



SUMMARY SHEET FOR THE "DAIRY" SECTOR

SUMMARY SHEET FOR THE DAIRY SECTOR IN CAMEROON

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The dairy sector holds significant potential, serving as a major driver of economic growth and structural transformation in the Cameroonian economy, as outlined in NDS30. In spite of its potential, the sector's development and resulting benefits have been slow to meet government expectations. Indeed, the government aims to make milk production and other dairy products a growth-oriented sector and a job creator to support the overall development of agro-pastoral and agro-industrial sectors. Projections aim for each cow to produce at least three litres per day currently, reaching 20 litres by 2030. However, available data indicate a low national supply of milk and dairy products, estimated at 185,570 tonnes for a demand exceeding 300,000 tonnes, with an annual deficit of over 120,000 tonnes. An analysis of certain statistics shows that Cameroon has two million hectares of pastureland suitable for dairy cattle farming. In 2021, national production reached 166,142 tonnes of milk, produced in the Adamawa, North, Far North, East, North-West, West, Centre and Littoral regions. Average annual milk consumption per capita is six litres, with milk and powder imports reaching 18,359 tonnes in 2019, valued at CFAF 32 billion. In 2019, the cattle population stood at 9,122,103 heads, with approximately two million being dairy cows. Local breeds exhibit low production, averaging between two to three litres of milk per day. The challenge persists as Cameroon struggles to optimize milk production from its cows, falling short of sector expectations.

To reverse this trend, between 2021 and 2023 the government undertook to import 493 Montbeliarde heifers (a mixed breed of cow), which helped improve the supply of raw milk in Cameroon. The first wave of imports produced 309,000 litres in one year. However, specialists are clear that Cameroon can do better and more, provided that the constraints preventing it from achieving the desired performance are lifted. These include access to dairy germplasm, inadequate support for dairy farms, landlocked production areas, strong competition from by-products, and so on.

Given the strong national demand for dairy products and developments on international markets, the dairy sector offers real investment opportunities in the short and medium term in the regions of Adamaoua, North-West, North, Far North, West (Noun, Bamoutos), Centre (Mbam and Kim, Upper Sanaga) and East (Kadey, Lom and Djerem). The main dairy products in demand and widely consumed are powdered, sterilised and pasteurised skimmed milk, sweetened and unsweetened milk, cheese, butter and cream. Most of these products are imported from the European Union and China by Nestlé Cameroun. Segment by segment, from

upstream to downstream in the value chain, the situation report highlights the following concerns:

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- * Upstream of the production process: supply of inputs, livestock equipment and materials, etc.;

- * At the production stage: inputs, supervision, etc;

- * Downstream of the production process: collection, processing, packaging, storage and distribution.

In the final analysis, considering the needs resulting from the above-mentioned concerns, the types of investment projects that could be considered in the sector relate to:

- SME farming: investment in small-scale farms (farming families or small producers) that can process milk into curd or butter oil or sell it raw, and in intensive or modern farms (milk processing or sale raw);

- semi-industrial farming: investment in supply (by an integrated farm or by collection), in mini-dairies to pasteurise the milk, in the production of curdled milk, yoghurt and cheese, and in processing (50 to 1000 litres of milk per day);

- industrial exports: investment in the collection and processing of local milk, a sector that is set to grow in line with consumer demand for quality;

- marketing milk and dairy products;

- building and expanding livestock feed manufacturing units (concentrates and fodder);

- the production and marketing of fodder and/or fodder seed;

- the construction and expansion in production areas of integrated dairy production/manufacturing units (NB: the integration in question starts with genetic research activities and ends with processing).