**Objective**

Ethiopia has a large livestock population, a relatively favorable climate for improved, high yielding dairy cattle breeds and regions with less animal disease-stress that make the country to have a substantial potential for dairy development. Taking this in to account, this paper is prepared with the objectives of over viewing the Ethiopian dairy sector and its contribution for the economy of the country.

**Background**

In December 1997 by acquiring eight livestock and meat processing plants with a total value of US$54.7 million in a privatization program from the Ethiopia government, ELFORA agro-Industry PLC started its business journey under the umbrella of the then MIDROC Ethiopia Investment Group in the agro-processing sector. Since its acquisition ELFORA has operated in three major operations; poultry operation, agriculture and food processing operation and livestock operations. Currently, ELFORA being the subsidiary of MIDROC Investment Group in 2023 GC has crossed the ups and downs of its 26th year of exiting agro-processing industry endeavors. With our rich experience in the industry and experienced expertise in the sector, we are prepared and dedicated to serving our customers more than ever.

Our vertically integrated and strategically located crop and vegetable farms, poultry farms, ranches, export abattoir and food processing factories enable us to be resilient and build a prominent brand in the industry. This enables us to build long-term win-win relationships with our esteemed company customers and sister companies like Sheraton Addis, Lama Dairy and Queens Supermarket to mention some. Our production team and sales crew produced and packaged our products to satisfy your needs of table egg and broiler meat from our Dibre Zite poultry farm; sheep, goat and cattle caracas and clean meat from our Dibre Zite export abattoir, vegetable and fruit products from our five farms delivered to you freshly for bulk purchase direct from the main office at Gurd Shola or farm gate or at retail via our sister company market outlet Queens Supper Market.

Our journey was not quite smooth in the past 26 years. As we have enjoyed good years of bumper profits harvest from the local and export markets, there were also financial downturns and infrastructural damage in local conflicts including the recent war in the northern region that wiped out a significant amount of our investment.

However, the hard time has cast ELFORA to be resilient by unleashing the hidden tenacity of a dedicated family of a hard-working team of employees to decipher the way out together with the corporate leadership working in unison. This makes us not only survive but thrive, bouncing from consecutive years of loss to three consecutive years of profitable growth which makes us be for two consecutive year **Gold-level taxpayer awardees**. This is just the beginning our aspirations are very high, to be the national powerhouse for healthy and affordable protein food production and supply in the coming five years, and we have organized ourselves to serve you better and more for the coming years and for generations to come.

**Operations/Branches**

☀   Shallo Farm  
☀   Nettle Farm and Dairy  
☀   Cheffa Farm and Poultry Project  
☀   Wonji Kuriftu Farm and Dairy  
☀   Kompolcha Agroprocessing Plant and Abattoir  
☀   Melge Wondo Agro-Processing Plant, Abattoir and Farm  
☀   Bishoftu /Debre Zeyit Poultry Farm  
☀   Bishoftu/Debre Zeyit Export Abattoir  
☀   Dire Dawa Abattoir  
☀   Gonder Abattoir

**Our Mission**

Within our portfolio of businesses, use our integrated farms, by augmenting the blessing of nature with endemic and advanced scientific agricultural technology; and produce poultry and livestock products, cultivate crops and vegetables, and process them to Ethiopian flavored foods for domestic and foreign markets.

**Our Vision** We work in solidarity to make our country reputable again in healthy and nutritious protein food supply and for its sustainability for generations.

**Core Values**

**We treat our customers and employees as our own family**

**Ethiopian virtues are our identity**

**We empower our employees with full ownership to serve you**

**Continuous improvement**

**Corporate social responsibility**

Ethiopia holds large potential for dairy development due to its large livestock population, the favorable climate for improved, high-yielding animal breeds, and the relatively disease-free environment for livestock. Given the considerable potential for smallholder income and employment generation from high-value dairy products, development of the dairy sector in Ethiopia can contribute significantly to poverty alleviation and nutrition in the country. Like other sectors of the economy, the dairy sector in Ethiopia has passed through three phases or turning points, following the economic and political policy in the country. In the most recent phase, characterized by the transition towards market-oriented economy, the dairy sector appears to be moving towards a takeoff stage. Liberalized markets and private sector investment and promotion of smallholder dairy are the main features of this phase. Milk production during the 1990s expanded at an annual rate of 3.0 percent compared to 1.63-1.66 percent during the preceding three decades. Review of the development of dairy sector in Ethiopia indicates that there is a need to focus interventions more coherently. Development interventions should be aimed at addressing both technological gaps and marketing problems. Integration of crossbred cattle to the sector is imperative for dairy development in the country. This can be achieved either through promotion of large private investment to introduce new technology in the sector such as improved genotypes, feed and processing, and promotion of integration of crossbred cattle into the smallholder sector through improving their access to improved cattle breeds, AI service, veterinary service, and credit. Similarly, government should also take the lead in building infrastructure and providing technical service to smallholders. Severe shortages, low quality and seasonal unavailability of feed likewise remain as major constraints to livestock production in Ethiopia.

[**Some of the problems faced by farmers in dairy farming are**](https://www.bing.com/ck/a?!&&p=5c5725e2b9e85673JmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY3OQ&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cHM6Ly93d3cuY2xlYXJpYXMuY29tL2RhaXJ5LXNlY3Rvci1pbi1pbmRpYS8&ntb=1):

* [Low yield of local cows and inadequate artificial insemination services](https://www.bing.com/ck/a?!&&p=670364087d067e49JmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY4NA&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cDovL3Jlc2VhcmNoam91cm5hbC5jby5pbi91cGxvYWQvYXNzaWdubWVudHMvMTZfMzgtNDQucGRm&ntb=1)
* [Poor feeding and mineral deficiency disorders](https://www.bing.com/ck/a?!&&p=4de32dff19fe8526JmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY4Ng&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cHM6Ly93d3cuY2xlYXJpYXMuY29tL2RhaXJ5LXNlY3Rvci1pbi1pbmRpYS8&ntb=1)
* [Lack of extension services and adequate health cover](https://www.bing.com/ck/a?!&&p=ac9db7f0c0caf271JmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY4OQ&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cDovL3Jlc2VhcmNoam91cm5hbC5jby5pbi91cGxvYWQvYXNzaWdubWVudHMvMTZfMzgtNDQucGRm&ntb=1)
* [High-cost feeding and price fluctuations in the market](https://www.bing.com/ck/a?!&&p=370fbe0dbd93c279JmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY5MQ&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cHM6Ly93d3cuY2xlYXJpYXMuY29tL2RhaXJ5LXNlY3Rvci1pbi1pbmRpYS8&ntb=1)
* [Poor industry regulation and bad policy](https://www.bing.com/ck/a?!&&p=0750b0b25212a4ecJmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY5NA&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cHM6Ly93d3cuZmFybWFpZC5vcmcvYmxvZy9kYWlyeXMtZGVjbGluZS1oYXJzaC1yZWFsaXR5LWZvci1mYXJtZXJzLw&ntb=1)
* [Invisible and unpaid female family labour](https://www.bing.com/ck/a?!&&p=717eb3acda825835JmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY5Ng&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cHM6Ly93d3cuZHJpc2h0aWlhcy5jb20vZGFpbHktbmV3cy1lZGl0b3JpYWxzL2NoYWxsZW5nZXMtb2YtZGFpcnktc2VjdG9y&ntb=1)
* [Informal and unorganized nature of dairy sector](https://www.bing.com/ck/a?!&&p=eaa4b7fabdd9de1aJmltdHM9MTcxNjI0OTYwMCZpZ3VpZD0yMjA4NzZiNC00NDcwLTYxNmUtMjlhOC02MmM3NDUyMjYwMzMmaW5zaWQ9NTY5OA&ptn=3&ver=2&hsh=3&fclid=220876b4-4470-616e-29a8-62c745226033&psq=problems+faced+by+dairy+farmers&u=a1aHR0cHM6Ly93d3cuZHJpc2h0aWlhcy5jb20vZGFpbHktbmV3cy1lZGl0b3JpYWxzL2NoYWxsZW5nZXMtb2YtZGFpcnktc2VjdG9y&ntb=1)

**N.B- Ethiopia**: With over 10 million dairy cows, Ethiopia produces nearly 4.6 billion liters of milk annually. However, local demand stands at 22 billion liters, leading to imports to fill the gap. [The country has about 40 milk processing companies, but the sector is still in its infancy](https://www.foodbusinessafrica.com/growing-dairy-industry-in-africa-taps-more-investments-as-demand-rises/).

1. **Economic Growth and Employment**:
   * Dairy factories contribute to economic growth by creating jobs and generating income for farmers, factory workers, and related industries.
   * They stimulate local economies, especially in rural areas where dairy farming is prevalent.
2. **Nutrition and Food Security**:
   * Dairy products are rich in essential nutrients like calcium, protein, vitamins (A, D, B12), and minerals.
   * Dairy factories ensure a steady supply of nutritious products, promoting food security.
3. **Technology Transfer and Innovation**:
   * Dairy factories introduce modern technology and best practices to farmers.
   * Research and development lead to innovations in processing techniques and product diversification.
4. **Livelihoods and Rural Development**:
   * Dairy farming provides livelihoods for millions of small-scale farmers.
   * Infrastructure development around dairy factories benefits local communities.
5. **Export Potential**:
   * Well-established dairy factories can export surplus products, contributing to foreign exchange earnings.
   * African countries can tap into the global dairy market through competitive products.

In summary, dairy factories play a crucial role in economic development, nutrition, and overall well-being in Africa.