PROJECT PROFILE

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| Sector | Agriculture |
| Sub-sector | Livestock |
| Code | AG13(A) |
| Title | Dairy Development Project |
| Implementing Agency | Ministry of Agriculture, Animal Industry & Fisheries |
| Location | Countrywide |
| Total Plan. Exp. | US$ 4.56m |
| Total Funds Secured | US$ 4.43m |
| Funding Gap | US$ 0.13m |
| Start Date | 1987 |
| Completion Date | 1999 |

Background

Dairy farming attracted many farmers between 1960 and 1971. A network of milk collecting centers totalling 85 were established in different parts of the country by the Dairy Corporation to provide market outlet for surplus milk which was then transported to the processing plants and sold in major towns.

The breakdown in farm input supply, extension services and collection centers during the 1980s led to commercial milk output to decline drastically to the extent that by 19888, milk consumed in towns was from imported dried skinned milk powder and butter oil. A Dairy Development study sponsored by EEC and carried out by Dutch consultants recommended the "regionalisation" of dairy development in Uganda with two Dairy Development Plans - One for Kampala area covering districts of Mpigi, Kampala, Luwero, Mukono and Jinja and the other - the Mbale area plan covering the districts of Tororo, Mbale Kumi. The study also proposed a special plan for the Western Region.

Objectives

- to restore production of dairy farms
- to improve milk collection and marketing
- to strengthen the dairy extension staff.

Expected Outputs

- Rehabilitated dairy farms
- A functioning Dairy Corporation
- Rehabilitated milk collection centers
- Functioning Artificial Insemination center at Entebbe.

Performance Indicators

- Number of vehicles and trucks purchased
- 6 dairy farms rehabilitated
- Amount of money generated from sale of WFP commodities
- Amount of milk collected per day at the milk collection centers
- Amount of farm inputs

Technical Description

The project concentrated on purchasing dairy farm inputs rehabilitation of the milk collection/ transport/ marketing system and capital investment in milk plan improvements.

Feasibility Studies

EEC sponsored a study carried out by the Dutch Consultants that led to the formulation of a dairy development programme.

Financing

Total project Cost is US$ 20.5m of which US$ 15.0m was provided by ADB as the foreign exchange component and US$5.5m is by GoU in Local currency.

Plan of Operation

The project was implemented by Dairy Corporation, MAAIF and the Dairy Development Committee Chaired by the Permanent Secretary Ministry or Agriculture, Animal Industry and Fisheries.