

May 8th, 2019



Magombe Jane – Fresh Milk Farmer and Leader of the Bugusege Dairy Co-operative.

Jane beckoned us onto a porch, providing us shelter from the relentless heat where we sat with her for an hour discussing cows and dairy.

Life Before WMI

Jane went to Makerere University in Kampala where she received her degree in social work. Following this she worked in administration and then as a volunteer for multiple NGOs. As an individual borrower, the jumbo loan helped to purchase a cow, which is now expecting a calf.



Sign for the Bugusege Women Livestock Co-Operative Society.

Business Background

Jane is part of a dairy SACCO (Savings and Credit Cooperative Organization). The idea is to build up a network of farmers in the village who supply all their milk to the collection center and are also encouraged to save with the SACCO to their benefit, as there is a 3% monthly interest rate. It is based within the village and there are 9 leaders (4 women and 5 men). As Treasurer of the co-op group and Chairperson of livestock she is keen to advance the SACCO and community.

Operations

Currently demand is extremely high in comparison to supply. They sell the milk at 1,200 UGX per liter and buy at 1,000 UGX per liter. In relation to employees, they are not getting enough money to be able to issue wages, therefore the manager; watchman and cashier work on a voluntary basis and receive something small where possible.

Production Process: Got Milk?

The co-op specializes in 0-graze cows. This means they are not taken out to graze but are brought food. 0-graze cows have to be milked twice a day in hopes to get 15L - 20L. Before milking, the cans, cloths and udders of the cow have to be cleaned with warm water. Food is given to distract the cow during the milking process. Following this the milk is packed and delivered to the SACCO. The milk is tested at its destination using a lactometer, if deemed contaminated the co-operative is obligated to pour it out so it cannot be resold. Jane terms this “pour but with a war” as many farmers are upset by this practice.

Business challenges

The primary challenge to the organization is member retention and loyalty. Members desire to be paid daily for their supplies of milk rather than weekly. This is common here as people require money immediately in order to cover their daily living expenses. The SACCO does not possess the capital to pay everyone daily and requires additional funding, between 5 and 10M UGX (1,330 USD- 2,660 USD) to do this. Currently, sessions are being held to convince members of the benefits of weekly payments and savings.

Because the SACCO isn't able to pay farmers on a daily basis there is a lack of milk leading to an inability to run the cooling machines. The purpose of the two machines are to process the milk however the two machines both require 500l of milk minimum to function which is impossible on their current supply of 200-300l per day. They currently have 463 members and on the surface this should provide 6,965L per day, which is more than enough milk to operate the coolers.



One of the two cooling machines in Jane's SACCO.

Future Expansion Plans and Community Impact

Jane would like to start a cow breeding business and is currently working with the Bulwalasi district authorities to purchase them from Kenya. As they are heavy breeding cows they will cost between 4 and 6 mil UGX (1,064 USD – 1,596 USD) but will produce a guaranteed 25 liters of milk a day. Upon producing calves, she will sell them at 3M UGX (798 USD) each to other farmers within the co-op, whom she will train. These cows are to be fed by silage (a condensed nutritious feed) and will provide the community with the best quality milk and meat. Her overall hope is that they will continue to be examples of model farmers for the community.

The SACCO is destined to develop into a HUB (a one-stop shop) offering of 5 essential services:

- 1) Vet Services- to ensure and promote the healthcare and life of the animals.
- 2) High quality animal feed-which will in turn improve the quality of produce.
- 3) Selling milk- to guarantee the demand is met.
- 4) Savings and credit
- 5) Other milk based products e.g. yogurt, cheese and flavored milks- all products that people love but do not have access to.

Financial Management Training

During our time with Jane, the financial associate mentioned that the cooperative keeps clear books and accounts of all their members along with the amount of milk they sell on a daily basis.

Impact of WMI

WMI has empowered Jane to be the strong businesswoman that she is today. She believes that women are the cornerstones within many operations and said to us “men are not there when you are planning and putting in the initial work, but as soon as you start to make money the men will come”. She hopes to change this, starting with her own fellow board members. It is clear from our observations Jane is a woman in control, from her business to her house, everything is in order.

A Day in the Life of Jane	
5 am	Wake up and go to the cow shed to milk the cow, clean the shed, pack the milk and deliver it to the SACCO.
6.30am	Go to the garden to tend to other crops such as beans, spinach, coffee until 10am.
10 am	Eats Breakfast, children have organized their own breakfast with the older children taking care of the younger ones.
1pm	Prepares lunch for the family.
3pm	Tends to the garden again
5pm	Milk the cows again
6pm	Eats supper (the earlier the better) as there is a superstition that you should not get bad news on an empty stomach
9pm	Goes to bed



WMI interns and fellow alongside the Bugusege co-operative board members.