

IMPROVEMENT OF MILK QUALITY THROUGH PAYMENT OF PREMIUM PRICES



Source: www.ilo.uganda.com

Project site: Sub counties of Rubindi, Kagongi and Kashare in Mbarara District, Uganda



PHOTO: RUKUKU

At the milk collecting centre and milk cans

Background

Rukaka Dairy Farmers Cooperative society is a member based dairy cooperative with over 250 members working together to improve their livelihoods through efficient marketing of milk produce.

Rukaka's vision is to create a knowledgeable and economically empowered dairy farming community and promote increased dairy productivity through provision of advisory services, inputs and markets.

Rukaka's operations are based on the following objectives:

- To mobilize farmers for collective marketing of dairy products;
- To train farmers on running dairy farms commercially;
- To build farmers knowledge of modern practices.

Rukaka is a member of Uganda Crane Creameries Cooperative Union (UCCCU).

Project Summary

The project aims to improve the livelihood of members through increased income derived from the premium

prices paid to members for delivering quality milk. Currently farmers who deliver high quality milk are paid the same price as those delivering lower quality milk. The project intends to acquire modern laboratory equipment such as a lacto-scan and a digital weighing scale to enable grading, weighing and paying for the milk according to its quality. Grading the milk will encourage farmers to improve their dairy farming skills, and provide an incentive for added effort. Through their union, the farmers are planning to set up an Ultra Heat Treatment (UHT) plant that will require high quality milk. The farmers will acquire skills to improve the quality of animal welfare, pastures, milk, record keeping and leadership therefore preparing them to meet the UHT plant's requirements. The project further plans to set up a supply shop from which the members will purchase inputs at affordable prices as a result of bulk buying and quantity discounts. Employment will be created for members, particularly the youth and women, in the new establishments. We aim to improve the services we deliver and consolidate their relevance to our members' needs such as acquiring cooling infrastructures to

preserve perishable goods, artificial insemination kits and liquid nitrogen flasks to preserve semen, as artificial insemination will be encouraged to improve breeding.

Contributions to the Decent Work Country Programme's priority (DWCP):

- Reduce poverty through increased opportunities for youth employment and productivity.

Partners

Our partners include:

- Uganda Crane Creameries Cooperative Union Ltd (UCCCU) will provide technical expertise in training and outsourcing other trainers;
- The Department of Cooperative Development will be carrying out audits, supervise operations and provide training;
- Uganda Cooperative Alliance Ltd (UCA) will provide technical assistance in SACCO operations;
- Land O Lakes will provide training in quality improvement;
- World Wide Sires will provide semen and training in artificial insemination.

Beneficiaries

The farmers are the primary beneficiaries as they will be in a position to bargain for better prices. This project will also create job opportunities for youth and women in the supply shops and on the farms and the cooperative will be strengthened through increased membership as a result of higher efficiency and good governance.

The indirect beneficiaries will be the cooperative's clients and the community as a whole.

Expected achievements

The achievements include:

- Increased productivity due to improved herd

management and farmers aiming to receive premium payment based on higher quality;

- Increased farmers commitment to RUKAKA as a result of efficient marketing;
- Improved farm gate prices (the farmers will set their prices at the farm gate and on the market);
- Improved livelihoods through increased income;
- Expanded market outlets;
- Greater bargaining power due to stronger farmers' organizations;
- Increased membership in primary societies by improved member services and administrative transparency;
- Improved social status for committed members;
- Reduced costs of farm inputs due to bulk buying from suppliers by RUKAKA.

Project duration and budget

Project duration: 12 months, May 2009 – April 2010

Total budget: USD 62,098

Contribution from COOP^{AFRICA}: USD 50,000



Loading milk ready for the market delivery on society truck

PHOTO: RUKAKA

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This project is funded by DFID