

# Towards Formalisation of the Dairy Development Forum in Tanzania: Lessons from other countries

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**Research for Development Partnerships**



RESEARCH PROGRAM ON Livestock

# Outline

- Key Definitions
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- Dairy institutions in Tanzania
- The Dairy Development forum: genesis and challenges
- Evolution of dairy institutions in developed countries
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  - Ireland
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- Evolution of dairy institutions South Africa
- Lessons Learnt
  - Separation of roles of Government and quasi-government institutions and private sector institutions
  - Financing mechanisms and sustainability
- Way forward for DDF

# Definitions

Term	meaning
Dairy Institution	an established dairy organization or body, representing private or public sector. It may include milk producer groups, associations, cooperatives, public authorities, agencies, or private sector boards or industrial associations
Producer organisation	An organisation of dairy farmers involved in production and/or marketing of milk
Regulatory Authorities	These are public institutions, sections or divisions within or outside government departments mandated to perform specific functions
Quasi Governmental organisations	Semi-autonomous governmental organization established by law performing functions on behalf of government
Association of organisations	An organization whose membership is made up of several independent organisations
Industry organizations/Associations	Non profit making institutions established by industry stakeholders for specific purposes e.g. advocacy and promotion

# Dairy institutions East Africa today

Ministries Responsible for Livestock/ EAC trade Protocols/Standards

- Regulatory
- Sector- wide institutions
- Industry wide institutions

Directorate of Veterinary services inspectorate , Local Government Authorities

National Dairy Regulatory Authorities (KDB), DDA and TDB, RDB)

Agencies Responsible for Food Safety under Ministry of Health

Bureaus of Standards (KEBS, UBS, TBS)

Millions of Smallholder dairy & traditional cattle farmers (No National level Sector wide Association)

One Regional Coop Union /26 in TZ

???

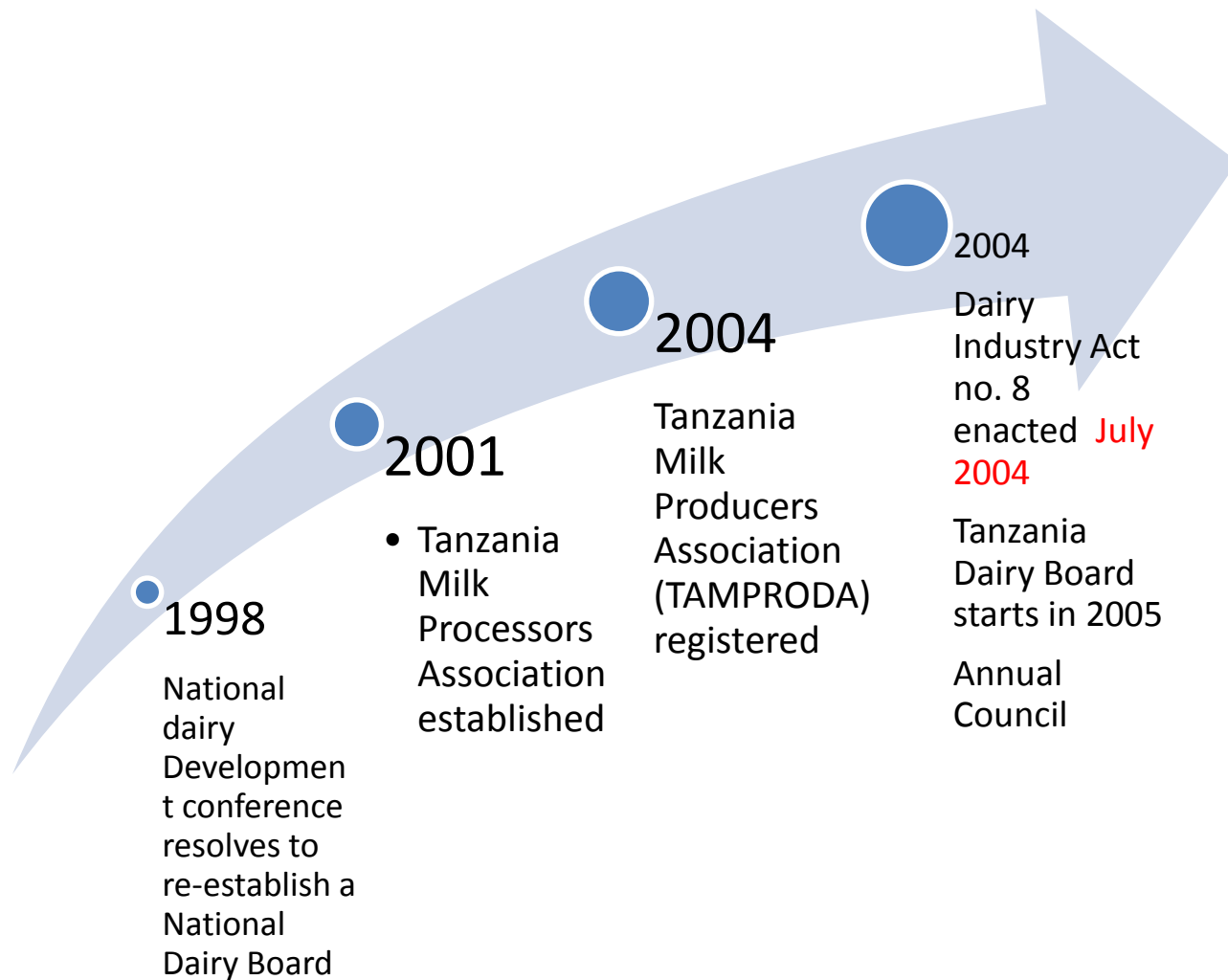
No industry wide stakeholder organization or platform

National Milk producers Association  
Primary Dairy Cooperative

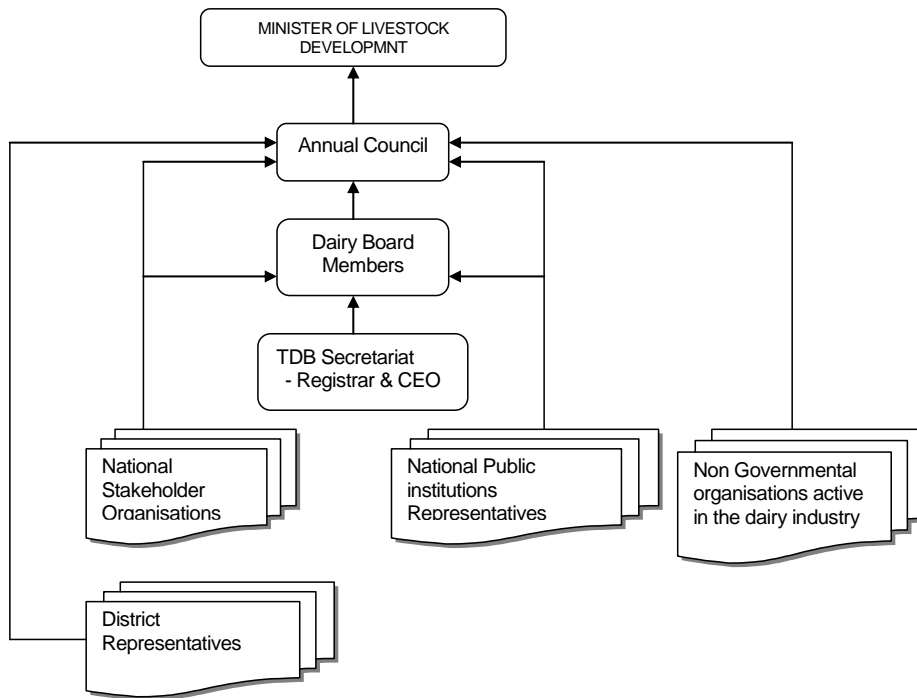
National Milk Processors Association in Kenya, Tanzania

Milk traders association in Uganda and Kenya only

# Evolution of dairy institutions in Tanzania



# Tanzania Dairy industry statutory institutional framework



- Designed to be as inclusive as possible
- District level representation at the Annual Council based on “**recognised**” rather than “**registered**” stakeholder organisations

# Functions of stakeholder organisations

## TAMPA OBJECTIVES

- To build the capacity of the processing industry and that of its members to procure and process milk efficiently
- To assist its members acquire skills and knowledge in milk processing and marketing
- **Promote the consumption of processed milk**
- **Lobby for the welfare of its members by engaging government, NGOs and other private sector organisations**

## TAMPRODA OBJECTIVES

- Mobilise members to commercialise production
- Forum for exchange of information
- Seek assistance on behalf of members
- **Advocate and protect members interests**
- Undertake management advisory services
- Improve environmental conservation
- Sensitise members on gender issues
- Any other activities to realise the above objects

# Functions of TDB

Regulatory and Policy related functions	Technical functions
<ul style="list-style-type: none"> <li>• Advise the Minister of matters concerning dairy development policies and ....</li> </ul>	<ul style="list-style-type: none"> <li>• Search and develop markets</li> </ul>
<ul style="list-style-type: none"> <li>• Develop and monitor strategies</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure availability of appropriate technology</li> </ul>
<ul style="list-style-type: none"> <li>• Perform regulatory activities in the dairy industry ...</li> </ul>	<ul style="list-style-type: none"> <li>• Initiate and co-ordinate dairy industry research;</li> </ul>
<ul style="list-style-type: none"> <li>• Create and promote a competitive environment conducive to fair play among stakeholders in the dairy industry;</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contribute to the promotion of milk consumption ....;</b></li> </ul>
<ul style="list-style-type: none"> <li>• Lobby for interest of the dairy industry development;</li> </ul>	<ul style="list-style-type: none"> <li>• Disseminate the industry information ...</li> </ul>
<ul style="list-style-type: none"> <li>• Register producers and processors of dairy and dairy products</li> </ul>	<ul style="list-style-type: none"> <li>• Support research, education and training;</li> </ul>



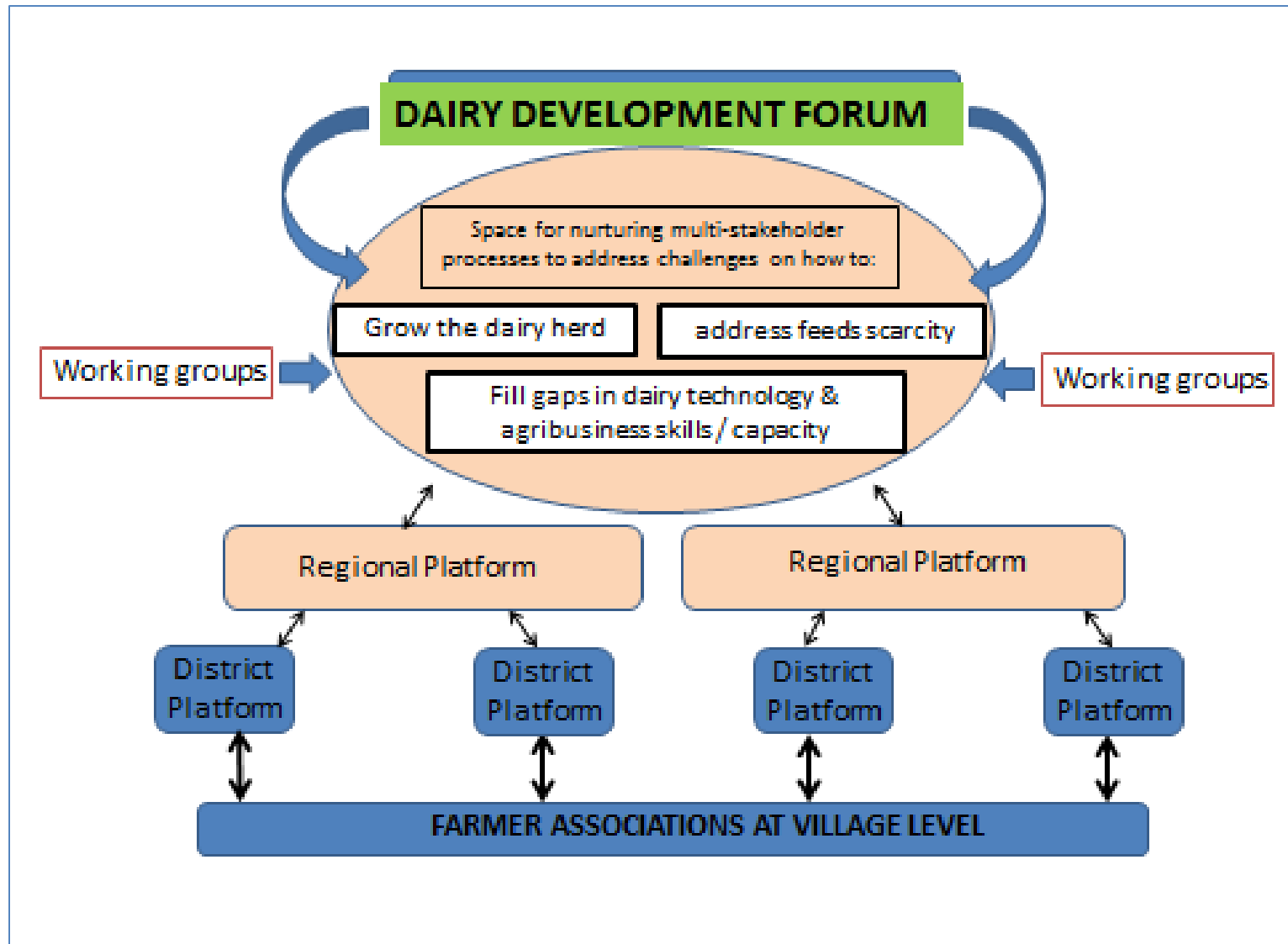
# Dairy Development Forum: Genesis and challenges

- Functions of the Annual Council limited to:
  - promote the development of a sustainable dairy industry
  - propose members of the Board for appointment by the Minister
  - receive and scrutinize various reports from the Board;
  - advise the Minister and the Board on issues concerning the dairy industry ...
  - carry out any other functions as may be necessary ...
- AC is not mandated to address issues of a technical nature (the Board is)
- Criteria for representation from districts on the basis “recognised” stakeholder organisations not clear on who qualifies and how they should be selected.
- AC seen as not inclusive enough in relation to different players actively engaged in the dairy industry, such as projects, programmes, and other segments of the industry not represented in the Board or AC.

# Dairy Development Forum-Filling the gaps?

- **Promoted and through the MoreMilkiT Project DDF seeks to:**
  - Promote a more inclusive orientation in public and private investments in the dairy sector
  - Promote professionalization and best practices in the dairy sector
  - Act as a platform for information and knowledge sharing including:
    - Convening from time to time as a national innovation platform to **address systemic bottlenecks and co-create solutions in the dairy sector**
    - Facilitating mentoring of milk-shed (or regional) dairy innovation platforms

# Dairy Development forum



Experiences from other countries  
around the World

# Dairy institutions in Denmark today

## EU Common Agric Policy & Milk Package

- Regulatory
- Sector- wide institutions
- Industry wide institution

Ministry Environment and Food of Denmark  
**The Department**  
↑  
Danish AgriFish  
Danish Veterinary and Food Administration  
Environmental protection Agency  
Danish Nature Agency includes Danish Coastal Authority

**Three regional Veterinary and Food Control Centres**  
Administrative responsibilities of Ministry delegated to Municipalities

## Danish Agriculture & Food Council –Est.2009

Danish Agriculture  
Danish Bacon and Meat Council  
Danish Agricultural Council  
Danish Pig Production  
Danish Dairy Board

Governed by  
**Board Chairmanship (3P+3C)**  
Primary Sector Board  
Company Board with 3 member reciprocal representatives.

## Danish Dairy Board

16 Dairy Companies out of 28;  
97% milk deliveries Coop based

4000 farmers @127 cows@1,124 MT quota/annum, 4.9 million MT milk, 28 Companies

# Dairy institutions in Ireland today

Dept. Agric. Food & Marine + EU Common Agricultural Policy and “Milk Package”

Regulatory

Dairy Controls and Certification Division implement EU and national legislation of Milk hygiene and safety  
Enforced by Govt. Inspectors

Sector- wide institutions

Industry wide institutions

**Teagasc**  
Irish Agriculture and Food Development Authority  
Semi-govt 11member Board  
Research, Advisory and training services to the Agriculture and food industry and rural communities  
**Link to industry through Technology Transfer office**

Irish Co-operative Organisation Society (ICOS)-  
10 milk -processing + 17 purchasing coops

Irish Milk Quality Co-operative Society Ltd (IMQCS) (23 co-ops)

Irish Dairy Board Co-operative Ltd (Ornua Co-operative Ltd since 2015)

Irish Dairy Industries Association (IDIA)

Milk producer coops

Milk Processing coop companies

# Dairy institutions in USA today

## USA Department of Agriculture (USDA)

- Regulatory
- Sector- wide institutions
- Industry wide institutions

National Dairy Promotion and Research Board

STATE & MUNICIPAL AUTHORITIES

## Dairy Management Inc. (DMI)

National Dairy Council  
American Dairy Association

Dairy Checkoff system

American Dairy Export Council (USDEC)

## American Dairy Products Institute (ADPI)

Private dairy ingredients manufactures

Private Products manufacturers

# Dairy UK

- **Dairy UK is the trade association for the British dairy supply chain.**
- **It brings together farmers, dairy co-operatives and manufacturers, bottle milk buyers and milkmen throughout the United Kingdom.**
  - Dairy UK's members collect and process about 85% of UK milk production.
- Dairy UK Mission is to:
  - create an environment in which dairy foods are seen as safe, sustainable and integral to the nation's diet, and;
  - create an environment that allows the dairy sector to compete and grow without an undue burden of regulation.
- Through its **committees and working groups**, the Dairy UK programme of work focuses on several areas such as:
  - **public health and nutrition;**
  - **policy and economics;**
  - **sustainability and the environment; s**
  - **scientific and technical issues in the supply chain;**
  - **occupational health and safety; skills** and more.
- Dairy UK represents its members' interests in Parliament and with the Government by defending industry positions and ensuring dairy issues are taken into account by key decision-makers.
- **Dairy UK is the key link between its members and Government, regulators and other stakeholders.**



# Dairy institutions in the UK

Department of Environment ,Food and Rural Affairs, EU Common Agric Policy & Milk Package,

- Regulatory
- Sector- wide institutions
- Industry level specific institution

Food Standards Agency (FSA)

Animal and Plant Health Agency

Veterinary Medicines Directorate

Environment Agency

## Dairy-UK

Trade association for both producers and processors

The Dairy Council

Dairy Energy Savings Ltd

British Cheese Board

## Farmers Forum

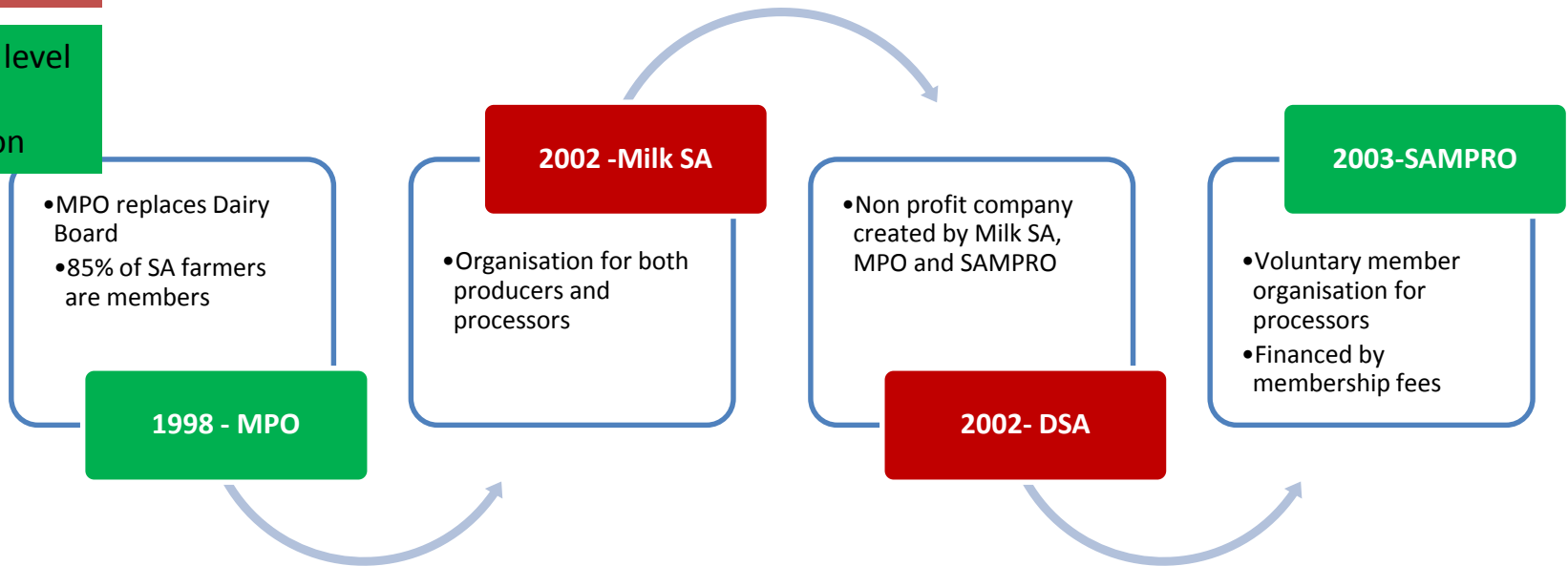
Royal Association of British Dairy Farmers (RABDF).

Farmers Union of Wales (FUW)

Red Tractor Assurance Dairy Standards (RTADS)

# Evolution of Dairy institutions in the RSA

Regulatory  
Sector- wide institutions  
Industry level specific institution



**Milk –SA** is an overarching organization which promotes co-operation amongst role players in the dairy industry, including government and to ensure fair competition and compliance with other regal requirements.

## Among its core activities are:

- Consumer education informed by research to promote awareness of the health and nutritional advantages and preferences of milk and dairy products.
- Empowerment of previously disadvantaged individual through knowledge and skills improvement
- Provide industry information by collecting, processing and dissemination of industry information to stakeholders
- Quality improvement programme implemented by Dairy Standards Agency (DSA) and engaging in South Africa Trade dispensation/negotiations promotion.

# Evolution of Dairy institutions in the RSA

- Functions the Milk Producer Organisation (MPO)
  - Market protection through negotiating for the best import tariffs by ensuring existing import tariffs protect producer prices by approx. 45 cents.
  - Acting against irregularities in volume and prices of milk products imports
  - Protecting market against importation of substandard and/or cheap product (antidumping measures)
  - Promoting exports through export certification
  - Promotion of the milk consumption (through generic advertisement and School milk programmes) in collaboration with other actors.

# Lessons learned

## Functions of governmental /quasi governmental authorities

- Setting policy and regulations
- Setting standards and regulations
- Stakeholder
  - Registration
  - Licensing
  - Inspection for compliance
- Import and Export Controls
- Imposition of penalties
- Co-ordination of different role players
- Consumer protection
- Research and development
- Offering advisory services to farmers
- Ensuring fair competition

## Functions of Industry institutions

- Advocacy – common voice *vis à vis* govt and regulators
- Promotion of development through facilitation and empowerment of members
- Promotion of consumer awareness
- Collection and disseminating industry information
- Protection of industry against unfair practices
- Research and Development
- Promotion of trust and consumer confidence in the industry practices and products

# Lessons learned ....

- Dairy institutions are required to fulfil specific functions and roles
- A mix of public and private institutions is required and the regulatory function of state agencies tends to be taken over by private sector institutions as they develop and build capacity to self-regulate and finance their activities through member contributions and fees.
- Compared to segmented stakeholder associations (e.g. TAMPA and TAMPRODA), industry wide organisations (cf. Dairy-UK and Dairy SA) are in a better position to play policy advocacy roles as well promotion and addressing issues of technical nature
- Ownership and democratic participation of farmers, processors and other players in the dairy institutions is important prerequisite for inclusiveness
- Level of deliveries of milk to formal marketing and processing channels is important for development and sustaining mechanisms for self financing through members contributions and self imposed levies.

# Way forward for DDF

- The DDF has attempted to fulfil a gap in the roles played by existing institutions
- Its informal nature is a weakness in galvanizing action and support by industry stakeholders, development partners as well as its relevance and negotiating position as a voice for the industry *vis à vis* government policy environment and regulation.
- A formal DDF will need to:
  - define its role in a way that adds value to the existing industry associations, the Dairy Board, Annual Council
  - have the support and clear linkages to existing stakeholder institutions including membership and/or representation in cross-sector private sector organisations (e.g. ACT, TCCIA)
  - have a sustainability strategy that has widespread grassroots support by sizeable formal market channels.

**Thank you for your attention**