

# AMBITIOUS COOPERATIVES

Agriterra's goal is to turn cooperatives into fully-fledged professional, farmer businesses. These professional cooperatives and farmers' organisations are crucial for sustainable economic development and job opportunities in the countryside. They are the catalyst for progress and contribute to a stable and prosperous agricultural sector and the economy as a whole. We work with around 300 cooperatives in Asia, Africa and Latin America. Below are a few examples of cooperatives of which we are proud.



NEPAL

KDDC is building a factory, with the capacity of 50.000 litres/day,

## Kamdhenu's Growth

Kamdhenu Dairy Development Cooperative (KDDC) is a cooperative that is established for and by the small farmers in eastern Nepal. They produce a wide range of high-quality milk products like pasteurised milk (3%, 4% and 5% fat), cheese, yoghurt and paneer, a kind of soft cheese used for making Indian type dishes.

KDDC gives the farmers a sustainable earning after their delivery. They work together with 6 primary dairy cooperatives in the East of Nepal. The former chairman, Tika Ojha, who was influenced by the cooperative business during his visit in Denmark, initiated to establish a

cooperative by bringing the farmers together, who used to supply milk to him. He was at that time a milk trader.

Now after the 20 years of establishment of KDDC, the cooperative became one of the biggest dairy players in eastern Nepal owned by the farmer members. With the support of government grant (20%), bank loan (40%) and members capital (40%) of the total 2 million euros investment, they are building a factory capacity of 50.000 litres/day, more than three times the current capacity of 15.000 litres/day.



80% of La Chuspa members are women.

PERU

## Micro credit for Andean women

La Chuspa is a credit cooperative in Cusco, Peru. La Chuspa was founded as an NGO in 2000 to provide microcredit to Andean women. But the NGO decided to become a cooperative in 2015, initially with 38 female members from the Cusco region. This change was implemented to be able to offer more financial services to members, such as savings or higher credit lending.

Meanwhile, membership has grown and now consists of 80 per cent women. The savings and credit cooperative also offers savings options for members' children because they want to focus on the whole family. La Chuspa hopes the cooperative will support development of the whole family.

Agriterra is helping KDDC with strategic and financial planning, layout design of the new factory, trainings and also by giving advice on sales and marketing. Because of this, KDDC becomes more professional in the dairy sector and has an ambition to grow into a nation-wide dairy cooperative.



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Tulaga Dairy invested in its own dairy processing business and acquired a continuous pasteuriser.

## Dairy production triples

Kenyan dairy cooperative Tulaga Dairy has made some drastic changes. Since Agriterra joined forces with the cooperative in 2017, it has increased milk production from 6,000 to 18,000 litres of milk per day. Tulaga has 14 hectares of land and a milk processing and feed factory, amongst others. The average age of employees of the business is 32 years. That makes it one of the 'youngest dairy companies' in Kenya.

In 2017, Agriterra calculated that 8,000 litres of milk would need to be pasteurised daily to break even. A business case was formulated and 25 million Kenyan shillings (almost 220,000 Euros) was invested in a dairy processing business. Tulaga and Agriterra required a loan of 23 million Kenyan shillings (over 202,000 Euros) from the cooperative bank to cover investment costs. Tulaga acquired a continuous pasteuriser with a capacity of 40,000 litres per day.

## KENYA

Tulaga Dairies currently pasteurises 12,000 of the 18,000 litres of milk produced daily. Small steps are already being taken towards eventually being able to process all the milk themselves. But for the time being, the focus still lies primarily on ensuring a guaranteed market outlet. In addition, they are cautiously experimenting with small-scale yoghurt production.

### Animal feed

Tulaga also produces animal feed for its members and the external market. The dairy cooperative has set up the use of machinery for this production far more efficiently. Potential production currently stands at 4.5 tonnes of feed a day. Use of machines in the animal feed factory has risen by 24 per cent.

PERU



## New technology

Cecafe in Peru was founded in 2006 with 80 members. The core activity is the production of green coffee beans. Cecafe currently exports these coffee beans to Switzerland, Germany, the United Kingdom, the United States and Canada.

Cecafe has owned pilot farm La Esperanza (Hope), consisting of 8 hectares of land, since 2017. The objective is to develop new technology here to improve the quality of coffee beans further and to diversify production with tilapia farms. The ambition for the future is to achieve sustainable growth.

Since 2017 Cecafe has owned pilot farm La Esperanza.

