



*I'm really happy that Pakiza is expanding and creating income opportunities for many others in addition to me*

## Milk as a Source of Income and Jobs

It takes perseverance to make money from milk in northern Afghanistan. Farmers generally only keep between one and three cows, transportation hygiene is poor and the market is dominated by imported milk from Pakistan and Iran. The Pakiza dairy in Mazar-e Sharif was established in 2013 – today it is a success story

The Pakiza dairy was developed to realise a vision. After only a few years, the company today processes over 3,000 litres of milk every day into pasteurised drinking milk, cream cheese, cream, butter, buttermilk and curd. For the 3,500 supply farmers, who always keep some milk for their own requirements, this represents an additional source of income. The vision was realised thanks to active support from international donors and the programme for Sustainable Economic Development und Employment Promotion (SEDEP), financed by the German Federal Ministry for Economic Cooperation and Development (BMZ).

SEDEP developed the business plan for the dairy and trained technical staff. With farmers organised into milk supply groups, they take part in training courses aiming to increase milk production and improve the health of cattle. New milk churns made of aluminium have replaced the traditional practice of recycling hard-to-clean plastic canisters for vegetable oil. Milk collectors, who drive into the villages on scooters early each morning, are given training in milk hygiene and bookkeeping. The SEDEP advisors also provided marketing support to employees at the new dairy. New products have been developed and innovative sales concepts implemented, including a retail outlet in Balkh's provincial capital Mazar-e Sharif and mobile bicycle sales kiosks. This has generated 20 new jobs at Pakiza

Pakiza has created jobs for qualified staff and new prospects for people with ambition and qualifications. Two such employees are Ahmad and Hafizullah. Both faced unemployment after completing their training. Ahmad reflects: 'I went to agricultural college and completed a degree course there. After countless applications and letters of rejection, I had made up my mind to leave Afghanistan and move to Germany.' When Ahmad was taken on at Pakiza, he was initially put in charge of stock control. Today he is responsible for the production

Hafizullah's experience was not much different, having graduated from Balkh University's Institute of Oil and Gas. Today he runs the dairy's retail outlet in the centre of Mazar-e Sharif. He explains: 'Many people in Afghanistan today are in the situation I was in. They have no job and no income. Very quickly a feeling of hopelessness takes over. I'm really happy that Pakiza is expanding and creating income opportunities for many others

in addition to me. That is a source of encouragement. It means we have a chance to shape our own future and no longer have to think about trying 'our luck in another country

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**Partner:** Afghan ministries: Ministry of Industry and Commerce (MoIC), Ministry of Finance (MoF), Ministry of Agriculture, Irrigation and Livestock (MAIL), Ministry of Rural Rehabilitation and Development (MRRD); Afghanistan Chamber of Commerce and Industries (ACCI)  
**Implementing organisation:** Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH  
**Provinces:** Kabul, Badakhshan, Baghlan, Balkh, Samangan, Kunduz, Takhar  
**Programme objective:** The programme aims at creating new jobs and income opportunities for all Afghans. Activities focus on five value chains, including nuts, dairy, poultry, wheat and vegetables.  
**Overall term:** March 2014 – December 2018

