



MELKPRODUSENTE-ORGANISASIE  
MILK PRODUCERS' ORGANISATION

# MILK BULLETIN

In partnership with  
**the dairymail**  
Publication for the dairy industry

*Represents and empowers the producer*

**31 March 2017**

## Bumper maize crop expected

The crop estimates committee at the Department of Agriculture, Forestry and Fisheries has set the size of the expected commercial maize crop has been set at 14,324 million tons, which is 2,91% or 405 050 tons more than the previous forecast of 13,918 million tons. The area estimate for maize remained unchanged at 2,629 million ha, while the expected yield is 5,45 t/ha.

The estimated maize crop is 84% bigger than the 2016 crop, which was the smallest crop since 2007. The three main maize producing areas, namely the Free State, Mpumalanga and North West provinces are expected to produce 82% of the 2017 crop. This season's crop will be the second biggest after the 1980/81 bumper crop of 14.66 million tonnes. This means that South Africa will regain its status as a net exporter of maize this season. To read more, click [HERE](#).

## Milk now part of Agri-Expo Qualité Awards

The Qualité Awards which have been presented since 1834 established new categories for pasteurised milk and UHT milk this year. "We are only too aware that not all milk is created equal and we were pleasantly surprised by the quality of the entries we received", said Johan Ehlers, Agri-Expo CEO. Parmalat's Mature Gouda (10 months), made especially for Woolworths, wore the crown as the 2017 SA Dairy Product of the Year at the recently held Agri-Expo Qualité Awards Gala.

No fewer than 854 products from 83 producers vied for the special attention of the 74 judges who ranged from food technologists to cheese retailers, and food bloggers to chefs. From the large number of entries, 16 were given the Qualité mark of excellence and 95 were named South African champions.

In the pasteurised milk and UHT milk categories the judges decided to give four milk products the title of SA Dairy Champion: Clover for their Prisma full-cream UHT and low-fat UHT, Fairfield Dairy's Woolworths Pasteurised Milk (low-fat – Ayrshire), and the Woolworths Ayrshire full-cream milk by Rhodes Food Group.

**Press Release.** To read more, click [HERE](#).

## Focus on water

National Water Week 2017 was celebrated from 22 to 24 March by the Department of Water and Sanitation (DWS) in partnership with KwaZulu-Natal Provincial Government and United Nations Water from 22 to 24 March. As part of the event a three-day World Water Day Summit and Expo was hosted at the iNkosi Albert Luthuli International Convention Centre in Durban, KwaZulu-Natal. The theme of this year's National Water Week was "Water and Sanitation is a Human Right", which aimed at emphasizing the value of water, the need for sustainable management of this scarce resource and the role water plays in eradicating poverty and underdevelopment in South Africa. DWS urges all South Africans to take ownership in ensuring the integrity of our water resources and its efficient use. To read more, click [HERE](#).

## Milk distributed to 6 000 school children in KwaZulu-Natal

In an ongoing collaboration between MPO Kwa-Zulu Natal (KZN) and Orange Grove Dairy 6 000 pupils at disadvantaged schools in the KZN Midlands/ Dundee region received 200 ml of full-cream long-life milk in January and February this year. The milk is packaged in easy-to-use sachets known as Siya Vaya pocket packs.

## Scenarios for future freshwater supplies in South Africa

South Africa is still recovering from the effects of the 2016 drought. Most of us now have a heightened awareness of the impacts of droughts, floods and toxic algal blooms in our dams, which are predicted to get worse with climate change. Was this drought the wake-up call we needed to get us ready for a new normal?

WWF South Africa recently teamed up with international leaders in scenario planning, the Boston Consulting Group (BCG), to explore possible water futures.

The WWF-SA and BCG workshop, involving industry, government representatives and water sector leaders, explored two key uncertainties in South Africa's water future: (1) the availability of water and (2) state of governance of the sector. This resulted in a report titled "Scenarios for the Future of Water in South Africa" looking ahead to the potential realities of 2030.

The scenarios in this report enable organisations to consider what part they can play to help South Africa overcome the current crisis, as well as prepare for and even shape the future of freshwater supplies in South Africa.

Christine Colvin, senior manager of fresh water at WWF, commented: "We encourage you to immerse yourself in each potential reality before beginning to ponder how you might prepare, and most critically, how you can tie your own potential action items to the specific suggestions outlined in 'What does this mean going forward?' The discussions on our future also revealed 'no-regret' options that would help all organisations prepare for an uncertain water future. Implementing these options now will help prepare for all eventualities." To view the report, click [HERE](#).

## Save the date for MPO Mpumalanga farm meetings

MPO Mpumalanga farm meetings will be held on 19 and 20 April this year. Chairman Douglas Dickson requests dairy farmers in the province to diarise the dates for 2017's annual farm meetings. The details of the venues and times for the meetings will be communicated via sms and email by Friday, 7 April 2017.

## International market

### Fonterra reports increased earnings

New Zealand dairy cooperative Fonterra reported a 5% increase in revenue and a 2,2% increase in net profit after tax for the half-year ending on 31 January 2017 on the back of growth in the high-value consumer products category. However, Fonterra reduced forecast earnings per share to 45 to 55 cents per share, from a range of 50 to 60 cents due to dairy market volatility.

Chairman John Wilson stated: "The impact of more volatility in product stream returns in our ingredients business, some tightening of margins in the coming months, and the potential for extra milk in the autumn could result in some pressure on our earnings in the second half." To read more, click [HERE](#).

### Dairy snacks export growth leader

A report released by Freedonia Focus Reports indicates that dairy products are expected to be the fastest growing segment of processed foods exported by the US. This trend is a result of increasing consumer demand for healthy, natural snacks with higher protein content. According to USDEC Chinese dairy imports from the US increased by 73% over the past eight months. The report stated: "Exports of dairy products to China rose vigorously as food safety scandals in that country made consumers wary of Chinese brands." To

read more about this, click [HERE](#).

### [A fresh, little breeze](#)

Consumers freshened up their taste buds for fresh food as the market for fresh produce saw the largest category of growth in the grocery market last year. Consumers spent an extra £3,7 billion on fast-moving consumer goods. The figures were released as part of research done by Nielsen UK. According to the report baby milk sales dropped by 9,5% and margarine's sales dropped by 4,5%, which is an reflection of the consumer's wants. Fresh food seems to be the honey that attracts the bees, which is why so much more retailers bought into this idea, as it also enhances their brand image. To read more, click [HERE](#).

### [Non-dairy creamers the new 'it' product](#)

It seems that the heat is being turned on between non-dairy and dairy-based creamers sales and, unfortunately, dairy is losing this battle. With 14,2% year-over-year sales growth, manufacturers are seeing an increasing demand for dairy-free creamers made with plant-based milks, a recent Technomic report found. The report also states that the sales of dairy creamers have experienced a total sales decline and nearly flat volume growth. "It mostly has to do with variety", Eric Thoresen, principal at Technomic says. To read more about this, click [HERE](#).

## **Training**

### [Schedule your dairy farm training now](#)

Helene Pheiffer, manager of training at the MPO, urges milk producers to schedule their dairy farm training as soon as possible. The Institute for Dairy Technology is currently scheduling its training programmes for 2017. Courses are aimed at dairy farm workers and supervisors. Click [HERE](#) for details of the training programmes offered. Please contact Jas Wasserman at 012 843 5743 or 082 490 2465 for assistance and to book a five-day course.

### [MPO helps with occupational health and safety issues](#)

The MPO's Institute for Dairy Technology offers a five-day training course on the occupational health and safety code of best practice for dairy farmers. The course is practical and arms participants with the knowledge to comply with the requirements of the Occupational Health and Safety Act. Training is conducted on-farm in the language of preference. Dairy farmers who need assistance in complying with the Department of Labour's health and safety requirements on their farms are encouraged to contact the Institute to schedule a training programme. The Institute is currently scheduling its training programmes for 2017. Click [HERE](#) for details of all the training programmes offered. Please contact Jas Wasserman at 012 843 5743 or 082 490 2465 for assistance and to book a five-day course.

## **Technology transfer**

### [The first winner of our competition announced](#)

Congratulations to Joubert Fourie of Limpopo Dairies, who is the first winner of *The Dairy Mail's* monthly competition to see who knows our industry the best. Joubert's projection of a monthly milk production of 268 million litres in January 2017 earned him a prize pack valued at R1 000 sponsored by Montego.

Do you know how much milk was supplied in South Africa in February 2017? Put your knowledge to the test and stand a chance to win. A winner will be announced every month with several prizes to be won. After 12 editions a national winner will be announced at the MPO's 2018 gala dinner. Click [HERE](#) for more information

and to enter.

### Stay out of the red

How well do you track your financials? Do you have your finger on the pulse of your business? The milk price has increased somewhat, and seems to have stabilised over the past few months. Although this has helped to ease the financial pressures on the farm slightly, things are still very tight. You have to focus every day on producing the cheapest milk possible. Every month that your cost of production (COP) exceeds your milk price, you enter the red zone – a place you can't afford to go to too often. For practical advice on tracking your financials go to page 48 of the March issue of *The Dairy Mail* for an article by Aidan Bomford, registered professional natural scientist at Intelact. To read the digital copy of TDM, go to [www.agricconnect.co.za](http://www.agricconnect.co.za).

### Events

#### You are invited to the 2nd annual Pasture Management Symposium

Grass SA is hosting its 2<sup>nd</sup> annual Pasture Management Symposium at the Farm Inn, Pretoria on Thursday, 20 April 2017. Grass SA was established by a group of pasture / animal scientists and specialists in Southern Africa. Since pasture science is regarded as a scarce skill, very few specialists remain to develop this field of expertise and to support the people who require assistance in improving any business that is dependent on pasture science. Topics to be discussed at the symposium include species selection and establishment, weed control and grazing systems. To register for the symposium, click [HERE](#). For more information visit [www.grassa.co.za](http://www.grassa.co.za).

#### So many great reasons to visit the 2017 South African Cheese Festival!

Spoil yourself with a ticket to the award-winning South African Cheese Festival and discover an amazing selection of excellent and unique cheeses, other cheese products and delicious preserves that perfectly complement cheese, as well as the finest wine and gourmet food.

The SA Cheese Festival will be held at Sandringham, Stellenbosch from Friday, 28 April 2017 to Sunday, 30 April 2017. Tickets are available at any Computicket outlet, Shoprite or Checkers store at R160 per person per day. Visit our website [www.cheesefestival.co.za](http://www.cheesefestival.co.za), contact us on 021 975 4440 or email [admin@agriexpo.co.za](mailto:admin@agriexpo.co.za) for more information. For competition details and programme highlights, follow us on Facebook (Cheese Festival), Twitter (@SACheeseFest) and Instagram (sacheesefest).

#### The countdown has begun – book now for SALHC 2017

The South African Large Herds Conference will be held at the Champagne Sports Resort in the Drakensberg from 5 to 7 June 2017. The theme is “Resilience” – something every farmer needs in abundance. The programme has already been finalised and can be found on our website [www.largeherds.co.za](http://www.largeherds.co.za).

We would like to thank our sponsors, and especially our platinum sponsor, Standard Bank, for so generously supporting this conference yet again. Anyone wishing to sponsor and/or exhibit (stands are going at a rapid rate) must please contact Julie McLachlan on 083 740 2720 or email [julie@mpo.co.za](mailto:julie@mpo.co.za) as soon as possible.

All information on the conference, the programme, speakers, venue and accommodation can be found on the website where booking and registration forms can also be downloaded.

#### Shuttle service to and from SALHC

Delegates to the SA Large Herds Conference, which will be held at Champagne Sports Resort in KwaZulu-Natal from 5 to 7 June 2017, can make use of shuttle buses scheduled to run between OR Tambo and King

Shaka Airports and Champagne Sports Resort. The shuttle buses will depart at 10:30 from OR Tambo Airport and 14:00 from King Shaka Airport on Sunday, 4 June to the Champagne Sports Resort. The shuttle buses to both airports will depart at 12:30 on Wednesday, 7 June. The price for a one-way transfer from and to OR Tambo Airport is R500 and R400 for a one-way transfer from and to King Shaka Airport. The booking form can be downloaded from [www.largeherds.co.za/shuttle\\_bus\\_booking\\_sheet.pdf](http://www.largeherds.co.za/shuttle_bus_booking_sheet.pdf). Full information can be found at [www.largeherds.co.za](http://www.largeherds.co.za) or contact Julie on [julie@mpo.co.za](mailto:julie@mpo.co.za) or 083 740 2720

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*Please take note that this e-mail is not spam. It is a newsletter sent from the MPO to you as valuable milk producer.*

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