# Milk South Africa Melk Suid-Afrika ESS Wilk South Africa Melk Suid-Afrika

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This is a publication of Milk SA. Milk SA was founded by the primary and secondary dairy industry sectors to promote a healthy South African dairy industry.

# **SHINING STAR**

Dr Jan van Wyk of the University of Pretoria was awarded the SAVA (South African Veterinary Association) Gold Medal for a professional lifetime of excellent research in the field of veterinary parasitology relating to helminths.

Dr Van Wyk is conducting a project on the impact of liver fluke (Fasciola hepatica) on dairy production and sustainable management on selected farms in SA for Milk SA.





## **ON THE INTERNATIONAL SCENE...**

The World Dairy Summit of the **International Dairy Federation** took place in Belfast, Ireland from 30 October to 3 November 2017.

Hundreds of experts from across the globe addressed four focus areas and nine working areas in 17 Standing Committees. The programme provided a wide-ranging and engaging, comprehensive examination of all the major issues making a difference to the world of dairy.

Topics ranging from Dairy Policy and Economics, Nutrition, Marketing, Food Safety, Sustainability, Animal Health and Welfare, to Farm Management and



Antimicrobial Resistance were addressed. In terms of Animal Health and Welfare, the conference dealt with three topics: Health and Welfare, Breeding Technology and Disease Control

On the topic of Farm Management, the conference dealt with Data and Technology, Animals and Managing People and concluded with a Leaders' Forum which will focus on the challenges for dairy farming over the next 50 years.

#### **NEWS FLASHES FROM THE IDF**



## MILK AND DAIRY PLAY KEY ROLE IN INFANT AND CHILD NUTRITION



Milk and dairy foods are a vital source of iodine which is a nutrient of particular concern to pregnant women...

Most populations obtain iodine from a number of sources, but milk and dairy foods are the largest source in the UK diet. Milk produced in the UK is a richer source of iodine than milk in most other countries.

Prof Margaret Rayman, Professor of Nutritional Medicine at the University of Surrey and a speaker at the WDS, said that mild-to-moderate iodine deficiency is

present amongst many pregnant women in the UK. "This is of considerable concern", she said, "as iodine is required for the synthesis of thyroid hormones that are crucial for brain and psychomotor development of the baby."

The biggest sources of iodine in the diet are milk, vogurt and goat's cheese.

#### DAIRY HIGHLIGHTED AS KEY FOOD **FOR SPORTS NUTRITION**

Milk and dairy foods provide a vital source of recovery promoting nutrients for athletes and the dairy industry must communicate this more effectively with sports professionals and consumers...

Speaking at the WDF, Dr Sharon Madigan, Head of Performance Nutrition at Sport Ireland Institute, told delegates that whilst every athlete requires different nutritional guidance, a good nutritional strategy before, during and after training can profoundly affect sports performance.

She said: "Milk and dairy foods can actually kill three birds with one stone when it comes to nutrition - it assists in refuelling energy



stores, it promotes rehydration to get the fluid balance right, and also helps to repair lean muscle mass. Research has shown that water or commercially available sports drinks aren't as effective as milk in promoting muscle recovery."

# **KEY NOTES**

### from the General Meeting (GM)



**The GM of 1 December** was - as always - well attended by the member representatives, guests and project managers. The MPO and SAMPRO, as the two members, each send seven persons as member representatives who are eligible to speak and vote on behalf of the members. The GM, as the highest body, sets the strategic direction for Milk SA.

The meeting took note of positive developments in respect of transformation in the dairy industry. The Transformation Manager, Godfrey Rathogwa, shared information about Milk SA's Enterprise Development projects, the goal of which is to promote profitable and sustainable

existing black dairy enterprises. Significant achievements were reported in respect of supporting this target group by means of the supply of ESKOM power, expansion of the herds, upgrading of milking machines, pasture establishment, improvement of raw milk quality, etc.

As keynote speaker, Zola Gebeda emphasized that transformation starts from within, "by the renewal of your mind" and that every role-player therefore needs to identify opportunities to this end. He also said, as every project needs to stand on its own sooner rather than later, total reliance on Government should be avoided. Zola is also a director of Milk SA.



In his presentation, Dr Koos Coetzee (Milk SA's Project Manager: Industry Information) said that economic growth globally and in South Africa had accelerated. Most countries were out of the recession that commenced in 2008. He added that the 1,1% growth predicted for South Africa for 2018 might be too optimistic. South Africa is fortunate, he said, not to experience volatile raw milk producer prices to such a degree as in for example Brazil and New Zealand. He mentioned that the main drivers of the local economic growth were ironically the mining and agriculture sectors, amidst high government pressure. Generally speaking, he added that South African consumers were in a better position, with lower debt and more spending money but that demand for especially food products remained weak.





# The dairy declaration of Rotterdam signed at Milk SA General Meeting on 1 December 2017

The South African dairy industry declared their commitment to the sustainable development of the dairy sector by signing the Dairy Declaration of Rotterdam at Milk SA's General Meeting, held at the Menlyn Boutique Hotel in Pretoria at the end of 2017.



The Chairman of Milk SA, Prof Chris Blignaut, flanked by Melt Loubser, Chairman of SAMPRO (left) and George Kuyler, Chairman of the MPO (right) signing the Declaration of Rotterdam.

Courtesy of The Dairy Mail.

#### **MILK SA PROJECTS**

## Skills Development: Secondary Industry

#### **Dairyman Assessment**

**Thulebona Khuzwayo** actually started his training on the Dairyman qualification in the Liquid Long Life Dairy products specialization at the Queensburgh plant of Clover SA, but midway through his course he was transferred to the Clover SA powder manufacturing facility in Estcourt.

He re-attended some of the theory lectures (some of the lectures are generic in the Dairyman qualification and thus attended by all learners from all specializations) and practical guidance sessions presented by SAMPRO. Then it was down to grinding to collect evidence for the 30 batches he had to produce for his portfolio of evidence as part of the workplace experience learning component.



Thulebona Khuzwayo explaining the fines return system via cyclones during his Powder Maker Assessment earlier this year.

**Gerhard Venter** conducted the final assessment for both Thulebona (nick-named 'Shoes' for obvious footwear preference reasons) and his colleague Nico Smit. These two Powder Makers are definitely assets that their enterprise should covet, as their performances were flawless and the product – which has to be tested during manufacturing – passed all quality tests with flying colours.

Gerhard says: "It is actually a wonderful experience to conduct such a test in an environment where few people ever get to go. The size and intricacy of the equipment and its control can be very intimidating."

#### Congratulations to 'Shoes' and Nico.



Gerhard Venter, Training Manager, SAMPRO

# Consumer Education Project: The Dairy Go Team Social media campaign

The 'Dairy Go Team' campaign is aimed at teenagers and engages with the target audience in a fresh way. The campaign communicates the many benefits of dairy through videos, which are posted on the Dairy Gives You Go website.



The Go Guy is a very distinctive brand asset for Dairy and announces a competition that invites a dairy team to help him spread the word about the benefits of dairy. The Dairy Go Team videos consist of three sporting characters introducing three health benefits of dairy:

- · October 2017: Introductory video;
- November 2017: Skateboarder: Introduces strong bones;
- December 2017: School body builder: Introduces muscle recovery through dairy;
- January 2018 Hockey player: Healthy teeth.

The first video serves as an introductory video and uses Go Guy to introduce the launch of the 'Dairy Go Team' campaign and competition on Facebook, asking the online community to share why they should be part of the team and inviting them to engage with dairy.

The introductory video and the skate boarder can be viewed on the Dairy Gives You Go Facebook page or on

www.dairygivesyougo.co.za







# Possibility of standardized standards for calibration of laboratory equipment in the local industry ... A project by DSA

**The Milk SA Board of Directors** has approved a project by the DSA to investigate the possible establishment of infrastructure for the supply of standardized standards used for the calibration of laboratory equipment in the local dairy industry.

The lack of standardized standards at national level with appropriate metrological values to calibrate laboratory instruments for example the measurement of fat, protein, lactose, milk urea nitrogen and somatic cell counts creates technical barriers and adds to legal disputes, which is not in the interests of the organized dairy industry.

This service, previously provided by the ARC Elsenburg as a reference laboratory, was suspended – leading to the import of standards and differentiation in calibrations

using standards from different origins at different frequencies. Currently the most acceptable standard is the imported "Certified Reference Materials" with valid "Certificates of Analysis" which come at great cost.

The projected date of completion of the project is December 2018.



# Lydenburg farmer survives attempted farm attack

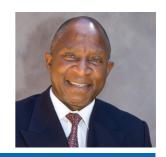
It came to Milk SA's attention recently that Douglas Dickson, a milk producer in the Lydenburg district – and also a member of the MPO and certain Milk

SA Committees – thankfully emerged unscathed from an attempted farm attack. Milk SA is delighted with the good news and wishes him all the best.

# FAREWELLS and WELCOMES

#### **New director for Milk SA**

**Zola Gebeda,** Vice-Chairman of the MPO and former alternate director of Milk SA, was appointed as director of the Milk SA Board of Directors at the General Meeting on 1 December 2017. He is an independent business consultant and has been involved in transformation in the dairy industry for many years. His experience and passion for the industry contribute hugely to the success of Milk SA.



#### **Outgoing Chairman**

**Prof Chris Blignaut** joined Milk SA in 2011 as independent, non-executive Chairman. He was also previously involved in the formulation of the Dairy Development Initiative which led to the establishment of Milk SA. The Vice-Chairman, Melt Loubser, thanked Prof Blignaut for the role he had played in the dairy industry, saying that his leadership and calm approach during his six-year term had contributed immensely to the development of Milk SA into a mature and professional organization.



#### **Incoming Chairman**

**Dr Bonile Jack-Pama** joined the Board in 2017 and was appointed as independent, non-executive Chairman on 1 December. He recently obtained a PhD in the Management of Technology and Innovation (MOTI) through Da Vinci Institute, with the research topic: "Application of the PIG Paradox Model in Analysing Factors Affecting Sustainability of Trade at the Faraday Traditional Medicine Market in Johannesburg, South Africa". He also holds a MSc: Agriculture (Economics) from the University of Fort Hare and a MBL from UNISA. He has vast experience in the agricultural sector, amongst others in the Department of Agriculture and Forestry of Ciskei, the Fort Cox College of Agriculture and Forestry and the University of Fort Hare. He also held memberships in various Boards such as the Landbank of South Africa (as Chairperson), the Agricultural



Research Council, SABS Holdings (as Chairperson), the Johannesburg Fresh Produce Market (as Chairperson), KWV, MGK and Agbiz.

#### Milk SA Board of Directors: December 2017



Seated (L-R): Frik Grobler, Melt Loubser (Vice-Chairman), Prof Chris Blignaut (Chairman), George Kuyler, Willie Prinsloo. Standing (L-R): Godfrey Rathogwa, Jacques van Heerden, Alwyn Kraamwinkel, Porchia Adams, Dr Chris van Dijk, Zola Gebeda, Nico Fouché (CEO), Dr Bonile Jack-Pama.

#### Milk SA Staff: December 2017



Seated (L-R): Matilda Wistebaar, Nicolette Teichmann, Nico Fouché (CEO), June Mngadi. Standing (L-R): Vincent Mafate, Lucua du Preez. Priscilla Sinclair.

## THE STATUTORY MEASURES (2018 TO 2021) EXPLAINED

The continuation of the statutory measures (regulations) has been approved by the Minister of Agriculture, Forestry and Fisheries who also reappointed Milk SA as Administrator thereof. Both the MPO and SAMPRO (as members of Milk SA) were applicants for these measures, which will be effective from 1 January 2018 until 31 December 2021.

The persons who must comply with the measures remain unchanged and the requirements for compliance also remain unchanged. The role-players and their obligations can be summarized as follows:

- Persons who purchase milk from any source<sup>1</sup> with the purpose of processing it, or to use it for the manufacturing of other products, or to sell it to persons outside the jurisdiction of South Africa, or to move it outside the jurisdiction of South Africa.
- Milk producers who sell raw milk produced by their own dairy animals, to consumers, or for the use thereof for production, or for the manufacturing of other products, or sell it to persons outside the jurisdiction of South Africa, or move it outside the jurisdiction of South Africa.
- Any person who sells raw milk to a retailer.
- Any person importing dairy products which resort under the 04.01 to 04.06 customs tariff classification.

Examples of circumstances which cause levy liability

- A person selling raw milk without any processing or manufacturing is not liable to pay levies, unless the raw milk is sold to consumers or retailers.
- If Person A (milk dealer, milk processor, etc.) purchases raw milk and sells it to Person B who processes the raw milk (including pasteurization), Person B will pay the levies. The person who eventually processes or uses the raw milk to manufacture products, will pay the levy.
- If Person X contracts Person Y to process raw milk on behalf of Person X, Person X will have to pay the levy, as well as submit the return form.

Information about a wider range of dairy products must be declared each month, namely the quantity of raw milk to manufacture:

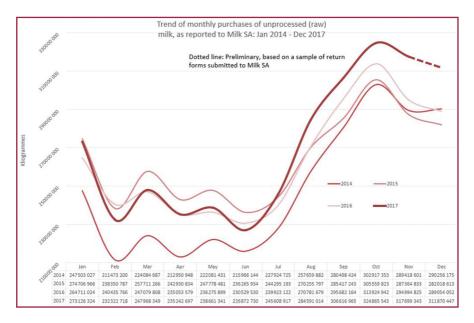
- Processed, unsweetened, unflavoured milk: Including pasteurized milk, ultra pasteurized milk, ultra high temperature milk (i.e. longlife milk or UHT milk) and sterilized milk:
- Sweetened and/or flavoured and/or coloured milk;
- Fermented products namely maas, yogurt, kephir and butter milk;
- · Milk powder; and
- Cheese, <u>excluding</u> cottage cheese en cream cheese

<sup>&</sup>lt;sup>1</sup> Any source includes milk producers, milk dealers and milk processors.

# TRENDS OF MONTHLY UNPROCESSED (RAW) MILK PURCHASES IN THE RSA: JAN 2014 TO DEC 2017

The preliminary figure for Dec 2017 shows a 7,89% higher milk purchase volume than the amount bought in Dec 2016. An amount of 311 870 447 kg is the preliminary milk purchase figure for Dec 2017.

The preliminary total raw milk purchases for Jan - Dec 2017 is 3 245 446 387 kg, which is 2,75% higher than the corresponding period in 2016 and 2,29% higher than the corresponding period in 2015.



Milk SA takes no responsibility for the accuracy of this information which is intended to provide market signals only, and Milk SA indemnifies itself against any actions based on this information.

- Source: Milk SA Statistics (from monthly return forms submitted to Milk SA by ± 380 role-players).
- Each year's total figures are reviewed in March of the following year.