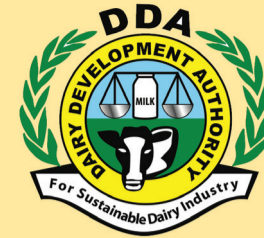




DAIRY DEVELOPMENT AUTHORITY

QUARTER II STATISTICAL BRIEF (OCTOBER - DECEMBER 2022)



DAIRY DEVELOPMENT AUTHORITY

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INTRODUCTION

This brief summarizes the performance of key indicators in the dairy sector during the quarter. It shows Quarterly statistical comparisons of different indicators. The purpose of this brief is to give QII statistical insights into the dairy sector. The key indicators include milk production, milk prices, Exports and imports.

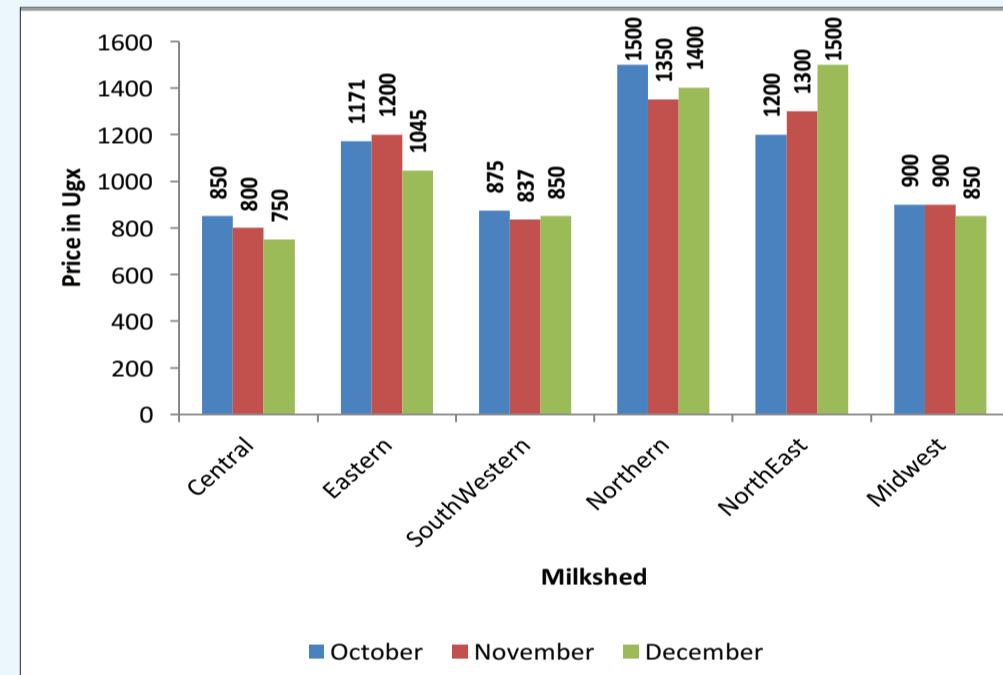
MILK PRODUCTION

The quarter was significantly dominated by the heavy rains mostly in the western and central regions of the country. This increased milk production to approximately 997,426,151 liters of milk for the Quarter.

MILK PRICES

National Raw Milk prices

Figure 1: Regional Farm gate raw milk prices

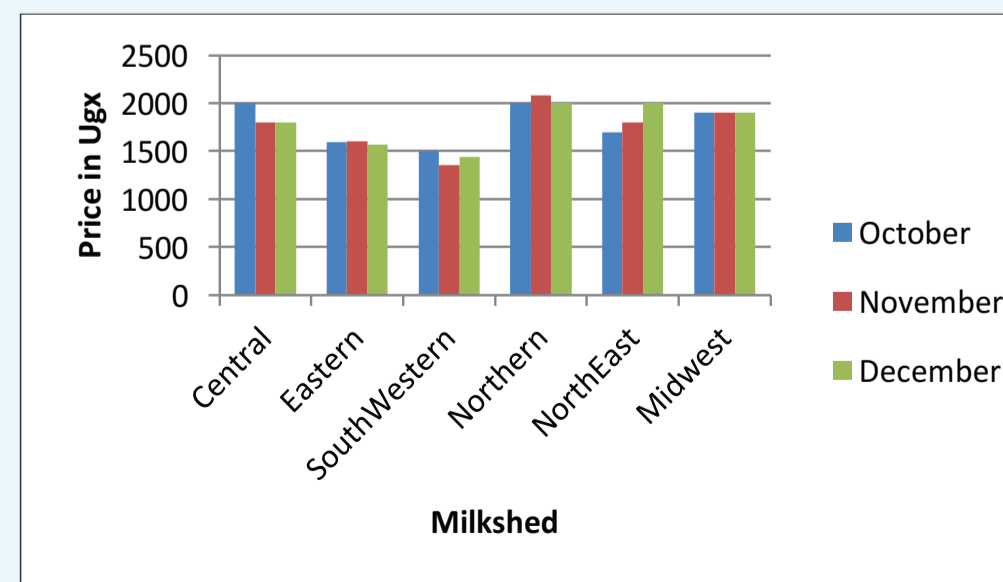


Farm gate prices kept fluctuating during the quarter throughout the country. Prices were highest in the North and North Eastern milk sheds whereas the cattle corridor maintains the lowest prices.

Source: DDA 2022

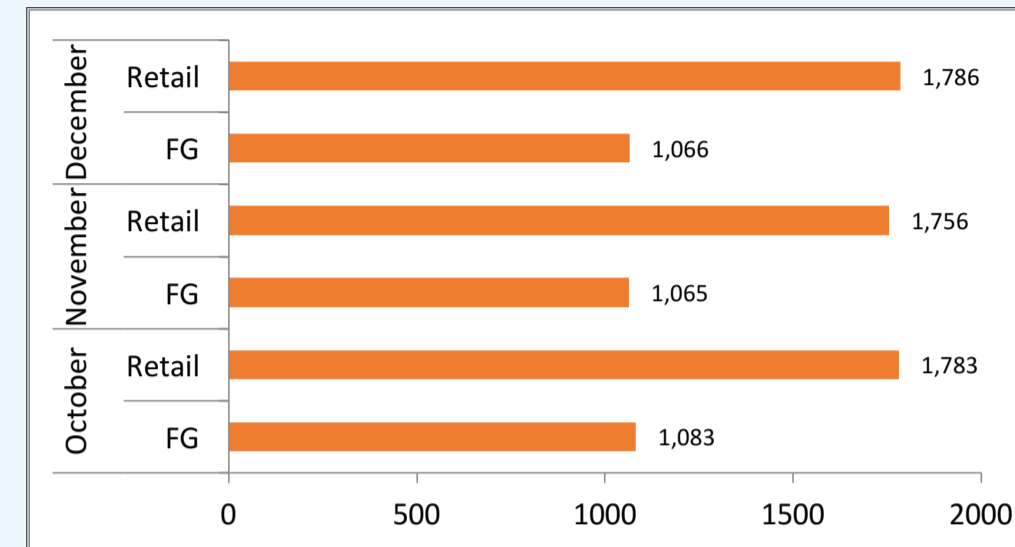
Figure 2: Regional Retail prices

Compared to the last quarter, retail prices lowered especially in the Central milk shed which recorded the highest retail price of Ugx 2450 per liter previously and this quarter it reduced to Ugx 1800 by December. The Southwestern Milk shed continues to register the lowest retail prices throughout the quarter.



Source: DDA 2022

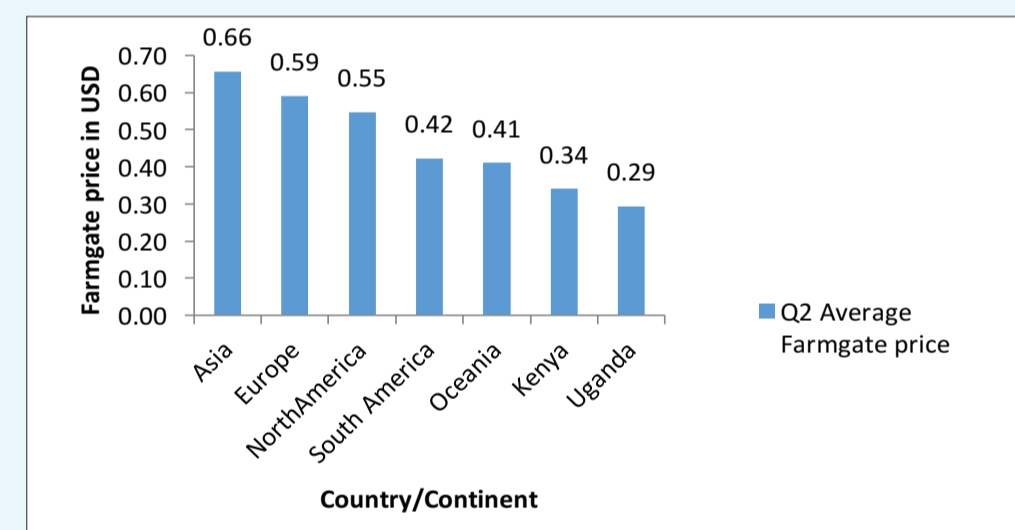
Figure 3: National average raw milk prices for the quarter



November had the lowest average prices for both farm gate and Retail prices. The highest retail price was recorded in December.

Source: DDA 2022

Figure 4: Comparison of National Average Farm gate raw milk prices at international level in Q2

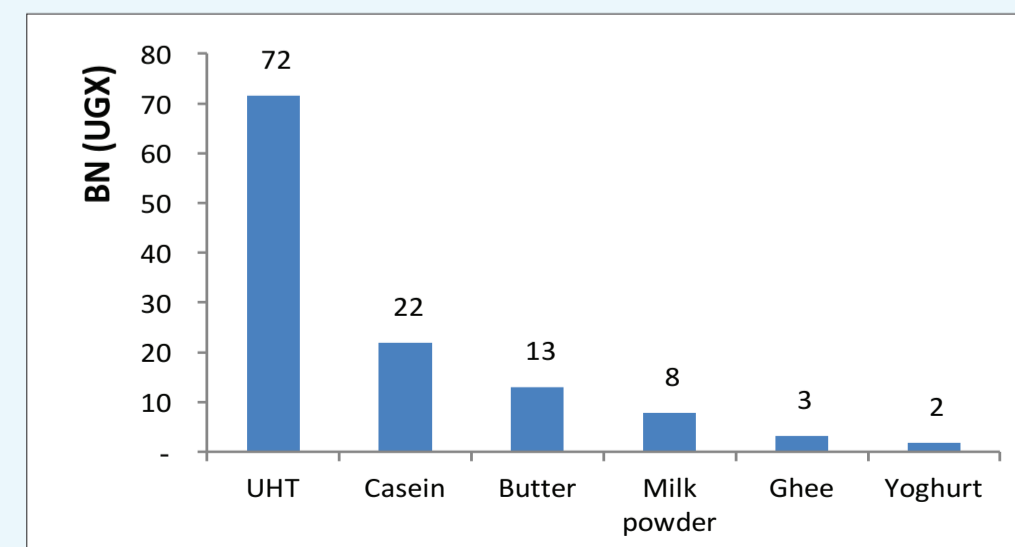


Japan had the highest farm gate prices throughout the quarter followed by Italy. Uganda continues to have the lowest prices offered to Farmers. Uganda's FGP was comparable to that of Kenya but far less in comparison to Asia, Europe and North America. This can be attributed to the differences in costs of production.

Source: https://www.clal.it/en/?section=grafici_latte,

DAIRY EXPORTS

Figure 5: Dairy exports performance during the quarter

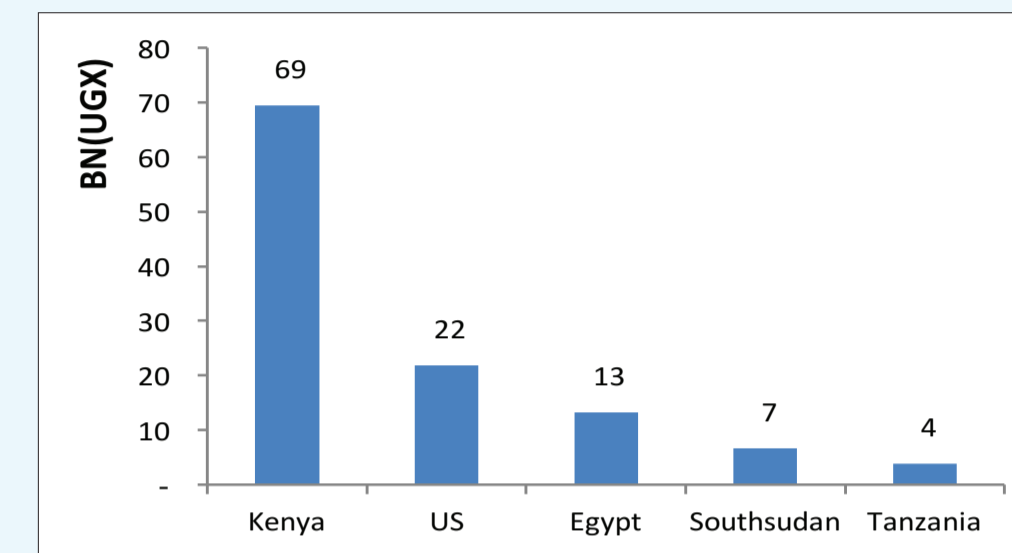


The total value of dairy exports during the quarter was Ugx 120,945,307,399. There was a 167% increase in value of exports compared to the last quarter (Ugx

45,300,905,160) UHT was the most exported dairy product with a value of Ugx 71,605,229,069 accounting for 59% of the total exports.

Source: DDA 2022

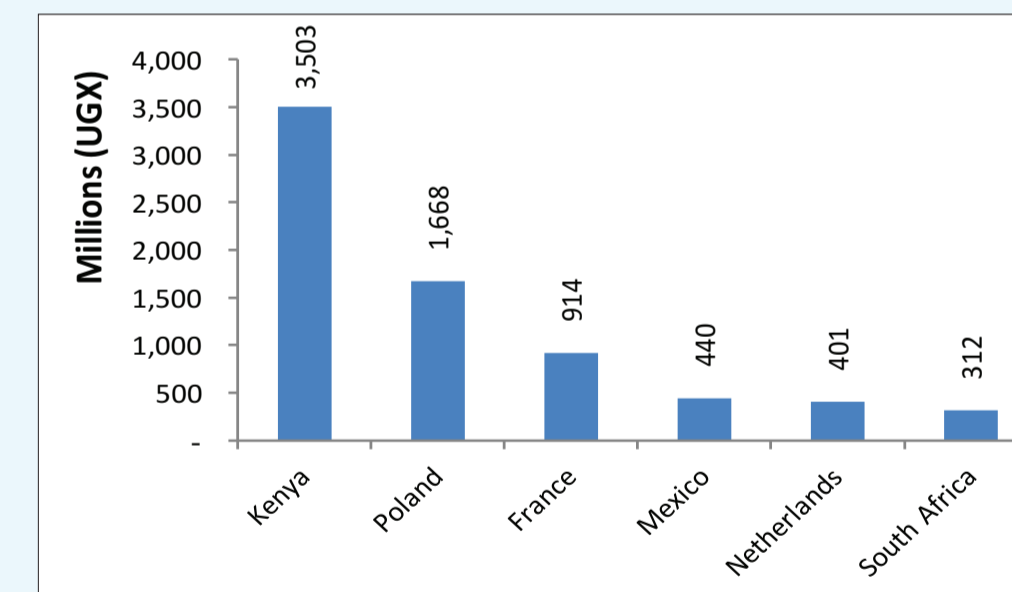
Figure 5: Export destination countries in Q2



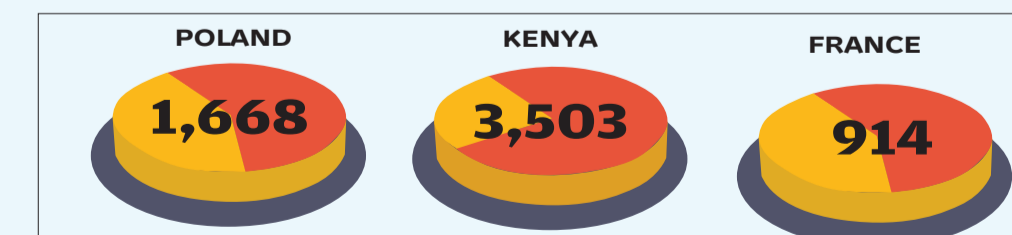
The country exported to 12 countries in North America and Africa showing a fall as compared to last quarter where we exported to 14 countries. Some of the countries not exported to include Japan, Ethiopia. Kenya was our major export destination accounting for approximately 57.5% of the total exports followed by the US and Egypt.

Source: DDA 2022

Figure 6: Dairy Imports



The total value of imports during the quarter was Ugx 7,946,356,952. There was an increase of approximately 39% in the value of imports compared to the last quarter (Ugx 4,861,661,418). Uganda imported several dairy products from a total of 29 countries with Kenya being our leading importing country accounting for 44.1% of the imports followed by Poland.

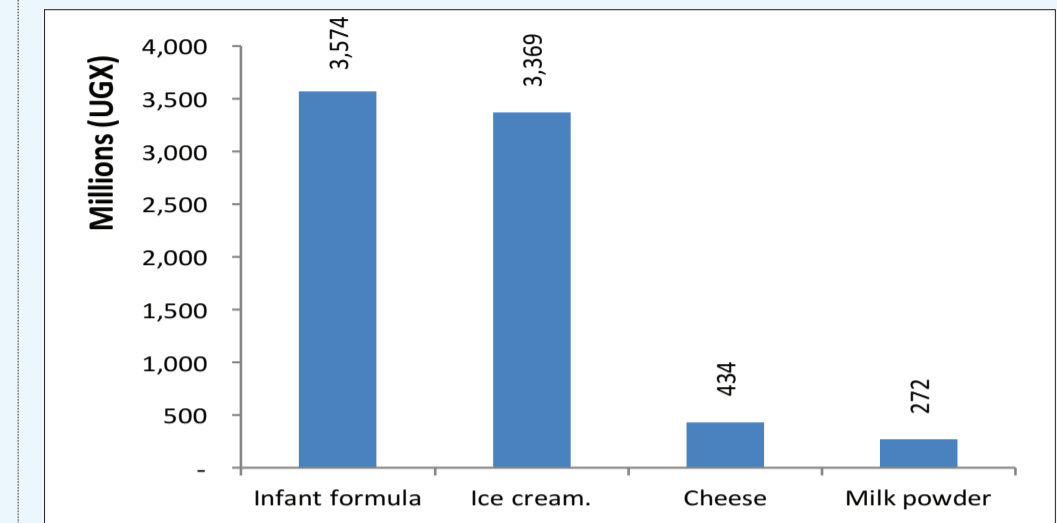


Source: DDA 2022

CHALLENGES.

The farmers continue to suffer from low raw milk prices as production costs outweigh the profits. The persistence of pests and diseases that are resistant to acaricides is also a big challenge.

Figure 7: Distribution of dairy Imports during the Quarter.



The imported dairy products during the quarter were Infant formula, Casein, Ghee Butter, Cheese, Milk powder, Liquid milk, Ice cream and Yoghurt. Infant formula was the most imported product accounting for about 45% of the total imports followed by ice cream.

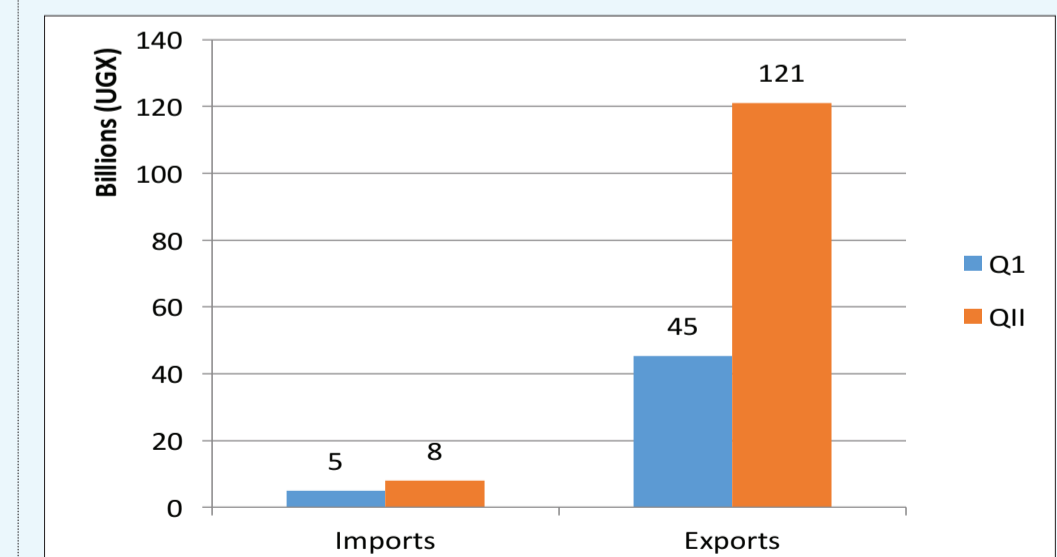
Source: DDA 2022

Table 1: Top 10 Countries of Origin for Dairy imports during the Quarter.

COUNTRY OF ORIGIN	VALUE IN UGX	PRODUCTS IMPORTED
Kenya	3,502,676,726	Butter, Cheese, Ice cream, Infant formula, Milk powder, UHT, Yoghurt
Poland	1,667,520,080	Cheese, Infant formula, Milk powder
France	913,790,663	Butter, Cheese, Infant formula, Milk powder, UHT
Mexico	439,517,585	Infant Formula
Netherlands	401,443,832	Cheese, Infant formula, Milk powder, Yoghurt
South Africa	311,650,445	Cheese, infant formula, Milk powder
Arab Emirates	161,762,376	Butter, Cheese, Ice cream, Infant formula, Milk powder, UHT, Whey, Yoghurt
United Kingdom	160,656,036	Butter, Cheese, Infant formula, Milk powder
China	125,732,472	Butter, Cheese, Ice cream, Milk powder, Yoghurt
Germany	61,469,604	Cheese, UHT

Source: URA Custom data 2022

Figure 8: Quarterly comparison of Exports and Imports



CONCLUSION

Dairy business continues to thrive in the country with more people joining the industry despite its challenges. There was a boost in the performance of the dairy industry during the quarter as compared to the previous quarter. The country's dairy export value (120,945,307,399 Ugx) was far much greater than the import value (7,946,356,952 Ugx) during the quarter thereby enjoying a favorable balance of trade for the dairy industry.