

# **Cooling Africa's milk**

# The challenge on improving a quality demanding business

here certain areas in east Africa have a massive potential to supply milk, and are already producing significant amounts in regions such as Mbarara in Uganda and Eldoret in Kenya, there is still a big challenge on securing this milk. On the African's countryside the struggle to provide their national markets with quality dairy products is difficult. More and more individual dairy farmers actually start to practice their farm operations as a business rather than continuing a traditional lifestyle. These farmers have a huge interest in upscaling their business operations, which is visible in the improvement of breeds and fodder conservation practices. This is all being done with a focus on producing more milk, to gain a higher income.

### Increasing milk quality

This increase of milk volumes does not immediately leads to much higher volumes of quality, bottled milk that consumers purchase in the city's supermarkets. One of the main reasons for this is, that a large part of the raw milk is still being sold at informal markets, where receiving quick money is key on making sales. In most cases it does not pays off for farmers to sell all their milk in formal circuits as 2 monthly payments and even lower payments per litre are just not attractive. Farmers are businessmen after all.

To increase quality milk for consumer markets in Africa it is important that a quality based payment system is introduced. By doing so, business minded farmers are being stimulated and this helps them to grow, while the farmers that are not too serious in their business will not develop further or even stop being a dairy farmer.

In order to stimulate the supply of rural sourced quality milk, local milk collection points are required. Cooling the milk at these collection points can maintain milk quality as it's delivered. The best is (also for the processor) to have a network of collection points with cooling facilities in rural areas operating closely to the farmers. This to make sure milk is being chilled after milking the cows as quick as possible.

#### Invest to build a business

Mueller a main supplier of raw milk cooling solutions worldwide, exports to more than 60 countries, considers local technical support and spare part availability key components of their activities. As a large player in the African dairy cooling equipment market, they see that there is a huge interest and demand for safe and quality food products as middle incomes and cities tend to grow rapidly.

In the experience of Mueller there are a lot of farmer groups, cooperatives and even individual farmers in the African market with large sums of milk that are willing to invest in milk coolers. But unfortunately do not have access to sufficient financial resources. Dairy operations are often considerate risky investments by financial institutions. And even if loans are being provided, the amount of the interest rate is usually too high to make a

decent profit. Regrettably land cannot always be used as collateral. This leaves the primary dairy market in a situation that prevents scaling, growing and increasing the volumes of quality milk.

## Sharing and building

To improve the African dairy industry, financial institutions but also dairy processors can play a huge role. For example the investment in a cooling tank keeps its value. Good quality cooling tanks will easily last up to 40 years, as stainless steel remains forever. Mueller has years of experience in the African market and is willing to contribute. Through discussing distribution and finance opportunities that suit the African individual client, Mueller can be a unique partner, as they believe that the African dairy market has a huge potential.

Are you interested in discussing milk cooling distribution opportunities, purchasing a new or used cooling tanks do not hesitate to contact Mueller. You can also reach Mueller through their distributors EuroDairy Equipment Limited (Kenya) and Inndigo Ltd. (Uganda). There are milk tanks on site for you to view and milk experts who can advise you further. The local Mueller distributors will provide you with local service and support.

We are also looking to meet you at ESADA 2019 from 14-16 August in Nairobi.

For more information about milk cooling, please contact Mueller via sales@ paulmueller.com



R TANK Capacity: 500 to 1,500 to liters.



SOLAR COOLER An off-grid milk cooler for milk cans, that runs on solar power.

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RELIABLE, SUSTAINABLE AND ENERGY SAVING!

# WHY MUELLER?

- Milk cooling is our core business
- More than 70 years of experience
- **♦** Reliable investment & low costs of ownership
- High quality, innovative and durable
- **♦** Local service and stock via our distributor network
- 🗢 +/- 1000 used milk tanks in stock
- Specialized in milk collection points

# MUELLER

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## **MUELLER DISTRIBUTORS**

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