

# Commercialized Supply of Training and Certification in Milk Quality Assurance in Eastern Africa

A Guide for Practitioners

P. Cherono, L. Kurwijila and A. Omore



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**Authors affiliations:**

P. Cherono: Technical Services Manager, Kenya Dairy Board

L. Kurwijila: Professor, Sokoine University of Agriculture and Chairman,  
Tanzania Dairy Board

A. Omore: Scientist, International Livestock Research Institute, Nairobi, Kenya

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## Foreword

The East Africa Dairy Regulatory Authorities Council (EADRAC) was initiated in 2006 among statutory dairy regulatory authorities in Kenya, Tanzania, Uganda and Rwanda to foster close links and collaboration among the regulators in East Africa (EA) including sharing of lessons on ways to rationalize and harmonize dairy policies and standards in the dairy industry in the region and promote, *inter-alia*, free trade in milk across borders.

Recognising the dominance of small scale producers and milk market agents in milk supply in our countries, EADRAC members are pleased to be associated with initiatives aimed at improving quality assurance of milk sold by these actors. Training and certification (T&C) through accredited business development service (BDS) providers offers a mechanism for accessing knowledge and services aimed at improving milk hygiene and safety. Though they dominate, these actors previously operated outside the formal economy and without official support due to quality and safety concerns. Certification, for which training is a pre-requisite, provides a differentiation mechanism in small-scale milk markets upon which value addition and other marketing innovations can be built. The approach therefore puts such traders on the road to transformation and gradual integration into formal value chains. EADRAC is therefore pleased to be associated with this manual that outlines the basic experiences in implementing a T&C BDS scheme to improve milk quality assurance and service delivery.



31 March 2012

Charles Mutagwaba, Registrar of Tanzania Dairy Board and Secretary to EADRAC (2009-11)

## **1.0 Introduction**

This manual captures the basic experiences of dairy boards, non-governmental organisations (NGOs) and small-scale milk market chain actors in East Africa in implementing a scheme on commercialised supply of training and certification (T&C) through business development services (BDS). This approach arose out of the need to fill the gap in delivery of services in milk quality assurance, in the face of continued dominance of informal raw milk markets that account for over 80% of marketed milk in the region, as a mechanism for addressing milk quality and safety concerns, improving market access and gradually bridging the gap between regulated and unregulated markets. Initially piloted in Kenya, where a major policy shift to allow raw milk sales by small-scale traders took place in 2004 with significant impacts on value chain actors preceded the engagements (Kaitibie et al., 2010), the approach has gained wider acceptance and is being out-scaled in Kenya and piloted in Tanzania and Uganda.

Improvements in the dairy industry in EA are considered a priority because it the most important agricultural sub-sector in terms of potential contribution to GDP gains in the medium-term (Omamo et al., 2006). But its potential has not been fully exploited due to declining service delivery in the sub-sector since it's liberalisation in the 1990's. This led to the expansion of informal milk markets in urban areas, bringing with it challenges in quality assurance. These small and medium

scale enterprises (SMEs) are distributed along the dairy value chain in production, collection and cooling, transportation, value addition and marketing. The small-scale and informal traders have limited knowledge in hygienic handling of milk. For a long time the public extension services played a significant role in improving the skills of the SMEs engaged in milk marketing. However, limited resources for extension has led to a sharp decline in the capacity of the public extension systems to meet the demands of the dairy industry thereby adversely affecting its productivity and quality of marketed milk quality assurance services in the dairy sub-sector. Those who have attempted to fill the gap appeared ill-equipped and delivered services without reference to defined standards or approved curriculum.

To address this shortfall in a sustainable manner, dairy research and regulatory authorities in East Africa (EA), with the support of various NGOs, initiated a programme on commercialised supply of training and certification (T&C) through accredited business development service (BDS) providers to improve milk quality and safety and exploit growing market demand. This approach is filling an important gap in service delivery, bridging the regulatory gap between informal and formal sector, and gradually transforming and integrating the former into the latter.

The approach is now supported by dairy sector regulators in EAC countries, who in 2006, formed the East Africa Dairy Regulatory Authorities Council (EADRAC) to share lessons on this approach and

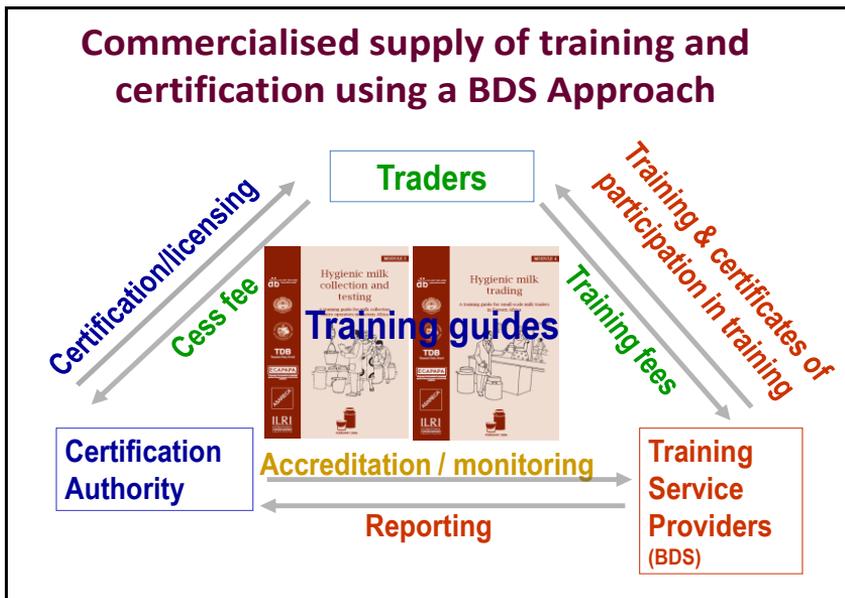
dairy development generally including removal of non-tariff trade barriers for milk and milk products. The approach is underpinned by generic training guides, endorsed by EADRAC, and targeted at each actor along the milk marketing chain.

This manual describes the commercialised supply of the T&C through BDS approach as a guide to practitioners interested in replicating it beyond existing pilot areas in East Africa and beyond.

## 2.0 Overview of the Training and Certification BDS Scheme

Active interaction among key players, appropriate incentives and agreed quality assurance standards for accreditation, delivery of training and certification are central to the BDS concept. The key players who drive the concept are: BDS providers, milk traders and the regulatory agency. The triad relationship among these key players is represented in Box 1.

**Box 1: Schematic representation of the interaction among key players**



*BDS providers:* The involvement of BDS providers in training and provision of other services is factored to ensure the sustainability of the scheme. Selected providers are assisted to provide their services for a fee, following their selection and induction by a committee established to work on behalf of the regulatory authority (e.g. through business

opportunity seminars) and eventual accreditation by the regulatory authority. The BDS providers are inducted on how to conduct the training of traders using approved training manuals and guidelines on milk quality control and on entrepreneurship/businesses skills. Once inducted, a public promotion campaign through appropriate media to stimulate demand for the BDS services is mounted. The BDS providers are empowered and recognised as agents of the regulatory authority, either as individuals or members of an association. They issue certificates of competence in milk handling to trained milk traders in collaboration with the regulatory authority and may perform other inspection roles as may be contracted by the regulator for which they are required to report regularly to the regulatory authority using a standard form. The reporting keeps the regulatory authority aware of ongoing activities besides being a basis for issuance of certificates and evaluation by accreditation committee. Accredited providers may bundle this activity with other BDS services that they like or qualify to provide with the aim of becoming broad agri-business entrepreneurs.

*Milk traders:* Various categories of milk market chain actors are the recipients of training. The training is provided by accredited BDS providers. The training covers basic principles of hygienic milk production, milk handling and simple milk quality tests such as organoleptic, clot-on-boiling, alcohol and lactometer tests as elaborated in approved training guides. The guides include messages that reinforce the current common consumer practice of boiling raw milk prior to consumption because milk-borne zoonoses such as brucellosis can only

be eliminated through appropriate heat treatment. Importantly, each training guide incorporates relevant information to pass on to suppliers of milk, thus ensuring improved quality of the milk traded along the whole chain. This is the compulsory component of the training because it is linked to assurance of public health. To improve likelihood in success in the business, additional training would be provided on business/entrepreneurship skills. All training services are to be provided at a fee to the BDS provider.

*The regulatory authority:* The dairy sub-sector regulator is usually empowered to register and licence all traders in the dairy industry. An important criterion for issuing licenses is milk quality management, given high perishability of milk and potential zoonoses that can be passed through milk. The regulator's main concerns are to maintain hygiene standards and manage milk-borne health risks based on evidence<sup>1</sup>. The role of the regulator in the scheme is quality assurance by monitoring both the compliance of accredited BDS providers to approved trainers' competence level and compliance of certified milk traders to approved minimum standards for milk handling. Branding through graduated seals of approval provide further incentive to improve milk quality.

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<sup>1</sup> In Kenya, the regulator relied on milk safety risk analysis evidence documented in Omore et al., (2005) to relax requirements for engagement y small-scale milk traders in licensed milk marketing

### **3.0 Establishing a Training and Certification BDS Scheme**

The selection of the BDS providers is done competitively by the Accreditation Committee (AC), which normally comprises of the main dairy sub-sector regulatory (and development) agency, parent ministry, a dairy training institution, private sector representative, ministry in-charge of public health and the standards bureau in the country. In summary the process involves:

- **Forming an Accreditation Committee**
  - Select and notify members from relevant organisations
  - Developing terms of reference
- **Selection and accreditation of BDS providers**
  - Identify opportunities for BDS provision
  - Define criteria and requirements for recruitment of BDS providers
  - Advertise for BDS positions in the media
  - Evaluate applications and short list applicants
  - Contact qualified applicants
  - Induct short listed applicants on BDS provision through business opportunity seminars (BOS)
  - Accredite successful applicants
  - Provide business mentoring to enhance chances of success and viability of the BDS

- **Getting ready for the Training and Certification Process**
  - Make training materials available
  - Select a training venue
  - Conduct course evaluation
- **Monitoring and Evaluation of the Scheme**
  - Define questions on development outcomes that the T&C BDS service should deliver
  - Assess the best mechanisms for delivery of the outcomes (e.g., effective business networks, required public support)
  - Monitor and evaluate business performance
  - Reporting

Details of the above steps are as follows:

### **3.1 Forming an Accreditation Committee**

#### **a. Membership the Accreditation Committee**

The committee should comprise of persons from organizations whose mandates include the establishment of an efficient dairy industry that produce safe and quality products. These include both dairy regulatory and developmental bodies that are charged with the role of ensuring the growth of a vibrant dairy industry. The bodies may include: dairy regulator, standards body, public health department, the departments in in-charge of livestock matters, a private sector representative involved in

dairy industry, a development partner interested in the promotion of the scheme.

**b. Terms of reference of the committee**

Defining terms of reference (ToR) is a necessary step to ensure the committee's duties complement the existing policy and regulatory framework, without any conflicts. It also helps to clarify roles and demonstrate how the scheme compliments the roles of existing organizations. The committee secretariat should be set up and hosted by the dairy regulatory authority. The secretariat helps to ensure smooth coordination of the actors and the scheme while ensuring receipt, processing, storage and dissemination of reports and information.

**3.2 Selection and Accreditation of BDS Providers**

The selection process entails identification of market opportunities, inviting BDS applicants based on agreed criteria, short-listing and enrolling successful applicants. This is followed by an induction, accreditation and a business mentoring process.

**a. Identifying market opportunities**

This involves mapping out the range of on-going BDS services, distribution, actors involved and identifying gaps for BDS provision. A BDS market assessment may be conducted as a

basis for this or one may rely on synthesis of existing assessments and verification with stakeholders. The report will serve as a guide in understanding the type and distribution of service requirements in the country. This information will help to decide on pilot areas and later up-scaling. It will also assist in defining the skills and capacities of the providers.

**b. Defining recruitment criteria and requirements**

In this stage, the selection criteria and requirements for BDS applicants are developed. Among the factors to consider are: geographical area to be covered by each a provider; estimates of number of providers per area; needs of the targeted milk traders; and, capacity of providers to offer the needed services.

**c. Advertising for applicants**

The advert is prepared by the secretariat and forwarded to widely circulated newspaper(s). The aim is to attract the most competitive and interested candidates. The advert should provide as much information as possible, and include contact details for further inquires by potential applicants. It is recommended that candidates be asked to apply using prescribed forms obtainable from the regulatory agency at a small fee. The fee helps to ensure that only those with a high level of interest apply. Those already operating related businesses are particularly encouraged to apply because

bundling of services have been observed to enhance chances of success in business.

**d. Short-listing of qualified applicants**

A meeting is convened where the AC scrutinizes all the applications to ascertain suitability. Among the key considerations are: academic qualifications and the availability of other BDS services in the area of operation proposed by the applicant. In the initial stages, care should be taken to avoid over concentration of providers in an area to avoid unviable competition. In Kenya, the minimum qualification agreed upon by the AC is a certificate from any a recognized dairy training institution. The minimum requirement is usually obtained following a two-year course.

**e. Enrolling qualified BDS providers**

Upon completion of the selection process, all applicants are contacted to communicate the decision of the committee. All those who have succeeded are informed of the next steps, including the date for induction or BOS.

**f. Induction**

The induction process involves intensive information sharing at a BOS. Usually, this process lasts approximately three days. To ensure concentration, it is advisable to conduct a residential course. The induction process does not offer any technical

training but provides a forum to introduce the scheme and its approaches, discuss the BDS opportunities in the target areas, understand BDS marketing strategies, know stakeholders in the industry and their roles, and business planning. Discussion groups and plenary sessions are set up as needed. At the end of the induction, each inductee is required to submit a business plan based on personal intentions within a specified geographical area. The submitted plans are evaluated by the AC for viability. The inductees who submit successful plans are then recommended for accreditation by the regulator.

**g. Accreditation**

The purpose of the accreditation and certification is to create a distinction between the inducted providers who provide services based on a set standard of practice that is distinct from other non-accredited freelance providers. This helps to overcome the basic difficulty in informal markets, where small volumes and largely generic products make product differentiation difficult. The certification provides the required differentiation mechanism in such market settings, and upon which further marketing innovation can be built.

The accreditation ceremony is usually conducted in a manner similar to graduation ceremonies in academic colleges, with a key policy maker asked to preside over the accreditation. This helps in building upstream support besides the promotion

through news coverage. The initial accreditation graduation ceremony may also be combined with official launching of the T&C BDS Scheme if it is the first ceremony. At these ceremonies, each provider is issued with a certificate certifying that the provider has undergone the induction process and possesses the capacity to offer quality assurance and other specified dairy services.

#### **h. Business mentoring**

A majority of enrolled BDS providers will be persons trained in dairy and dairy related fields but with limited knowledge in basic business planning and entrepreneurship. Imparting these skills helps to enhance viability of the BDS service delivery scheme. Therefore, a mentorship and coaching program is essential. The mentorship may be set up through a collaborative venture by relevant dairy industry stakeholders or interested agencies. The mentorship program involves the appointment of persons with skills and experience in enterprise development and tasking them to visit each BDS provider, assess the BDS services, identify challenges, weaknesses and opportunities and based on that, develop a detailed individual-based report, discuss the recommendations with the providers and submit the report to the Accreditation Committee. These reports with challenges form an essential part of the discussions of the AC and workshops that may be convened to exchange and learn lessons from other BDS providers.

These meetings also provide a useful platform to discuss opportunities for business expansion, including opportunities for bundling of the T&C BDS with other dairy related businesses. The overall aim should be to encourage the BDS providers to expand their scope to become broad agri-business entrepreneurs.

### 3.3 The Training and Certification Process

#### a. Training materials

The training guides used in the BDS scheme are developed by the industry players based on felt needs. In EAC countries, the training guides listed in Box 2 are recommended. Besides these, ensure you have a tool kit containing essential equipment and testing reagents recommended within the training guides. These include simple milk quality tests such as organoleptic, clot-on-boiling, alcohol and lactometer tests as elaborated in approved training guides.

#### **Box 2: Recommended Resource Guides for Training Milk Market Actors in Eastern Africa<sup>2</sup>**

##### ***Resource guides for trainees***

1. Module 1 - Hygienic milk production: a training guide for

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<sup>2</sup>Electronic copies of these training guides by Lore et al., (2006) are available at: <http://www.asareca.org/paap/index.php?page=publications> and <http://mahider.ilri.org/handle/10568/1601>

farm level workers

2. Module 2 - Hygienic milk collection and testing: a training guide for milk collection centre operators
3. Module 3 - Hygienic milk handling and transportation: a training guide for milk transporters
4. Module 4 - Hygienic milk trading: a training guide for small scale milk traders
5. Module 5 - Hygienic milk processing: a training guide for small scale milk processors
6. Module 6. Hygienic milk marketing and dairy business management: a training guide for dairy farmers, milk traders, transporters and processors

*Note: These resource guides have been translated into Kiswahili and Kinyarwanda*

**Resource guides for trainers**

7. Volume 1: Hygienic milk handling, processing and marketing: reference guide for training and certification of small-scale milk traders
8. Volume 2: Hygienic milk handling, processing and marketing: training guide for trainers of small-scale milk traders

**b. Training venue**

The choice of venue should be flexible and convenient for targeted clients. A suitable venue can range from a building to make-shift premise like tents. In situations where a suitable premise is not available, training may be conducted under a tree if the weather allows.

**c. Course evaluation**

At the end of a course, an evaluation is recommended to ascertain the level of understanding by the trainees. The

evaluation exercise involves the administration of both a theoretical and practical test. In cases where the client is not able to read and write, a practical test is sufficient. In each case, a minimum of 50% performance constitute a pass.

**d. Certification**

Once clients have undergone a full course on a module and passed the requisite test, the BDS service provider may issue a certificate of attendance and competence to the trainees. Alternatively, the BDS provider may forward the names and performances of qualified trainees to the regulatory authority for the issuance of a certificate. It is on the basis of either of these certificates that a client may apply for a licence to be registered to trade in milk and milk products. After licensing, the traders are subjected to routine surveillance to ensure that requisite standards are maintained. Milk businesses that excel in maintaining quality standards as noted through regular monitoring may be branded with a seal of quality by the regulator. The steps leading to certification and branding of milk premises are:

- i. Training by a BDS provider on milk hygiene and handling
- ii. Registration and certification by the regulator
- iii. Licensing of business outlets and premises
- iv. Regular inspection for compliance to requirements over a period

- v. Branding and promotion of premises which excel in quality and safety requirements

### **3.4 Monitoring and Evaluation**

Since the BDS concept in quality assurance and other service delivery is a fairly new approach with little information available on its effectiveness and functioning, an elaborate monitoring and evaluation (M&E) is necessary to generate information necessary improve quality of services offered and to support its further development and institutionalisation. A key question that the M&E should respond to is whether the T&C BDS is effective in delivering desired development outcomes in quality assurance, the most effective mechanisms for doing so and the required level of support from the public sector, which is depended on business viability in a given location. The monitoring should involve elements like the dynamics of business networks, relationships between providers and clients, costs/benefits received, and marketing behaviour of traders. This should be in the general context of milk supply and demand patterns.

The M&E allows the generation of information required to improve the BDS performance in a given setting. Following an initial baseline assessment, key indicators may be collected on a continuous basis for further analysis and improvements. The documentation should be simple enough to encourage easy compilation and reporting. A

standardized reporting format is ideal and should be developed by the AC. To ease the reporting process, electronic submission of monitoring reports on a monthly basis should be encouraged. The secretariat is charged with the task of receiving and processing the reports. It is useful to computerize the process to aid the speedy processing of the reports.

**Box 3: Successes of setting up a T&C BDS scheme in Kenya**

The T&C BDS Scheme was pioneered in Kenya by the Kenya Dairy Board, assisted by a local NGO known as SITE Enterprise Promotion. As at mid 2010, the Scheme had enrolled over 400 BDS providers across the country, nearly 200 of which were inducted and accredited in collaboration with the East Africa Dairy Development (EADD) project in central and rift valley regions. Recent impact analysis of the policy change in favour of licensing of informal milk traders that preceded this scheme showed significant benefits to the economy amounting to US\$230 million for Kenyan milk producers, vendors and consumers over the past 10 years (US\$33 million per year). The benefits accrued mainly to producers through reduction in margins, but with milk traders and consumers benefitting as well (Kaitibie et al., 2010)

**Box 4: Successes of setting up a T&C BDS scheme in Tanzania**

The Tanzania Dairy Board (TDB), assisted by a local NGO, the Austroproject Association (APA) initiated a pilot T&C BDS Scheme in mid 2009. A year later, following translation into Kiswahili and printing of the EADRAC endorsed training guides; the scheme was launched after initial enrolment of 20 BDS providers and training of 75 milk traders in Arusha and Mwanza. The scheme was welcomed by milk traders and policy makers alike. While there were challenges of viability of business where the training BDS service was not bundled with other services, the prospects of growth are promising and there is expectation that the scheme will expand. Already, the approach has been captured in dairy sector strategies like the Medium Term Dairy Investment Plan for Tanzania 2007-2012

### **Box 5: Initial experiences in setting up a T&C BDS scheme in Uganda**

The Uganda Dairy Development Authority (DDA), assisted by the East Africa Dairy Development Project (EADD) embarked on implementing a T&C BDS Scheme in 2010 in central Uganda. The Scheme was designed to institutionalize milk quality assurance through BDS generally and to back up efforts by EADD to promote Traditional Milk (TM) market hubs where milk is sold in small volumes and prior to cooling. Initial experiences indicate widespread support given non-viability of chilling plants in many locations.

## **4.0 Branding and Promotion**

### **4.1 Branding**

After the issuance of a license, the regulator conducts regular inspections on the milk handling premises to ensure compliance to both hygienic practices and set standards. During this process, those premises that demonstrate a high degree of compliance are recommended for branding. The aim of the branding is to recognize the extra efforts put by the proprietors to maintain a high level of hygiene and adherence to requisite standards. Branding is basically a market promotion and publicity exercise involving the regulator, the milk traders and BDS associations, consumers and other interested parties.

Once a date is set, public awareness is created through the media, posters and any other available means. The regulator will design a distinct poster that will be affixed on the entrance of the premise, affirming that the premise is certified dealer selling milk that meets the

standards and requirements. The branding helps to build confidence of the consumers on the outlet and usually lead to a sharp increase in sales. This is accompanied by a road show to attract the attention of consumers and later a public gathering at the premise where the modalities leading to the branding is explained. The branding acts as a means of encouraging milk traders to meet the requirements so as to be branded.

#### **4.2 Promotion through media**

The promotion of the T&C BDS scheme is usually done using a wide range of methods including;

- i. Media
  - Radio and TV adverts/commercials
  - Newspaper adverts and features
  - News highlights
  - Comedies
- ii. Shows and exhibitions
- iii. Road shows and site demonstrations specifically organized to highlight the scheme
- iv. Leaflets/brochures
- v. Posters
- vi. Dissemination of pronouncements by policy and regulatory authorities during field days, workshops and other forums

- vii. Encouraging participation of BDS providers and traders in shows, exhibitions, conferences, workshops and other relevant stakeholder forums

## **5.0 Traders' and BDS Providers' Associations**

The BDS service provision can be significantly strengthened if the players are organized into associations that encourage interaction, consultation and sharing of knowledge and lessons. It is therefore necessary to encourage their establishment, and recognition. The following two organisations are encouraged:

- A dairy traders' association
- A BDS providers' association

Some of the proposed roles of these associations are:

- i. Assist in organising the fragmented informal milk dealers.
- ii. Enable vertical integration of the milk marketing systems by encouraging greater collaboration between processors and small scale traders
- iii. Enable the regulator to provide training services to informal traders
- iv. Advice on business and employment opportunities

- v. Provide a forum in which the members can act collectively in addressing their challenges and exchange of ideas
- vi. Support members to improve their milk businesses
- vii. Establish a self regulation mechanism by members.

#### **Box 6: Successes of Dairy Traders Association in Kenya**

As part of the on-going development to support small-scale milk market development, in Sept 2009 the new Dairy Traders Association (DTA) of Kenya was officially launched. Their aims and activities include self-regulation based on the training and certification concept. The DTA membership has grown from 37 when the association was registered some two years back, to 3000 members by end 2010. About 4000 people, offering employment to over 10,000 people, were trained and certified through the association by that date. The branch network has increased to cover Nairobi and environs, Eldoret, Nakuru, Naivasha, Embu, Kisumu, Kericho, Kirinyaga, and Nyeri. Kenya Dairy Board reports that there has been a marked improvement in quality of milk handled and marketed by the members.

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## **Annex 1. Template for Terms of Reference for T&C Accreditation Committee in Tanzania**

### **1.0 Introduction**

The Tanzania Dairy Board (TDB) is among primary provider of training and advisory services for dairy enterprises. Specially, now TDB is implementing a project that has training component titled “Appropriate policy Implementation Instruments for Integrating Informal Milk Markets into the Formal Value Chains Developed and Pilot Tested in East Africa”. The main objective of the project is to establish and improve a quality assurance system through training and certification of informal milk traders involving Business Development Services, (BDS providers. Therefore, the demand of the training service to the dairy enterprises has increased tremendously. However due to the existing and emerging demand for these services, and the rationalization of the Board’s functions, access to quality services for the sector has been limited. There has also been an evident gap between the supply of training in terms of its quality and content.

The potential service providers will be subjected to competitive selection process. Thereafter, shortlisted applicants will undergo a process of induction (how to conduct the training of traders using approved training manuals and guidelines on milk quality control and entrepreneurship) and accreditation. TDB intends to facilitate selected service providers to deliver this training to informal Milk traders for a fee.

The Tanzania Dairy Board, through the project on “Appropriate Policy Implementation Instruments for Integrating Informal Milk Markets into the Formal Value Chains Developed and Pilot Tested in East Africa” aimed at developing a pool of individuals and/or firms offering short term skills training and advisory as a business. These services are targeted on small scale milk traders, transporters of milk, cooperatives and other producer groups who handle milk going to consumers or to processing plants. The focus of these services is to meet the acceptable hygiene and quality requirements and also comply with the regulations for safe milk marketing. Through these services, the operators will more readily obtain a registration as per Dairy Industry Act of 2004 and licenses as well as improve their business and services to consumers.

The strategy for achieving this is to promote private providers of training, advice and other services needed, through accreditation. Through this strategy, the Dairy Board, through an Accreditation Committee will competitively select individuals who meet set criteria. Once selected, the provider will be officially appointed as recognized trainers/advisors by the Dairy Board and will be able to offer training that is approved by the Board and other industry stakeholders. The accredited providers will be expected to work closely with the Board to increase the level of skills and knowledge for quality control in the industry. The Accreditation Committee has been established in order to manage this process. The Committee will be guided by specified processes and procedures.

## **2.0 Composition of the Accreditation Committee**

The Accreditation Committee shall comprise 5 to 7 professionals, one person from Tanzania Dairy Board, One from Tanzania Food and Drug Authority, one from Sokoine University, One from Livestock Production Department in the Ministry of Livestock Development and Fisheries, one from stakeholder's organization (such as TAMPA, TAMPRODA, HPTZ etc) and from dairy support team for this particular case is Astroproject Association who are leading the implementation of project and will actively participate in and be part of the accreditation committee for the duration of the project. TDB will chair and provide the secretariat to the accreditation committee. The committee may be expanded as need be.

## **3.0 Specific Tasks for the Accreditation Committee.**

The following are the terms of reference for the accreditation committee.

- i. Advice the Board and other stakeholder on the training and advisory needs for small scale dairy enterprises.
- ii. Set a plan for meeting these needs by accreditation of providers.
- iii. Receive and review applications from potential services providers after the advertisements for service providers are done and short list potential providers.
- iv. Short list and interview the short listed providers
- v. Make recommendations to the Board for accreditation of the service providers.
- vi. Periodically review and assess the relevance of the curricula and modules being used in the field to ensure that quality is maintained at all times

- vii. Identify gaps and make proposal for the development of curricula and modules to address them.
- viii. Receive, analyze and appraise reports from the BDS providers and make recommendations for improvements. Give quarterly summaries of reports to the Board.
- ix. Carry out periodic appraisals of fees against the services provided to ensure they are not a hindrance to accessibility of these services by the Small and Medium Enterprise, SMEs
- x. Develop and recommend systems to improve quality to the BDS services
- xi. Develop mechanisms and promote the formation of a business providers' network or including a national umbrella organization.
- xii. Monitor and evaluate the provision of business development services to assess impact and give or recommend support where required.
- xiii. Make any other recommendations to the Board that would improve the accreditation process and business development service provision to the sector.

#### **4.0 Terms and operation guidelines for the Accreditation Committee**

- i. The committee shall report to the Registrar of, Tanzania Dairy Board.
- ii. All decisions made by the accreditation committee shall be subject to ratification by the Dairy Board.
- iii. The secretariat shall be based at Tanzania Dairy Board headquarters
- iv. The committee shall set its own schedule of business meetings, which shall be held once every two months or depending on the issues at hand. TDB shall convene these meetings
- v. Initially, lunch and travel allowances will be met by TDB but with time, the income from the registration and license process will be used to meet the expenses of the accreditation committee.
- vi. The committee shall not make any decisions or utterances on behalf of the board without consultation with the Board
- vii. The Board has power to dissolve the accreditation committee should they think they have out grown their usefulness or for any other reasons which they might give.

## **Annex 2. Process and Procedures for BDS Selection and Accreditation in Tanzania**

### **1.0 Purpose of the Accreditation of Business service Providers**

The Tanzania Dairy Board, through the project on appropriate policy Implementation Instruments for Integrating Informal Milk Markets into the Formal Value Chains Developed and Pilot Tested in East Africa project aims to create a pool of individuals offering short term skills training and advisory service as a business. These services are targeted on small scale milk traders' transporters of milk, cooperatives and other producer groups who handle milk going to consumers or to collection centres and to processing plants. The focus of these services is to meet the acceptable hygiene and quality requirements and also comply with the regulations for safe milk marketing. Through these services, the operators will more readily obtain licenses as well as improve their businesses and services to consumers.

The accreditation is a process whereby the Dairy Board through an accreditation committee will competitively select individuals who meet set criteria, as outlined below. Once selected, the provider will be officially appointed as recognized trainers/advisors by the Dairy Board and will be able to offer training that is approved by the Board and other dairy industry stakeholders. The accredited provider will be expected work closely with Board to increase the level of skills and knowledge for quality control in the dairy industry.

### **2.0 What is the process of Accrediting Providers?**

The following process will be followed in selecting providers for accreditation:

- i. The Accreditation Committee will make open/public invitation for application by potential providers
- ii. The accreditation committee will short list the applicants against the agree criteria

- iii. Short listed applicants are interviewed and rated before a final selection is done
- iv. Names of the selected participants are forwarded to the Dairy Board for approval
- v. The selected participants are taken through an induction process including training of trainers course
- vi. The Board appoints the providers who also sign a commitment to abide with the terms of accreditation.

### **3.0 What are the Criteria for accreditation?**

Accreditation shall be based on a competitive process based on qualifications of the applicants

The potential applicants will:

- Be holders of at least a certificate on Dairy Technology offered by the Livestock Training Institute (LTI) or equivalent.
- Have experience in provision of extension and other services to small scale producers and traders in the dairy sector. Experience in non formal training will be advantage
- Have the capacity to provide training, advisory and other dairy services. The key requirements are:
  - A working/operating premises that can be readily distinguished
  - A training kit enabling one to carry out basic control tests such as density, acidity, organoleptic etc
  - Have ability to provide or acquire aids e.g. flip chart/blackboard and other basic written materials for use when training.
- Be able and willing to submit monthly progress reports to the Board
- Have good communication skills-fluency in Kiswahili is a must
- Be entrepreneurial-experience in running own enterprise/ business in relevant field will be an added advantage.
- Demonstrate understanding of the business opportunity the accreditation will offer them and how they intend to carry out the business. Practical and realistic proposals must. This will be assessed interviews and the induction processes.

Other requirements are outlined in the application form and the checklist for the rating applicants, as set by the accreditation committee. These requirements are subject to change

#### **4.0 Which services are targeted for the BDS providers?**

The accredited providers are expected to be entrepreneurial and hence be able to respond to the need of the target clients in areas that improve the ability of the clients to meet the minimum quality control levels, hygienic and other regulatory requirements for milk handling. In addition, the providers shall be encouraged to be innovative in provision of services that improve the enterprises of their clients, both on farm and off farm, thereby contributing to development of a competitive and rewarding small scale dairy sector.

However, initially, the I project and the Board shall focus on providers of the following services:

- Training and advisory services on hygienic handling and quality control of milk (as per six (6) adopted modules) to stakeholders segment namely producer, milk collector, trader, processor and consumer.
- Supply of equipment for handling of milk (milking, storage, transportation) and testing kits and reagents for quality control
- Entrepreneurial training on running/ management of milk related businesses
- Dissemination of relevant information on the dairy sector

#### **5.0 How will the accreditation of service providers benefit the dairy industry?**

The accreditation process will contribute to the improvement and growth of the sector in several ways. Some of these are:

- Increase availability and access to quality training advisory and other services will be offered to micro and small scale operators (producers, traders, transporters etc)
- Enhanced standards content of training through approved training modules and content. This will ensure that the training available meets the minimum content for quality and hygienic practices.
- The operators will more easily meet the requirement for registration, licensing and operating their enterprises.
- Increase the level of compliance to the set regulatory requirements for safe milk handling and marketing as per dairy industry acts of 2004 and other food regulations.

- The quality of milk available to consumer will improve leading to greater confidence in the product. This is expected to further stimulate the local demand for milk, thus contributing the sector growth.
- Reduction of milk loses due to spoilage as result of poor quality of handling/transportation contracts.
- Increased return for the dairy enterprises.

This process is in line with Tanzania Dairy Board new strategy aimed at stimulating the growth of the industry of promoting the production of quality milk and milk products that meet both local and export requirements.

### **6.0 How accreditations benefit the providers?**

The Dairy Board through the current project will facilitate and support the accredited provider in order to ensure they are able to meet their business and services provision objective. The providers will benefit several ways including:

- Practical training in service design and deliver- this is critical in attracting and retaining clients (this will be through the tailored ToT)
- Access to and use of quality training and information generated by the project.
- The official recognition by the Board gives a higher profile and confidence among clients. The Dairy Board will closely monitor the operations of accredited providers to ensure that this privilege is not abused.
- Opportunities are created for sustainable business due to the high demand and provision of high quality services.

### **7.0 How will the Tanzania Dairy Board support the accredited providers?**

The Board will play an active role in ensuring that the accredited providers provide appropriate services in a viable business way, yet without direct involvement on the provision of the service. Over and above training the provider as stipulated above other roles include:

- Creating awareness among potential clients on the existence of the providers

- Maintain up to date database on the providers and the scope of their services
- Monitor the activities of the service providers and provide backstopping support where necessary.
- Provision of information with regard to the regulations and standards
- Ensure the dairy enterprises have a clear understanding of the service providers

## **8.0 Reporting and Monitoring Activities**

Reporting and monitoring will be carried out on a continuous basis. Ground trusting will be done on a bi annual basis. A reporting and monitoring format will be developed to ensure that all required information is capture. Service providers will submit monthly reports to the accreditation committee on a monthly basis. From the report the committee will extract updates, which will be submitted to the Board on quarterly basis. These updates should include the volume of business generated, the numbers reached, challenges and recommendations.

**Annex3. Advertisement inviting BDS applications placed in  
Majira Newspaper Tanzania**

# **TANZANID DAIRY BOARD**

## **Opportunity to Provide Training for Informal Milk Traders in Arusha and Mwanza Call for Application**

The Tanzania Dairy Board (TDB) will be implementing a project funded by The International Livestock Research Institute (ILRI) titled "Appropriate policy Implementation Instruments for Integrating Informal Milk Markets into the Formal Value Chains Developed and Pilot Tested in East Africa". The main objective of the project is to establish and improve a quality assurance system through training and certification of informal milk traders involving Business Development Services, (BDS providers).

Therefore, Tanzania Dairy Board is striving to make milk marketing system work better for supplying hygienic and safe milk. This will be achieved through formalization of milk traders that will be facilitated through training to milk traders as one way of ensuring quality milk is marketed in pilot area in Arusha and Mwanza.

The potential service providers will be subjected to competitive selection process. Thereafter, shortlisted applicants will undergo a process of induction (how to conduct the training of traders using approved training manuals and guidelines on milk quality control and entrepreneurship) and accreditation. TDB intends to facilitate selected service providers to delivery this training to informal Milk traders for a fee.

Opportunities for the provision of these services are available in all the milk production, collection, processing and marketing. Applicants from Arusha and Mwanza are particularly encouraged to apply. The potential service providers must be qualified and experienced in livestock related fields at certificate, diploma or degree level. Persons with skills in enterprises development will also be considered.

Interested applicants should submit together with application letter, application form collected from the nearest office and the duly completed form should be delivered by Courier, or fax or through email with the scanned documents to the address below before 16hrs on 6<sup>th</sup> November, 2009.

Registrar,  
Tanzania Dairy Board  
NSSF Ubungu office block,  
Plot no.417; block G, Morogoro Road,  
P.O. Box 38456,  
Dar es Salaam.  
Tel. +255 22 2450425  
Fax +255 22 2450425  
E mail: [tzdairyboard@bol.co.tz](mailto:tzdairyboard@bol.co.tz)

## **Annex 4. Template Application Form for BDS Provision**

### **APPLICATION FORM DAIRY BUSINESS DEVELOPMENT SERVICE PROVIDERS**

**Please answer all questions on this form and send it to xxxxxxx:**

**Please attach the following documents to this application**

- a) Application letter**
- b) The curriculum vitae**

#### **A. PERSONAL INFORMATION**

**1. Name in full: Dr/Mr/Mrs/Miss**

\_\_\_\_\_

**2. Business name (if any)** \_\_\_\_\_

**3. Mailing and Physical address:** \_\_\_\_\_

**4. Permanent address:** \_\_\_\_\_

**5. Telephone contact (mobile):** \_\_\_\_\_

**6. Email address:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

#### **B. ACADEMIC AND PERSONAL QUALIFICATIONS**

**1. Academic Qualifications (Please state the dates, course and duration)**

**Level of education (tick as appropriate) Course taken**

Certificate \_\_\_\_\_

Diploma \_\_\_\_\_

Degree \_\_\_\_\_

Other (specify) \_\_\_\_\_

**2. Professional qualifications**

a) What experience in small scale dairy enterprises that is relevant to the proposed services do you have?

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b) Have you ever conducted any training and advisory services? Yes/No (circle). If yes, please specify when, who, where and the main objectives of the training/advisory

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c) What are your main activities and which areas are you operating in?

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d) Do you have employees? Yes/ No; if the answer is yes provide the following information:

Name of employee	Qualification	Role in your business

**3. What Services do you propose offer to the actors in the dairy industry and how much will you charge for these services? (Please indicate the specific service, target actors/group and amount to be charged per what duration and basis for recommending these charges)**

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**4. What tools and equipment do you have that you will apply for the proposed business activity?**

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**5. In which areas or regions do you propose to offer the services and why?**

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**6. Please explain why you think you have the capacity to deliver training and advisory services.**

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**7 COMMITMENT: I certify that the information provided in this form are authentic; and I agree that if selected I will fully devote my time to ensure I diligently deliver.**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Annex 5. BDS Providers Evaluation Criteria and Score Guide used in Tanzania

Item No.	Evaluation Criteria	Maximum Score
<b>1.0</b>	<b>Personnel Experience (qualifications of key staff)</b>	30
	General qualifications of relevance (certificate, diploma, Bachelors, others) of key staff	10
	Suitability of the staff for the project	10
	Number of staff for outreach	10
<b>2.0</b>	<b>Experience in similar Assignments (core business and years in the business)</b>	30
2.1	Have experience in provision of extension and other services to small-scale producers and traders in the dairy sector	10
	Have the capacity to provide training, advisory and other livestock services Excellent skills in training of rural communities (i.e .appropriate methods and techniques). Experience in non-formal training will be an advantage	15
	Number of year in the similar business	5
<b>3.0</b>	<b>General Experience of Firm / Consultant</b>	30
3.1	Overall impression of the pre-qualification, documents, including attached literature, brochures etc assessment of the general suitability of the company/ consultant in the field of the assignment?	10
3.2	Technical and Managerial Competence - proven ability to successfully deliver training on commercial basis	10
3.3	Working/operating premises	10
4.0	<b>Knowledge of the Region</b>	10
	Substantial working experience in selected area (client references)	10
	<b>TOTAL (Items 1+2+3+4)</b>	<b>100</b>

Suggested pass mark = 50%

**Annex 6. Template Score and Selection Sheet for Potential BDS Providers**

	Name of Candidate BDS provider/firm	Scores by Evaluator 1					Scores by Evaluator 2					Scores by Evaluator 3					Grand Total	Location of applicant
		1	2	3	4	Total	1	2	3	4	Total	1	2	3	4	Total		
1																		
2																		
3																		
4																		
5																		
6																		
7																		
8																		
9																		
10																		

**Annex 7. Programme for Induction of Successful BDS Providers in Arusha and Mwanza, Tanzania**

**Day One**

<b>S/N</b>	<b>Time</b>	<b>Activity</b>	<b>Responsible</b>
1.	08:30 - 09:00	Arrival and registration of participants	Conveners
2.	09:00 - 09:15	Introduction and brief presentation of the project to Guest of hour and participants	Conveners
3.	09:15 - 9:30	Official opening	Guest of Honour
4.	09:30 – 10.00	<b>Group picture Health Break</b>	All
5.	10.00-11.00	Presentation on the training Guide	Conveners
6.	011.00 – 01.00	Guide Participants on how to prepare training . Module 4 used as a case study ( Group discussion)	Conveners and participants
6.	<b>01.00-01.30</b>	<b>Lunch Break</b>	All
7.	01:30 –02.00	Continue..... Guide Participants on how to prepare training . Module 4 used as a case study ( Group discussion)	Conveners and participants
8.	02:00 - 03:00	Presentation of Group work on training preparation for training Module 4	Participants
9.	03.00 -03.15	<b>Health Break</b>	All
10.	04.00	<b>Recap and Closing of Day One</b>	Conveners

### Day Two

S/N	Time	Activity	Responsible
1.	08:30 - 09:00	Arrival and registration of participants	Conveners
2.	09:00 - 09:30	Presentation of Milk Platform test ; Sight and Smell test (organoleptic), clot on boiling, alcohol test, lactometer. (Theory and practicals)	Conveners
4.	09:30 – 10.00	<b>Health Break</b>	All
5.	10.00- 011.00	Continue... Milk Platform tests; Sight and Smell test (organoleptic), clot on boiling, alcohol test, lactometer. (Theory and practicals)	Conveners)
6.	11.00 – 12.30	Preparation of Business Plan ( Cost and profit for delivering of training to milk traders)	Conveners
6.	<b>12.30 - 01.00</b>	<b>Lunch Break</b>	<b>All</b>
7.	01:00 – 02.00	Facilitate BDS providers to develop Business Plan (Business Plan) ( Group Work)	Conveners
8.	02:00 – 02:30	Sharing of Business Plans	Participants
9.	02.30 03.00	Monitoring and Evaluation system for Service provider	Conveners
10.	03:00-04:00	Evaluation of participants and trainers	
11.	04:00-04:30	Award of certificate to participants and closing of Workshop	Conveners and participants

Annex 8. Template for Accreditation Certificate used in Kenya

**ACCREDITATION CERTIFICATE**

**This is to certify that**

XXXXXXXXXXXXXXXXXXXX

Of

\_\_\_\_\_

**Having successfully satisfied the requirements of Kenya Dairy Board's Accreditation Committee , has been accredited to provide Business Development Services under the SITE/IQAM Project on the following areas of specialization**

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

**You will provide the said Services within the following region/s**

XXXXXXXXXXXXXXXXXXXX

**This accreditation is valid for a period of 12(Twelve) months**

**From ....XXXXXXXXXX/200x To...vvvvvvvv/200x**

**And Subject to the conditions set overleaf**

\_\_\_\_\_

**Managing Director**  
**Kenya Dairy Board**

**Date...XXXXXXXXXX/200x..**



**KENYA DAIRY BOARD**  
**db**  
Quality Milk to Kenya

## **Annex 9. Template for Undertakings by the Regulatory Authority and Accredited BDS Service Providers**

### **Commitments and responsibility of the regulatory authority**

- Ensure that there's fair play in the industry as provided in the Dairy Industry Act
- Accredit qualified BDS providers upon meeting the laid down conditions and requirements
- Issue certificates to trainees after successful training by BDS providers
- Licence the trained MSEs upon meeting the necessary conditions as per existing regulations
- Develop, update and approve training materials to be used by BDS providers
- Receive reports, monitor and evaluate the BDS service provision.

As the T&C BDS scheme expands, the regulator will organise appropriate courses to upgrade the skills in quality assurance and business for the accredited BDS providers. The regulator should further undertake to organise annual forums for participants in the T&C scheme to share challenges and how to overcome them.

### **Commitments and responsibility of the BDS Providers**

- Adhere to ethical practices in the provision of services
- Uphold and enhance the integrity of Kenya's dairy industry
- Provide the Business Development Services on a commercial and sustainable basis.
- Market/promote the services independent of the Board
- To possess the minimum training resources as prescribed by the Board
- Use training materials/aids provided or approved by the Board
- Disclose any vested interest with the Board that may affect fairness in the accreditation and regulatory services of the Board
- Submit training programs indicating the dates, venue and training schedules of all planned training
- Submit reports as per guidelines stipulated by the Board