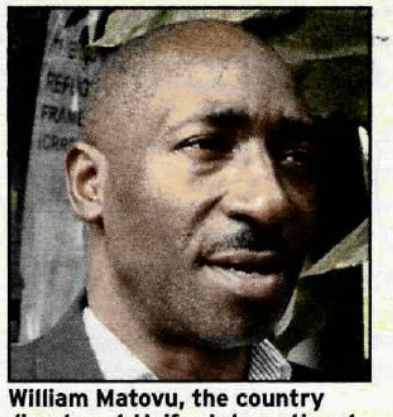
DENMARK TO BOOST LIVESTOCK OPPORTUNITIES WITH $4M

By Titus Kakembo

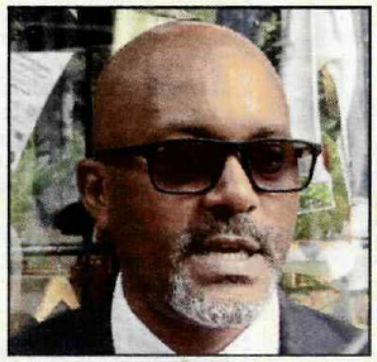
Uganda's livestock sector is positioning itself for one of the most ambitious production drives in its history – doubling milk and beef output within the next decade.

With annual milk production currently estimated at 5.4 billion litres and beef output at 276,892 metric tonnes, policymakers and industry leaders believe the sector can become a central pillar of agro-industrial growth, rural transformation and export expansion.

The renewed momentum was unveiled during the launch of the Green Dairy Investment Programme at Fairway Hotel last Thursday.



William Matovu, the country director at Heifer International Uganda



Samson Akankiza, the commissioner for animal health at MAAIF



Cows feeding on hay. The Ugandan Government is in partnership with Denmark and other stakeholders to facilitate better pasture management and expanded access to water for dairy farmers nationwide

IMPROVING THE QUALITY

The programme will invest in improved animal genetics, stronger disease control systems, expanded access to water for production, better pasture management and farmer training in modern dairy and beef practices.

The emphasis, stakeholders say, is not merely on producing more milk and meat, but on producing higher-quality output that meets strict domestic and export standards.

Commissioner for Animal Health at the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), Samson Akankiza, said the programme aligns with Uganda's long-term economic transformation agenda, which seeks to expand agro-industrial exports and raise rural incomes by 2040.

"Currently, we earn about $264m from milk exports alone. Our products are reaching markets, such as Kenya, Liberia and South Africa. These markets are sophisticated and demand milk sourced from farms without a history of foot-and-mouth disease outbreaks in the last two years," Akankiza said.

Global markets increasingly require traceability, certification and compliance with sanitary and phytosanitary standards.

Uganda's largely pasture-fed system offers a natural advantage, but disease outbreaks and inconsistent quality remain key risks.

At the same time, domestic consumption is rising steadily, driven by urbanisation, population growth and improved nutrition awareness. This dual demand – local and international, is expanding opportunities across the value chain, from farm inputs to processing and logistics.

CONCERNS OF WATER AND PASTURE

For Moses Nyabila, the chief executive of Agriculture Business Initiative (ABi), sustainable productivity hinges on access to water and pasture.

"Water, pasture and how farmers access them sustainably is the real trick to success. If you solve those fundamentals, productivity follows," Nyabila said.

Climate variability has increased the urgency of water harvesting infrastructure, valley tanks and improved grazing systems. Integrating climate-smart agriculture practices into dairy and beef production will be critical to sustaining growth during prolonged dry spells.

LOCAL BRANDS STEADILY INCREASING

Uganda's supermarket shelves tell a story of transformation. A decade ago, imported yoghurt, butter and long-life milk, largely from Kenya and Europe dominated the local supermarkets.

Today, local brands are expanding capacity and deepening farmer partnerships.

Jesa Farm, founded in 1989 by the late industrialist James Mulwana, has grown into one of Uganda's leading processors of fresh milk, yoghurt, ghee and butter. Obari Innocent of Jesa Farm said investment in modern equipment and farmer skilling has been central to growth.

"Milk quality starts at the farm - with proper feeding, hygiene and cooling. When farmers understand that quality determines price, they become partners in growth," Obari said.

Pearl Dairies is also ramping up operations. At its Lato plant, newly installed machinery capable of packaging an additional 200,000 litres of milk per day is expected to become operational by mid-year.

Dr Paul Kananthaian, the dairy development manager at the plant, said expansion must go hand-in-hand with farmer development.

"We pay farmers based on quality, which encourages good practices at the farm level. We are also establishing a demonstration farm to train suppliers in breeding, feeding and disease control," he said.

At Maddo Dairies, Father Peter Ssenkaayi traces the organisation's roots to 1993, when it began with just three farmers under a "pass-on" calf scheme. Today, 2,443 farmers benefit from the initiative - a number he believes will double.

"The old belief that cattle keeping belongs only to western Uganda is outdated. Dairy farming is thriving in central and other regions because farmers now see it as a business," Ssenkaayi said. He emphasised strict hygiene in milk handling, proper housing and feeding, and zero tolerance for adulteration. Maddo also promotes full utilisation of farm resources, encouraging farmers to use dung to fertilise soils and generate biogas for clean cooking.

"Our next frontier is value addition. Farmers should earn more from every litre they produce, instead of relying only on raw milk sales," he said.

TECHNOLOGY IS APPLIED

Digital innovation is also reshaping agriculture. Frank Muhamiza, the country lead at Hello Tractor, said technology is improving transparency and efficiency in mechanisation.

"Through our platform, farmers can track where a tractor is operating, how many acres have been ploughed and even locate equipment if it is stolen. You can request services or inputs online without unnecessary middlemen," Muhamiza said.

The data generated helps improve planning, pricing and accountability, making agriculture more attractive to young entrepreneurs.

Doubling milk and beef production will require co-ordinated investment in breeding programmes, feed production, veterinary services, infrastructure and reliable data systems. Knowledge transfer, disease surveillance and financial inclusion will be equally critical.

Stakeholders argue that, if successfully executed, the strategy could significantly raise farm incomes, stimulate agro-processing, create jobs and boost foreign exchange earnings.

Uganda's livestock sector, [illegible] largely subsistence-based is steadily evolving into a commercial enterprise. With strategic partnerships, disciplined quality control and smart use of technology, milk and beef could anchor the country's agricultural transformation over the next decade.

VITAL INFORMATION

Heifer International Uganda's long-term job creation drive is anchored in youth-focused agribusiness programmes implemented in partnership with Mastercard Foundation.

Under the Stimulating Agribusiness for Youth Employment (SAYE) project (2023–2029), Heifer Uganda has committed reaching 250,000 young people and creating thousands of jobs in various parts of the country.

The six-year SAYE initiative represents the most clearly defined large-scale employment target currently outlined within Heifer Uganda's broader growth and development agenda.

Beyond SAYE, the organisation's recent country performance reports show it is consistently targeting about 55,000 agribusiness jobs annually across its six active projects.

This performance trend suggests that with the roll-out of the Green Dairy Investment Programme (GDIP), cumulative job creation is expected to grow even further.

Over a ten-year horizon, Heifer Uganda's broader growth and development investment portfolio is projected to generate a significantly higher cumulative employment impact, building on its strong annual job creation trajectory.

GREEN DAIRY INVESTMENT PROGRAM

During the launch of the Green Dairy Investment Programme at Hotel African on Thursday last week, it was revealed that the Danish government will back this partnership programme with $4m. The programme is being implemented by Heifer International Uganda in partnership with the Ministry of Agriculture, Animal Industry and Fisheries, the National Agricultural Research Organisation, financial institutions and farmer co-operatives.

Heifer International Uganda country director William Matovu described dairy as one of Uganda's fastest-growing agricultural sub-sectors.

"The dairy industry has experienced rapid growth, with production nearly doubling in recent years to over sh5b litres annually. This programme will consolidate those gains and drive the next phase of expansion," Matovu said.

The 10-year initiative will target cattle corridor districts, including Nakaseke, Kiboga, Lyantonde, Ntungamo, Kazo and Masaka. About 37,000 farmers are expected to benefit directly, including 11,000 women and 3,700 youth.