

AGGREGATION AND VALUE ADDITION

Milk aggregation is the collection of milk from various producers for ease of processing and/or marketing. It is done by individual traders, self-help groups, cooperatives and processors. Value addition includes grading, cooling, pasteurization, packaging and transportation. In order to increase the value and shelf life of the Milk it is processed into value added products such as: butter, cheese, yogurt, Mala, ice cream, powder milk, long life etc.

Processed milk and milk products in Kenya constitute between 20 and 30% (0.395 billion litres) of the total marketed milk and dairy products an indication that there is a high preference for unprocessed milk. Some reasons for high preference for unprocessed milk compared to processed are: relatively cheaper, tastier, higher butter content, in flexible diverse quantity to customer needs, widely accessible or more within proximity of the consumers and conservative consumers with high preference for unprocessed milk.

Major milk processors are the New KCC, Brookside dairy, Limuru Co-operative Dairy, Githunguri Dairy Co-operative Society and Meru Central Dairy Co-operative Union. In total there are 54 registered milk processors with 34 operational, all combined handling 1.5 million litres per day but their installed processing capacity is 3 million litres. Therefore 50% of the processing capacity is unutilized. Installed capacity for Ultra Heat Treated (UHT) milk processing is 1.2 million litres per day with more than half of this capacity being new investments by the private sector.

Milk Value Added Products

The products include butter, cream, cheese, yogurt and ghee. Long life milk dried whole milk and skim milk powders have ready export market but are produced in limited quantities because of low processing capacity. Cost of equipments is high and only New KCC has invested in drying plant facility for processing milk powder. Local consumption of these high value dairy products is low in the domestic market.



Figure 29: Milk Value Added Products