

MPO Newsletter / Nuusbriëf

18 March 2011

Latest on FMD crisis

At a meeting held last Friday between the Department of Agriculture, Forestry and Fisheries (DAFF) and various stakeholders from the livestock industries, feedback was given on matters relating to the recent outbreak of foot and mouth disease (FMD) in KwaZulu-Natal (KZN). The MPO was represented by Dr Nico Schutte, Ms Barbara Bieldt and Mr Philip Swart. Dr Mike Modisane, Chief Veterinary officer stated that several issues complicate government's response to the outbreak. No clinical signs of the disease could be found and the southern and southwestern boundaries of spread of the disease still had to be determined by clinical surveillance. Several roadblocks were established to prevent the movement of animals from the affected area and the vaccination of animals will only commence once all the boundaries have been determined. Dr Modisane said that all products sufficiently treated to inactivate the FMD virus are allowed to be exported and that DAFF's Import and Export Control directorate is negotiating with trade partners to allow other products like raw milk and frozen meat. Mr Lardus van Zyl, chairman of the RPO made a presentation on the findings of a visit by himself and Mr Gerhard Schutte, CEO of the RPO to the affected area and drew attention to various risks observed and submitted several recommendations to government. Industry representatives tabled proposals which include the establishment of the borders of the disease area as soon as possible and requests to industry to be vigilant and increase surveillance and bio-security measures. Further, DAFF must compile an action plan for the RSA to regain its FMD free status and the Animal Health Forum must be re-activated to ensure efficient and timely consultation between government and livestock industries and livestock industries must be updated on a weekly basis regarding the situation. Shortly after the meeting DAFF issued a press release regarding the unbanning of animal movement and products in the FMD-free areas in KZN. To view the press release <[click here](#)>.

Retail milk price down, cheese price up

In its recent Food Price Monitor the National Agricultural Marketing Council (NAMC) reports that retail milk prices decreased by between 7,8% and 10,4% from January 2010 to January 2011.

mpoist

Instituut vir Suiweltegnologie
Institute for Dairy Technology

Tel 012 843 5600
www.mpo.co.za

Cendel
Centre for Producer Development
Sentrum vir Produisente Ontwikkeling

Tel 012 843 5600

agriinspec

Tel 012 843 5600
www.mpo.co.za

AgriConnect
Agri Connect (Pty) Ltd

Tel 012 843 5600
www.agriconnect.co.za

During the same period the retail price of cheddar cheese increased by 2,5%. Retail prices of dairy products are shown in Table 1. According to MPO economist Dr Koos Coetzee, the lower retail prices already resulted in increased sales and will help to increase demand in 2011. For a copy of the NAMC report follow this <link>.

Table 1: Retail dairy product prices, 2010 - 2011

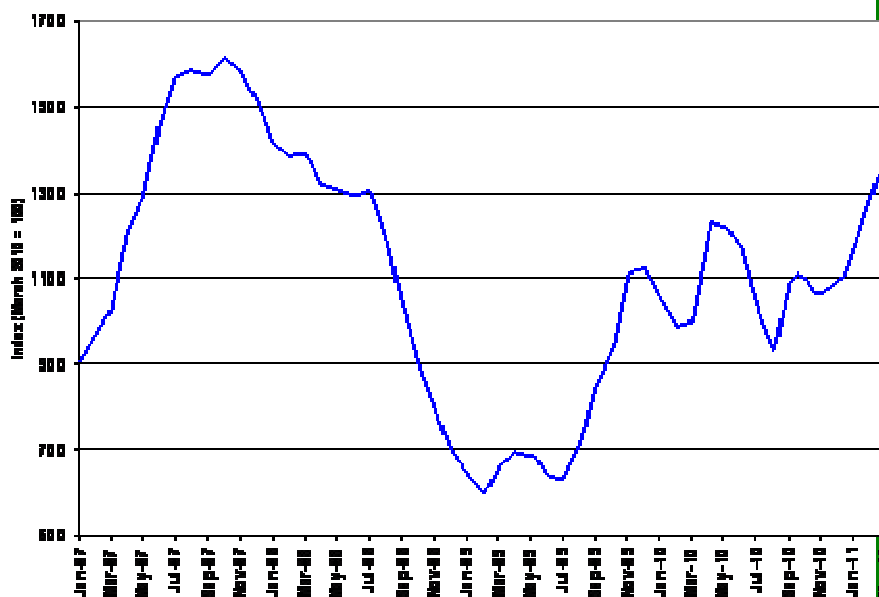
Month	Jan - 10	Oct- 10	Jan - 11	% Change Jan 10 – Jan 11
Full cream milk 1 litre	7,01	6,66	6,28	-10,4%
Full cream milk 2 litre	15,42	14,97	14,21	-7,84%
Cheddar cheese 1 kg	85,84	86,64	87,99	2,50%

Source: NAMC, 2011

Lower prices at Fonterra sale

At the Fonterra internet sale of dairy products held on 15 March prices were on average 8,2% lower than at the previous sale at the beginning of March. This is the first decrease in prices since October 2010. However prices are still far above the long-term average and more than double the 2009 low. According to MPO economist Dr Koos Coetzee this sale was held at a time of significant international uncertainty and one should be careful not to regard this as the beginning of a new downwards trend. The next Fonterra sale takes place on 5 April. Results will be published in the newsletter of 8 April.

Figure 1: global DairyTrade dairy product prices index



mpo^{ist}
 Instituut vir Suiweltegnologie
 Institute for Dairy Technology

Tel 012 843 5600
 www.mpo.co.za

Cendel
 Centre for Producer Development
 Sentrum vir Produerente Ontwikkeling

Tel 012 843 5600

agriinspec

Tel 012 843 5600
 www.mpo.co.za

agritravel & tours
 AGRI TRAVEL & TOURS (Pty) Ltd
 AGRI REIS & TOEGE (Binnel) Bpk

IATA

Tel 012 843 5600
 www.agrivia.co.za

mpo^{ist}
 Instituut vir Suiweltegnologie
 Institute for Dairy Technology

Tel 012 843 5600
 www.mpo.co.za

Source: Global dairy trade (www.globaldairytrade.info)

Import meeting

At the monthly import meeting held this week by the MPO and Agri Inspec it was reported that total import quantities during January and February are lower than the corresponding period in 2010. Furthermore, Agri inspec is investigating suspect imports of UHT milk originating in Uruguay. Appropriate action steps were decided on after import statistics indicated that a consignment of cheddar cheese was imported from Ireland at a low price during February. Among others, the MPO will lodge a complaint at the Irish Dairy Board and request the directorate: Agricultural Product Inspection Services of DAFF to obtain samples of the product for detail analysis, including the presence of heavy metals. Ms Barbara Bieldt, manager market protection and development of the MPO says that the relevant import information will also be submitted to the dti's import task team who is currently investigating alternative measures to address imports of this nature.

Tb Certificates

New Tb certificates can currently not be issued due to a shortage of tuberculin. The antigen reagent is prepared in Germany and then imported for local use. Dr Nico Schutte of the MPO's Cendel advises producers with herds which have been certified as Tb free for a number of years to approach state veterinarians in cooperation with their private veterinarians to request an extension of existing Tb certificates.

Agri SA's Commercial Policy Committee meets

Mr Koos Pienaar, Chairman of MPO Freestate and Dr Koos Coetzee, MPO economist attended a meeting of Agri SA's Commercial Policy Committee on Wednesday. The meeting took note of the critical situation regarding the Foot and Mouth disease outbreak in KwaZulu-Natal. Other concerns about the management of animal health issues in South Africa led to a decision by the Committee to compile a list of all problems livestock industries have with the Department of Agriculture's management of animal health issues and to address this urgently with the proper authorities. Other issues discussed were the impact of Competition law on agriculture, government's trade and tariff policy, electricity tariffs, agricultural research, flood relief measures and property taxes.

MPO North branch established in Brits

Resulting from a need expressed by milk producers in the Brits region a meeting was arranged by the MPO and took place on Dirk and Suzette Venter's farm on Tuesday, 15 March. The MPO was represented at the meeting by MPO North West's chairman, Mr Johan Strydom, vice chairman, Mr Louis Lemmer and secretary Mr Gert Pieterse and Mr Philip Swart from MPO Head Office and Ms Alta van Zyl, regional coordinator MPO North. Ten milk producers



from the Brits region discussed matters of mutual interest with MPO representatives in a positive vein. The meeting culminated in the establishment of a MPO North branch in Brits with Mr Dirk Venter elected as chairman, Mr Adriaan Swanepoel as vice chairman and Ms Suzette Venter as secretary. The producers expressed their gratitude to the MPO representatives for their time and effort to arrange and attend the meeting and for the advice and continued support offered. Mr Adriaan Swanepoel said: "The MPO gave us the courage to carry on again".

MPO Free State visits Qwa Qwa producers

MPO Free State's chairman, Mr Koos Pienaar, vice chairman, Mr Bernard Maree, management member, Mr Graham Jacobs and Ms Veronica Marais, regional co-ordinator, visited emerging milk producers in the Qwa Qwa region to discuss the issues that impact negatively on their farming activities and to develop an action plan to address this. The emerging farmers indicated that the unreliable supply of electricity, poor condition of roads and the unwillingness of milk buyers to accommodate quantities of milk below a specified level were high priorities currently. Ms Nozika Mjwaga, extension officer of the Free State Department of Agriculture was requested to compile a document detailing the current situation of emerging milk producers in Qwa Qwa. The MPO Free State will facilitate closer interaction between the group of emerging farmers and organised agriculture as well as the relevant authorities in order to assist them in handling the challenges facing them. The future establishment of DAFF's pilot school milk project in cooperation with the MPO will have a significant effect on the market of these emerging milk producers and the economic prosperity of the surrounding region.

MPO KZN meets with the Department of Agriculture

Mr Tom Turner, MPO Kwazulu-Natal (KZN) chairman and Ms Debbie Thomson, regional coordinator, met with the KZN Department of Agriculture last week to establish a steering committee for the implementation of the Memorandum of Cooperation (MOC) between the two organisations. At this meeting action plans were formulated to facilitate the commencement of practical activities as soon as possible. The two parties intend to strengthen the partnership between themselves through technical and research development and transformation to the benefit of the dairy industry in KZN. The steering committee will meet quarterly to monitor and evaluate the progress with regard to the obligations set out in the Agreement. MPO KZN believes that this partnership will impact positively on the cooperation and support between milk producers and the department.

Dairy farm managers course

As a result of popular demand Cendel is once again presenting the dairy farm managers course on animal health from 12 to 14 July in Caledon. This course will be presented in Afrikaans. Please contact Julie Mclachlan at 083 740 2720 or send an email to



Tel 012 843 5600
www.mpo.co.za



Tel 012 843 5600



Tel 012 843 5600
www.mpo.co.za



Tel 012 843 5600
www.mpo.co.za



Tel 012 843 5600

julie@cendel.co.za for programme information and a registration form.

Read The Dairy Mail for information on Consumer Protection Act

Milk producers who would like to know what the effect of the new Act will be on them are urged to read about it on page 88 of the March issue of The Dairy Mail or [<click>](#) here for the on line version of the article.

Three farmers and a Greek

It was reported in a previous newsletter that Mr Rufus Dreyer, milk producer from Oyster Bay and vice chairman of the MPO Eastern Cape and three friends plan a motorcycle tour from Cape Agulhas to Cairo in order to raise at least R1 200 000 to save the Adelaide Hospital and assure medical services to the Adelaide community. All contributions made will be paid directly into the Adelaide Hospital account. Anybody who is interested in becoming involved by making a contribution to the fundraising effort can contact Vicky Scheepers at 072 298 1774 or send an email to vicky.en.henk@gmail.com. Visit the official blog by using this [<link>](#).

Important dates

- **MPO Road Show meetings:**
 - **North** - Contact Alta van Zyl at 012 843 5615 or alta@mpo.co.za
 - Wednesday, 23 March, 09:00 - Lichtenburg Guest House, Lichtenburg
 - Wednesday, 23 March, 14:00 – Commando Hall, Ottosdal
 - Thursday, 24 March, 09:00 - Vryburg Club Hall
 - Thursday, 24 March, 14:00 - Pigmy Lodge, Delareyville
 - Monday, 11 April, 10:00 – De Oude Werf, Bronkhorstspuit
 - Tuesday 12 April, 10:00 – Farm of Hannes Lombard, Morgenzen
 - Tuesday 12 April, 14:00 – Farm of Hein Aucamp, Ermelo
 - Wednesday 13 April, 10:00 – Krugersdorp – details to be confirmed
 - Wednesday, 13 April, 14:00 – Oude Bosch (Wiesenhof), Heidelberg
 - Thursday 14 April, 11:00 – ALZU Farm, Middelburg
- **Large Herds Conference**, 6 - 8 June 2010, The Regent hotel, East London. To avoid disappointment please contact Julie McLachlan at 012 993 4375 or 083 740 2720 or send an e-mail to julie.mclachlan6@gmail.com or julie@cendel.co.za. [<Click here>](#) for a direct link to the official website.

Links

[Milk Producers' Organisation – The Dairy Mail](#)




Instituut vir Suiweltegnologie
Institute for Dairy Technology

Tel 012 843 5600
www.mpo.co.za



Tel 012 843 5600
www.mpo.co.za



Centre for Producer Development
Sentrum vir Produisente Ontwikkeling

Tel 012 843 5600



Instituut vir Suiweltegnologie
Institute for Dairy Technology

Tel 012 843 5600
www.mpo.co.za



Tel 012 843 5600
www.mpo.co.za

Contact us

Bertus de Jongh – Chief executive officer

Barbara Bieldt – Manager: Market protection and development

Dr Koos Coetzee – Economist

Philip Swart – MPO member services



Please take note that this e-mail is not spam. It is a newsletter sent from the MPO to you as valuable milk producer. www.mpo.co.za / 012 843 5600



Compiled by Agri Connect in conjunction with the MPO

Represents and empowers the producer