

Media statement: *for immediate release*

THE MPO REGIONS TAKE STOCK OF A YEAR OF EXTREMES

The Milk Producers Organisation (MPO) held a series of virtual annual meetings over the past week to give MPO members at regional level feedback on the past year. The first of these occasions took place on the evening of Wednesday 19 August and was held for members of the MPO North Region. The chairman of MPO North, Fanie Ferreira, describes the past year as one that will be remembered for extreme events. The northern production area was finally combined under a single management in 2020; the regions that make up the combined area comprise the Northern Cape, the Free State, North West, Gauteng, Mpumalanga and Limpopo.

On all three occasions Dr Chris van Dijk, the chief executive officer of the MPO, highlighted the risks, uncertainties, and opportunities for the dairy industry amid the COVID-19 pandemic. The most important message that he conveyed was that the milk industry cannot afford a reduction in the producer price of milk. The producer price index for unprocessed milk has shown a sideways trend from January 2015 to March 2020 in relation to the retail prices of dairy products, as illustrated in MPO Pointer 9, which was issued by Bertus van Heerden, the chief economist of the MPO, on 18 August.

During the MPO North and Eastern Cape webinars the futurist, Pieter Geldenhuys, took a closer look at the technological waves that predict the future and drive the global economy. In the winter of the fifth technological wave it is interesting that stable technology is more rapidly accepted by price-sensitive markets because markets are more open to change. In his view it is going to become more expensive to export to South Africa, which makes local production the answer to food security. Geldenhuys also shared a free link to his recent book, *Headlines from the future*, with the webinar participants.

On Tuesday 25 August, on the occasion of the MPO Western Cape annual meeting, the chairman, Hannes Nel, stated that there are 397 milk producers in the Western Cape, of whom 70% are MPO members and that 31% of the milk volume of the past year came from the Western Cape, which was slightly ahead of KwaZulu-Natal and the Eastern Cape with a contribution of 28% each.

Nikki Weimar of Nedbank presented an economic overview and said that South Africa appears to be over the worst of the COVID-19-pandemic if one looks at the transmission rate, but that the conditions that accompany this pandemic still make it unpredictable and menacing. South Africa went into the crisis in bad shape and with poor leadership and the COVID-19 pandemic has simply made bad conditions worse. There was little light at the end of the dark tunnel that he sketched.

The worldwide animal health enterprise, Zoetis, introduced Clarifide® Plus at the MPO North and Western Cape webinars. This product predicts the most important characteristics of cows and calves in South African dairy breeds. According to the technical manager: ruminants at Zoetis South Africa, Dr Chantelle Erwee, genomic tests would help dairy farmers to identify specific genetic characters in dairy cattle to predict which animals are more resistant to certain costly diseases, such as lameness, mastitis and pneumonia, and also which have a higher potential for characters like milk production, fertility and lifelong productivity.

At the MPO Eastern Cape annual meeting held on Thursday 27 August, the MPO chairman for the Eastern Cape, Zola Gebeda, listed several marketing opportunities with which members had been actively involved over the past year, and highlighted the national MPO Project One initiative involving milk farmers and processors, which was launched during the COVID-19 lockdown. Participating milk farmers donate part of

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C Wellbeloved (Nasionale Voorsitter/National Chairman), Z Gebeda Onder-voorsitter/Vice Chairman), H Cilliers, D Dickson, S Ferreira,
S Garland, B Green, H Nel, HJ Pretorius, Dr CJ van Dijk, B van Greunen,

their daily milk production, inter alia, as part of local food parcel initiatives in order to reach out to our vulnerable communities and support them with nutritious milk and dairy products.

During their respective Eastern Cape webinar presentations, Dr Craig Galloway explained the three major risks for milk farmers in relation to water stewardship, namely statutory requirements, water quality, and water use efficiency, and Adriaan Groenewald, a legal specialist, went through the latest water legislation.

Grateful thanks are again conveyed to the chief sponsors of the MPO North webinar, Dairysmid and Zoetis; the chief sponsors of the MPO Western Cape webinar, Nedbank en Zoetis; and the sponsors of the MPO Eastern Cape webinar, The Co-Op, FNB, Waikato/AfiMilk and Four Lakes. The continued support of these sponsors is highly valued.

Chairmen's reports, presentations, recordings, and financial statements for the annual meeting of the respective regions are available upon request for members who were unable to participate in these meetings in August. MPO KwaZulu-Natal's annual meeting will take place later this year (on 4 November) together with the MPO National's virtual annual meeting and congress. You are urged to book a place now by contacting Julie McLachlan (julie@mpo.co.za).

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“SUCCESS LIES IN PLANNING.” – Dr Chris van Dijk

*Compiled for the MPO by Michelle de Lange, MPO liaison officer, tdmeditor@agricconnect.co.za
28 August 2020*

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