



# Zimbabwe Dairy Industry Case study

**By**

**Tendayi Clementine Marecha**

**at**

**SADC Stakeholders Sanitary and  
Phytosanitary Awareness Workshop**

**Pretoria 12-13 September 2013**

# Milk production and consumption

- Estimated demand is **120 million litres** per annum
  - current supply of just over **50 million** litres
  - Zimbabwe a net importer of milk and milk products.
- Country processing capacity in excess of **400 million litres**
  - Currently <**45%** capacity utilisation
  - negative impact on unit cost of production with adverse effects on competitiveness
- Per capita consumption of milk is 7 litres
- efforts to resuscitate the milk drinking culture through a “Think Milk Drink Milk” campaign spearheaded by the Zimbabwe Dairy Industry Trust (ZDIT).

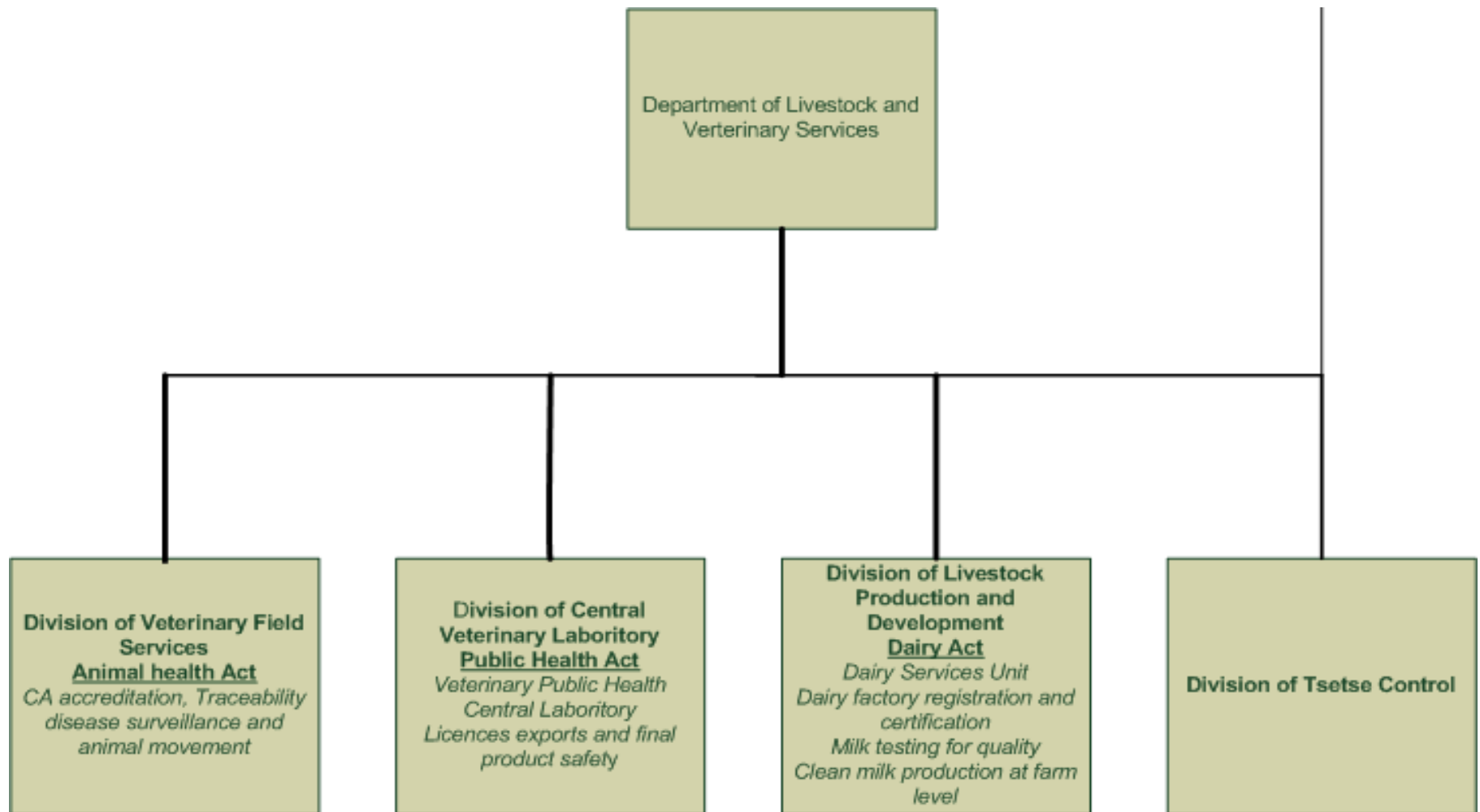


# SPS strengths for Zimbabwe

- **Legislation:** this includes Acts and Statutory Instruments
  - a. Dairy Act. (Min Of Agric)
  - b. Food & Food Standards Act (Min of Health)
  - c. Public Health Act; (Min of Health)
  - d. Animal Health Act; (Min of Agric)
- Port Health Services: Min of Heath & Min of Agric



# Government Support Services



# SPS Strengths for Zimbabwe

- Government support services across the value chain
- Quality management for input suppliers
- Quality management at farm level
- Quality management at (MCC) milk collection centre
- Quality management for the Processor
- Quality management in food outlets/supermarkets



# Dairibord Zimbabwe Private Limited

**DZPL export primarily to Mozambique, Botswana and are trying to penetrate the Zambian market.**

## **Botswana: technical barriers to trade**

1. Export ice cream sticks which are sold mostly via the vending channel
2. Opportunity to grow the sales is limited due to labour challenges.
  - Zimbabweans that are willing to be vendors in Botswana struggle to get work permits .
  - The government requires that locals be employed for these jobs but the locals are unwilling.
3. 40% duty placed on milk imports affects price competitiveness

## **Zambia: SPS barriers**

1. Since the FMD problem the milk import regulations into Zambia are unclear
2. Although on paper the government agreed to remove the ban
  - One of our customers pursuing the setting up of vending operations in Livingstone has not had any joy
3. Procedure is not very clear



# Conclusion

- Zimbabwean economy is recovering
  - disposable incomes have improved
  - forecast an increase in milk consumption
  - Local milk production cannot meet demand
  - need for imported products which meet standards.



*...think milk  
...drink milk*

ZIMBABWE DAIRY INDUSTRY TRUST



**THANK YOU**