

Africa: Land of milk and beef?

Investing in Africa's beef and dairy industries could be a boom for global agriculture, but it does come with some baggage, according to AgWeb.



Image Source: [African Agri Council](#)

During Alltech's 30th Annual International Symposium in Lexington, Ky., a presentation was given about the potential of Africa's agriculture industry. Speaking on a panel was Charles Moore, a consulting nutritionist from Cape Town, South Africa. He discussed some of the opportunities and challenges related to putting Africa's beef and dairy industries on a level playing field with more established areas of the world like Australia, Brazil, and the US

Moore listed the countries that would be best suited for dairy production and here were some of his favorites:

Angola would be an excellent place to start a dairy in Africa because there is a large population with an economy fueled by the oil industry. The climate is well suited for milk production and access to water is not a problem. There would also be the potential for export because of the close proximity to the Middle East and Southeast Asian markets.

Zimbabwe would be another good fit for dairy production thanks to a built-in infrastructure, a culture that values cattle, favorable climate, and quality water sources. However, Moore notes that political turmoil is a roadblock to development.

“**Kenya** we know is a big dairy market. There are about a million dairy farmers in Kenya milking three million cows, so that is three cows per farmer,” Moore adds. “There is a lot of room for investment to increase the size and the scale of those farms.”

South Africa already has a well-established dairy industry says Moore. He believes that the country now needs to look at value-added products to increase profitability. Much like the rest of the world, there is a lot of consolidation within the South African dairy industry, but farmers there are on the cutting edge compared to the rest of the continent. South Africa produces approximately 50% of Africa’s milk.

Other countries that could benefit from investment include **Zambia** and **Ethiopia**.

Northern Africa is the one region of Africa that is not conducive to raising cattle because it is a desert.

The true potential lies in the beef industry

Moore believes that South Africa’s model will be “the way to go in Africa with 500 to 1,000 cow herds. The small producers are going to get eaten up.”

The true potential in Africa lies in the beef industry where beef cattle outnumber dairy cows 30 to 40 times. “It’s part of a subsistence culture where everyone has three cows, but there is a lot of room for consolidation in the market,” Moore says.

Right now there has not been a substantial effort to make the African beef industry profitable, and that is largely because of a lack of infrastructure. “If we can setup operations that encompass export quality abattoirs (or packing plants) to move some of the beef out, then it is a way to improve the markets,” Moore adds.

Keeping wild animals and domestic cattle divided

Another downfall to the beef industry in Africa comes in the form of wildlife. The country prides itself on the variety of big game species that call the continent home. However, there is a risk of disease, particularly Foot and Mouth, because cattle come in close contact with carrier animals like wildebeest and impala.

Keeping wild animals and domestic cattle divided has proven to be quite profitable says Moore. For instance, in Botswana, there are specially designated Foot and Mouth free areas that are protected by fences. Cattle originating from disease-free regions of Botswana made three times the amount of their unprotected counterparts.

“This is the reality of Africa that you have wild animals and domestic livestock cohabitating where there is not a lot of fencing, so this is a big challenge,” Moore says.

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