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**Fluid Milk and Butter Production and Marketing Systems in  
Fogera District, Amhara Region, Ethiopia**

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**Abstract**

This study was conducted to characterise milk production and marketing systems and to provide options for more market-orientation in Fogera district, Amhara Region, Ethiopia. Twelve rural Kebeles and 480 households that practice milk production were used for the study. About 98.8% of the households used traditional husbandry and indigenous breeds, mainly the Fogera cattle. Communal grazing and crop residues are the main feed resources. Communal grazing area covered 9602.4 ha; out of which 3,418.5 ha (35.6%) was infested by a noxious weed, *Asracantha longifolia*. Seasonal flooding from Lake Tana and movement of animals from adjacent districts during the dry season have exacerbated the feed shortage. Parasitic diseases are major threats. Three dairy production systems, namely rural small-scale mixed, peri-urban and urban were identified based on use of inputs, location and access to markets. The average number of milking cows per household was  $1.59 \pm 0.04$  and ranged from 1.18 to 2.08, while the average pastureland holding was  $0.18 \pm 0.09$  ha. Across the three production systems, 20.4% of the milk produced was used for home consumption, 66.3% processed (mainly into butter and ayib), and only 13.3% was marketed. In the rural small-scale mixed system, most milk is processed into butter, due to lack of market access to fluid milk. About 16.5 liters of milk was required to produce a kilogram of butter and about 104,193 kg of butter was marketed annually. This translates to an estimated 1,719,184.5 liters of milk per annum. In the peri-urban and urban production systems, the total amount of milk produced per day was 1,316.2 liters; out of which 278 liters (21.1%) was used for household consumption, 702.2 liters (53.3%) was processed into butter, and 337 liters (25.6%) was marketed. The critical constraints to dairy development were feed shortage, high disease prevalence, shortage of improved dairy breeds, poor extension, AI and veterinary services, lack of working capital and marketing. Technologies and knowledge on improved butter production and marketing systems would enhance the benefits to smallholder dairy farmers if major urban centres such as Bahir Dar city and its surroundings and the export market open up new opportunities.

**Keywords:** Butter, cattle, Ethiopia, fogera, marketing, milk, production