

1. What is the state of the dairy industry?

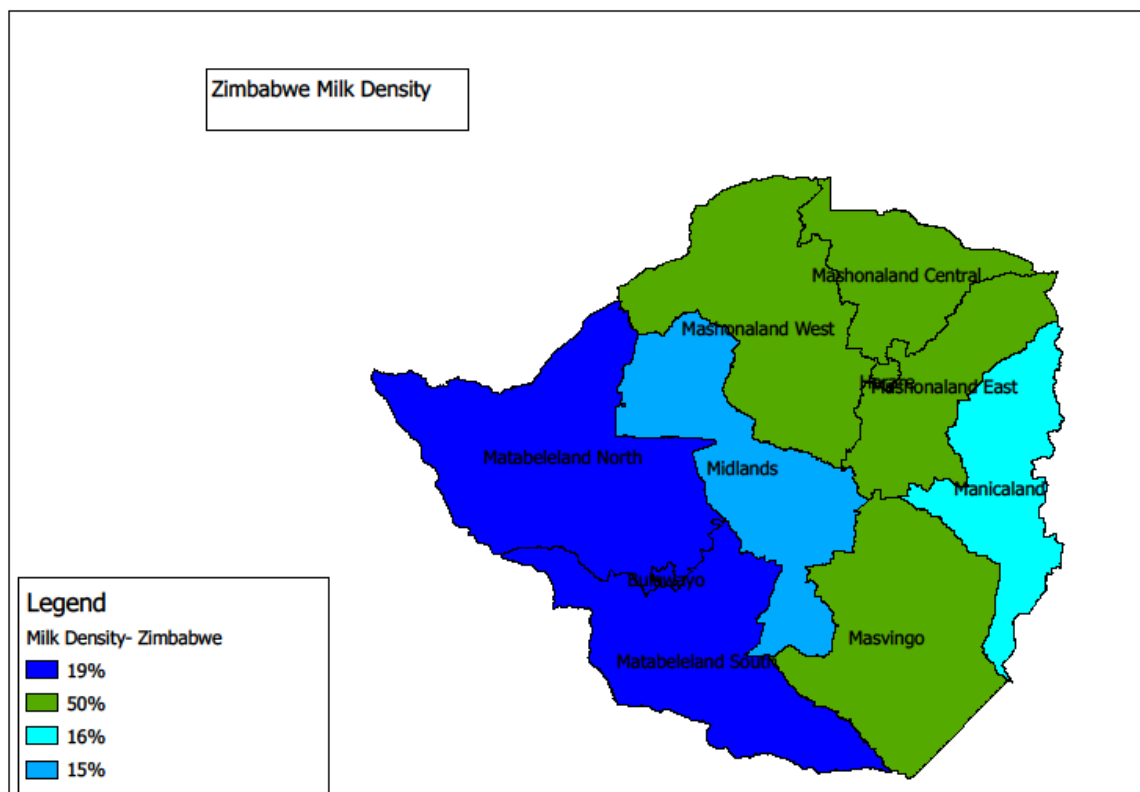
At its peak in 1992 Zimbabwe was producing 220 million litres of milk annually. During 2009 our production decreased to its lowest ever when we produced 37 million litres, an 83% decrease. Since then industry has seen a steady increase to its current production of 55.4 million and working hard to reach a 7% increase in the short term.

Why production is low for a number of reasons mainly high costs of production, making imported products cheaper than those locally produced.

2. What is the cost of a litre of milk from the farm gate? 50 cents

3. What is the cost of production, per litre? 66 cents

4. Which province produces the most milk for the country? See milk density map below



5. Which breeds do very well in Zimbabwe in respect of milk production?

This depends very much on the farmer and is the subject for often heated debate. Jersey animals give a higher butter fat and protein content but less production. Holstein animals give a higher production but less fat.

6. What are the most common challenges facing dairy farmers – commercial and small-scale in respect of disease resistance.

There are many diseases that can potentially affect dairy cows and cause production losses.

Of these the biggest and most common problem the world over, no matter what system is used, is mastitis. It causes production losses as well as impairs milk quality. **Mastitis** in the cow has the ability to seriously affect the whole value chain. There are no vaccines available for mastitis and it takes careful management to keep it at bay. It is the most difficult disease to control in a dairy herd.

In Zimbabwe the biggest fear the dairy industry has, at the moment, is the scourge of **foot and mouth disease**. It is a devastating disease in a dairy herd. It causes deaths, mastitis, massive production losses and pain to the animals. Although there are vaccines available, the specific serotype must be used and so outbreaks can occur if the wrong vaccine is used in a specific area or if a new serotype is introduced. There are biosecurity measures that can be implemented on farm. However, the biggest threat is the uncontrolled movement of cattle.

Tick borne diseases are a huge challenge to dairy cows. Their bodies are under a lot of strain from the rigours of milk production and pregnancy. Therefore their immune systems are always under strain and they struggle to develop endemic stability to tick-borne diseases. Therefore strict tick control is very important in a dairy herd. However if other cattle in the area are not dipped regularly they can still present a challenge to the dairy cows.

For other diseases such as **three day stiff sickness (ephemeral disease), lumpy skin disease, blackleg and anthrax** there are vaccines available. These need to be given regularly to prevent problems in the dairy herd.

Contagious abortion is controlled by legislation and all dairy herds are tested and vaccinated for this disease.

Rabies is becoming a huge worry to dairy herds in Zimbabwe with the increase in the unvaccinated dog population. This disease is a fatal zoonosis and needs better control, through enforced rabies vaccination programs for dogs.

7. What are the main challenges facing dairy farmers?

The main challenge facing dairy farmers is the cost of doing dairy in Zimbabwe and the drivers for the high cost of production are:

- Overheads – farmers have to be aware of their overhead costs and learn to manage them.
- Labour – ensure that labour has the correct training for improved efficiency on farm people. For example how many cows per unit does a farmer have for calf rearing, milking, etc. An ideal would be 50 cows per 1 worker. Unfortunately in Zimbabwe it's more like 25 cows per unit on large farms.
- Feed – the biggest driver in the cost of production. Farmers need to know what their feed conversion ratios are (i.e. how many kgs of feed do you use to produce one kg/litre of milk)? A worst case scenario would be 0.8kg milk/kg feed at best it should be 1.6 kg milk/kg feed. By simply changing the presentation and timing of feed a farmer can increase his production by 35%.
- Heifer rearing (calf management) – farmers must not save themselves broke! Spend money on what is going to make you more money. Rear calves so that they are

calving down at 22 months – grow your calves faster so that they calve younger. Feed calves with calf replacer (cost 0.40c/litre) instead of milk that can be sold for 0.60c/litre. However, feeding with calf replacer does need to be managed so that they don't develop scours, etc.

- Cow life. A cow needs to live for 1 – 1.5 lactations in order to pay for itself (approx. \$1 600), if a cow only lives 1.5 years a farmer is not making money. Work hard to have your cows living to 2.5 lactations. Some would argue that having your cow produce 25 litres and live longer may be better than pushing for a production of 28 litres but dying young.
- Fertility – heat spotting is the biggest challenge to fertility in heifers. A heifer must have a 305 day lactation (be dry 60 days). If she is only getting pregnant at 350 days she will only just be covering her feed costs. Inter-calving interval affects viability.
- Disease control – if the current outbreak of Foot and Mouth Disease gets into the dairy herd this will have a devastating impact on the industry! Other diseases that affect production are Bovine Viral Diarrhoea and Mastitis (maintain your Somatic Cell Counts to below 300 000).
- Appropriate Technology – the use of appropriate technology on farm. Some say that if a farmer is milking less than 100 cows he should be hand milking to reduce the costs of generators, fuel, etc on farm.
- Quality of milk – in order to take advantage of quality bonuses paid by processors for high fat and protein content and SCC below 300 000!

8. Are farmers getting a fair deal?

Zimbabwe has one of the highest milk prices in the world, but unfortunately with this come the highest cost of production in the Region. In order to increase our competitiveness we have to become more efficient on farm if we are to become a serious regional player.

9. Any relationship to the global pricing mechanisms?

Yes definitely the market trends of supply and demand inevitably affect us. For example, the recent abolition of production quotas in the EU and the loss of the Russian market to them mean that new markets are being sought. Milk powders are the easiest and cheapest way of transporting milk; over half of EU dairy products are exported in powder form. It is cheaper to manufacture dairy products using milk powders, in the near future as Africa takes up more of this it will have a serious impact on our dairy farmers if we do not take measures to become more competitive.

10. Local milk production: there have been calls for better labelling, so consumers could make an informed choice about where their milk products came from, to allow people to buy Zimbabwean. Any comment?

Yes we have heard the call and industry is upgrading dairy standards and labelling forms part of this. We would also like to take this a step further and have a quality standard so that products that have met the required standard will be branded accordingly. Consumers seeing the brand will then have a quality assurance.

11. What is the dairy herd 28 000 head

12. How many (registered) processors 35 (this figure includes small, medium and large but excludes small milk producer associations).

13. How many players are involved in the dairy industry and what is the collective herd for the industry?

Directly involved in production in Zimbabwe, we have roughly 1000 small scale farmers, milking an average of 5 cows per farm and other producers whose average herd size is between 100-500 cows in milk. Our current national herd size is 28 000 head.

14. What is the breakdown of farmers in the industry in terms of whites and blacks?

We're dairy farmers and business people with an open membership that we do not disaggregate. The statistics that we keep are relative to production, business and growing the dairy industry. Precise figures aren't available but experts say that roughly 90% of our farmers are small holders. We do not disaggregate our farmers.

15. What is the current capacity of the industry to produce milk (how much is being produced) and what is the reason for such production?

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Why production is low for a number of reasons mainly high costs of production, making imported products cheaper than those locally produced.

16. What are the fundamental problems being faced by the dairy industry and how can they be addressed?

See above.

17. Recently government said it had spared white dairy farmers from compulsory land acquisition, what is your view of this development and how has or will it assist white dairy farmers?

We are Zimbabwe dairy farmers, as an industry we don't draw distinction between black and white. As a sector we are vital to Zimbabwe's growth - economic, employment and the growth to children.

18. Where do we get training to establish a *dairy farm*?

The Zimbabwe Association of Dairy Farmers, your area Department of Livestock and Production Development officer, or Dairy Services.

19. Milk production slightly increased by 1,5% last year over 2013, what is the reason for the increase and does this signal a return to the old good days when the country exported milk?

See above.

20. What is the future of the industry?

We are a founding member of the Dairy Revitalization Committee a government/ industry joint initiative which works towards growing milk production over the next 5 years. We are working closely with the Deputy Minister of Agriculture, Mechanisation and Irrigation Development - Livestock and Veterinary and his Department. The industry is playing its part in contributing to four pillars of the ZIMASSET namely:

- a. **Food Security and Nutrition** – through increased local production of milk—known for its high nutritional value which makes it an important part of the local diet;
- b. **Social Services and Poverty Eradication** – increased local production will reduce imports, create lower prices for families/consumers, lessen the negative environmental impact from milk imports and generate more tax revenue for government to expand/pay for social services. Increased capacity utilisation creates jobs throughout the entire dairy value chain from primary producer, input supplier, through to processor, which improves household incomes ;
- c. **Infrastructure and Utilities** –in the form of renovations of manufacturing factories as well as milking parlours and storage warehouses on farm;
- d. **Value addition and Beneficiation** – Supporting small and large processors who produce quality dairy products such as ice-cream, yoghurt and cheeses for our Zimbabwean market. The dairy industry continues to work hand-in-hand with Government to grow milk production in Zimbabwe and together find ways to overcome the challenges that milk producers face every day, such as high costs of production which give price advantages to imports and make locally produced milk products uncompetitive within the region.

Small holder and emergent farmers are vital to the future growth of milk production and the dairy industry at large.