



AUSTRALIAN HIGH COMMISSION ISLAMABAD

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Media Release

Australia inaugurates milk collection centre in South Punjab

At a ceremony in Fatool Wala Chakkar today, the Australian High Commissioner Peter Heyward opened a Shakarganj milk collection centre designed to expand milk collection and extension services in South Punjab.

Joined by CEO of Shakarganj Food Products Limited, Mr. Anjum Saleem, the opening marked the start of a second phase in the partnership between Shakarganj and the Market Development Facility, which is funded by Australian Aid.

On opening the centre, High Commissioner Heyward acknowledged that while Pakistan is the fifth largest milk producer in the world, many small hold dairy farmers lack access to formal markets.

“Unfortunately, the informal market does not allow farmers to earn a premium price for their milk,” he said. “This constrains farmers’ ability to invest in their businesses and increase levels of milk production.”

The Market Development Facility is partnering with businesses like Shakarganj to stimulate investment, business innovation and regulatory reform that benefits poor people working in Pakistan’s dairy, meat, leather and horticulture industries.

Under the partnership with Shakarganj, 30 milk collection centres will be established in South Punjab, creating access to the formal milk market for small hold farmers from around 90 villages. Extension services provided through the initiative will give farmers advice on animal health, husbandry, and how to make their dairy businesses more profitable.

“I hope this Australian assistance helps farmers to improve productivity which will lead to higher incomes and more incentives and capacity to re-invest in your businesses,” High Commissioner Heyward told the farmers present.

Australia is providing AU\$9.2 million to the Market Development Facility until 2017.

So far, the Market Development Facility has agreements with eight businesses. It aims to work with 40 businesses by 2017.

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