



## Deepening and Scaling-up Dairy Sector Transformation

The dairy sector in Uganda is experiencing a transformative process. From a self-contained market (with hardly any export and limited imports), Uganda has suddenly emerged as a leading dairy exporter in Africa. At farm level, farmers are responding to increased milk prices by shifting from a 'low input – low output' farming system to a semi-intensive grazing regime.

Since October 2015, SNV has implemented The Inclusive Dairy Enterprise (TIDE) project in Southwestern Uganda with funding from the Embassy of the Kingdom of the Netherlands (EKN). The overall goal of the project is to deepen and up-scale dairy sector transformation by supporting farmers and service providers with the requisite knowledge and skills to reap from their investments. Phase I of the project which ended in December 2019 supported farmers to transition to semi-intensive production through the creation of a commercial input market in knowledge (training, extension), products and technical services and finance (credit). In November 2019, the project received additional funding from EKN to implement Phase II of the project that will run until 2023.

### The Challenge

For over three decades, dairy farmers in Southwestern Uganda have invested in crossing their traditional Ankole cows with the Friesian Holstein breed, thus creating cross-breeds with higher potential.

By 2015, more than 80% of all dairy households in the Southwest owned crossbreeds that now required improved nutrition, and better herd management. Despite the improved breeds, the production system and milk yields only increased marginally.

What farmers did not know was that to realise significant increase in production, there was need to change the production system by adopting semi-intensification; ensuring that cows have sufficient access to water (not just once a day), providing supplementary feeding ('balanced diet') on a structural basis, particularly during the dry seasons, as well as improved herd management.

### TIDE II Impact Ambition

#### Direct impact within the TIDE Project area



**To double income** for 5,000 farmers, **create 1,000 new jobs** and **improve nutrition** for 500,000 additional children.

#### Outreach



**To reach 2,000 farmers** (both directly and indirectly) with **improved income** outside the project area.



## The TIDE Approach

In designing the TIDE project, emphasis was placed on having a private sector driven approach to capitalise on the commercialisation trend in the dairy sector by actively supporting farmers to adopt a business approach to dairy. Based on the assessment and analysis of the context and the predominant farming systems in the area, the project identified measures through which farmers can increase production and the quality of milk. With increased on farm investment by farmers, the project's focus since 2020 shifted to deepening and scaling efforts with emphasis on: **Farm Productivity, Milk Quality, Dairy Value Chain and Nutrition.**

Under the **deepening** agenda, the project efforts were focused on sustainable forage intensification including.

- Promotion of on-farm pasture improvement and forage crop production and preservation.
- Promotion and supporting agricultural contracting models for fodder production intensification on farms.
- Intensification of practical skills and knowledge with specific focus on further developing and strengthening the infrastructure of knowledge and skills transfer through T&E cooperatives, private dairy advisory, Practical Dairy Training Farms (PDTFs), including enhancing access to commercial finance for farmers through their cooperatives.

TIDE-2 scaling strategy mainly involved extension of activities to other new districts and regions of the TIDE project areas e.g.

- Cooperative Extension Facility was extended to 14 districts from the original 7 in TIDE-1
- Cooperatives Governance and Management support was extended to 14 districts from the original 7 in TIDE-1. A total of 46 Cooperative Extension officers were trained and linked to 41 cooperatives to support extension service delivery benefiting over 4,500 small and medium sized dairy farms
- Parent-led school milk project/Yoba for Life was extended to 14 districts from the original 7 in TIDE-1
- Processor-led school milk pilot project in 3 districts in Kampala Metropolitan
- Outreach model by PDTFs was extended to 14 districts from the original 7 in TIDE-1
- Quality Based Milk Payments System (QBMP) has expanded to the central region of Uganda to support Jesa Dairies
- Introduction and upscaling of improved forage varieties for increased milk production.

## TIDE Contribution to the Dairy Sector Transformation

Since 2020 when the TIDE 2 project was launched in Southwestern Uganda, the dairy sector has experienced exponential growth as shown below.

### Training and extension



**2,487 people** trained including 210 females and 576 youth



**9,845 farmers** indirectly reached with improved dairy technologies

### Value chain



**114 dairy cooperatives** with 16,317 members reached



**UGX 7,550 billion** value of loans accessed by 16 dairy cooperatives

### Forage and Nutrition



Enteric methane **reduced by 8%**

Margin above feed cost **increased by 49%**



Milk production **increased by 21%**

### Nutrition



Milk consumption campaign reached **1,024,930 females** and **1,201,555 males**

### Market systems



Over **1,000 farm jobs** created

**26**

private sector companies linked to dairy farmers and coops

### Milk Quality



**2,119 people** trained in QBMPs

### For more information contact

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