



Brisk trade in raw milk provides a steady source of cash income for three million dairy producers in East Africa

By supporting “informal” dairy producers and sellers with policies better suited to their circumstances, developing countries are taking advantage of the historic opportunity that livestock now offers to lift millions of people out of poverty.

With demand for foods of animal origin expected to double over the next 20 years in developing countries, the dairy cow is fast becoming one of the smartest investments a farmer can make. Small-scale African farmers are already doing a brisk trade in dairy products. Particularly in East Africa’s three million dairy households, dairying acts as a cash crop, generating more regular household income and jobs for the unskilled than do other enterprises.

Traditional milk markets—which handle unpasteurized, or “raw” milk—are behind the dairy boom in many developing countries. In Kenya, for example, where per

capita consumption of liquid milk totaled 85 kilograms in 1999, traditional milk markets supply more than 80 percent of the milk sold. Compared with their commercial competitors, small-scale dairy agents provide cheaper milk to consumers and pay better prices to producers. Despite these benefits, public officials concerned about the possible health risks of unpasteurized milk actively have discouraged the country’s indigenous milk markets. Kenya’s dairy development authorities urgently needed more reliable information to make more judicious policies.

A Smallholder Dairy Project (SDP) conducted a series of risk analyses needed to safeguard both public health and dairy livelihoods. Starting in 1999 with funds from the United Kingdom’s Department for International Development, staff from the Kenya Ministry of

Agriculture and Rural Development, the Kenya Agricultural Research Institute, and the Nairobi-based International Livestock Research Institute (ILRI) forged partnerships with the Kenya Dairy Board, Nairobi and Egerton Universities, the Kenya Medical Research Institute, and the Kenya Ministry of Health. These institutions provided the breadth of scientific expertise needed (in bacteriology, immunology, economics, epidemiology, and clinical medicine) to better analyze the risks to poor people posed by alternative dairy policies.

As the market for dairy products grows, dairy cows prove to be a good investment.

In 2001 the project’s policy recommendations were broadly adopted thereby enhancing milk marketing by and for poor populations. The recommendations provide more “carrots” (licensing, training) than “sticks” (policing) to small-scale operators. A new dairy development policy and revised dairy legislation now explicitly recognize the predominance of the raw milk trade in Kenya, its importance to the poor population, and the need for regulations and technologies to optimize the quality of raw milk.

Lessons from this research are being applied in other African countries through joint projects conducted by African institutions, ILRI, and the FAO. These projects aim to build a framework suitable for all traders—small and large, formal and informal—that will provide the public with safe milk and protect dairy livelihoods and foods that are vital to poor people.

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