



## Feed the Future Country Fact Sheet

Online Version: <https://www.feedthefuture.gov/article/dairy-entrepreneurs-ramp-production-pastoral-ethiopia>

# Dairy Entrepreneurs Ramp Up Production in Pastoral Ethiopia



USAID/PRIME

Amir Mukhtar shows off his milk processing facility.

The dairy market system in the pastoral and agro-pastoral areas of Ethiopia is predominantly subsistence-based, which means communities have limited access to markets and institutional support around agriculture and livestock management is limited. That's why Feed the Future is providing technical and financial support to companies like Berwako Milk Processing PLC, a venture recently established by local entrepreneur Amir Mukhtar in Jijiga, the capital of the Somali Region of Ethiopia. Currently working with two milk consolidation cooperatives in Danusha and Bombas – via connections Feed the Future helped facilitate through a U.S. Agency for International Development (USAID) project in Ethiopia – Berwako is playing an important role in catalyzing the regional dairy market and adding to the resilience of pastoralist households.

Fewer than five months into its start-up, Berwako is collecting cow and camel milk from approximately 300 households to process 1,200 liters of raw milk per day. The higher price Berwako offers for high-quality milk has already resulted in better raw milk and increased incomes for local milk-producing households. The company has also started marketing its products in Jijiga and other urban areas, such as Addis Ababa. Due to high demand, it is now expanding into neighboring countries such as Somalia.

Mukhtar is optimistic about his company's prospects. "While the completion of this project poses numerous challenges," he says, "the vision of working together with the milk-producing communities and the support we are getting from USAID keeps us confident that what we are doing will bring tremendous benefits to the households we create markets for, consumers and the national economy."

With 25 full-time staff, Berwako is poised to process 5,000 liters of milk per day by June 2015. It is anticipated that USAID's support to Berwako under Feed the Future will enable more than 3,000 pastoral and agro-pastoral households to have access to a more reliable, fair and regular market for their milk, resulting in increased household income. Better access to markets will in turn stimulate more production, improving livestock productivity and quality.

**The USAID project**, which is designed to increase household incomes and enhance resilience to climate change through market linkages in Ethiopia's dryland areas, will continue to work with Berwako and other local entrepreneurs as part of Feed the Future to facilitate new and innovative products and services that will benefit Ethiopia's pastoral and agro-pastoral communities.