sometimes well above the local minimum wage;
- The improvement of food security and food safety: availability of quality milk from local producers even during the dry season, availability of pasteurized milk and derivative products for urban consumers;
- The creation of added value in rural and peri-urban areas.

In Senegal, the cooperative system put in place by AVSF has allowed to test a holistic production model, combining improved livestock farming techniques with local fodder production. Thanks to these improvements, milk became available all year round, which gave incentives to the establishment of several mini-dairies that pack and transform the milk and sell to local markets.

LESSONS LEARNED IN SUPPORTING LOCAL DAIRY VALUE CHAIN:

The VSF experiences in West Africa suggest that successful dairy value chain development has to include actions at different levels:

- ▶ Improving animal husbandry techniques through production and storage of high quality fodder for the dry season; introducing sheds (or semi-sheds) for a better control of reproduction and production; reasoned upgrading of breeds to improve milk yields (improvement of endemic races or progressive crossbreeding with adapted imported breeds);
- ▶ Organizing farmers involved in the process of milk collection, to facilitate access to veterinary care and other inputs;
- ▶ Supporting collection centers and transformation facilities, as transformation can help bridge the gap between the rainy season (higher levels of production and lower levels of consumption) and the dry season (the opposite situation);
- ▶ Supporting actors involved at all levels of the value chain (e.g. in Mali street vendors have organized themselves in cooperatives, to increase their bargaining power vis-à-vis big dairies and to coordinate their sales’ strategies);
- ▶ Promoting inclusion of women in the value chain: employment in transformation units and in selling points, inclusion in the management structure of cooperatives, etc., so that they gain back control on the value chain;
- ▶ Promoting policies that control milk powder import and support local dairy sector (trade policies, food labeling, incentives, etc.);
- ▶ Promoting domestic consumption of fresh local milk and transformed dairy products;
- ▶ Linking experiences: potential for cross-fertilisation between East and West Africa, between cow and other dairy value chains (e.g. camel milk value chain).

VSF International is a network of 13 non-profit organizations working all over the world to support small-scale farmers and livestock keepers. As a whole, VSF international members are active in more than 30 countries in Africa, Asia and Latin America.