

28 August 2025

PRESS RELEASE BY THE NATIONAL AGRICULTURAL MARKETING COUNCIL

REQUEST FOR COMMENTS/INPUTS FROM DIRECTLY AFFECTED GROUPS IN THE DAIRY INDUSTRY

REQUEST FOR THE CONTINUATION OF STATUTORY MEASURES RELATING TO LEVIES, REGISTRATIONS AND RECORDS & RETURNS IN THE DAIRY INDUSTRY IN TERMS OF THE MARKETING OF AGRICULTURAL PRODUCTS ACT (ACT No. 47 OF 1996, as amended)

It is hereby made known that, in terms of section 11 of the Marketing of Agricultural Products Act, 1996 (Act No.47 of 1996) (MAP Act), the Minister of Agriculture has received a request from the dairy industry for the continuation of statutory measures relating to levies, registration, the keeping of records and the rendering of returns.

The South African Milk Processors' Organisation (SAMPRO), a directly affected group and representative organisation of the secondary dairy industry, applied for these statutory measures. The current statutory measures (levies, registrations and records & returns) in the dairy industry will expire on 31 December 2025. SAMPRO requests ministerial approval for the continuation of these statutory measures for a new period of four years from 1 January 2026 to 31 December 2029.

SAMPRO proposed that the current statutory levies will increase by 3.5 percent per annum because of inflation since the current levies were first implemented in 2021. According to SAMPRO, the income generated by these statutory levies is not sufficient to satisfactorily pursue the objectives of the regulations in the period for which the extension of the validity of the regulations is requested.

The proposed new levies will be as follows:

Customs Tariff Classification	Product Description	Levy (Vat exclusive)			
		2026 c/kg	2027 c/kg	2028 c/kg	2029 c/kg
04.01	Milk and cream, not concentrated nor containing added sugar or other sweetening matter.	1.99	2.06	2.13	2.20
04.02	Milk and cream, concentrated or containing added sugar or other sweetening matter.	19.08	19.74	20.43	21.15
04.03	Buttermilk, curdled milk and cream, yogurt, kephir, and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruits, nuts or cocoa.	7.18	7.43	7.69	7.96
04.04	Whey, whether or not concentrated or containing added sugar or other sweetening matter; Products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included.	5.80	6.00	6.21	6.43
04.05	Butter and other fats and oils derived from milk, dairy spreads.	20.47	21.19	21.93	22.70
04.06	Cheese and Curd.	28.58	29.58	30.61	31.68

The MAP Act stipulates that a statutory levy may not exceed 5% of the price realised for a specific agricultural product at the first point of sale. The maximum of 5% must be based on a guideline price calculated as the average price at the first point of sale over a period not exceeding three years. The guideline price for the proposed levies, on average, was calculated to be approximately 0.3% of the price of dairy products for a period of 3 years. This is well within the 5% as prescribed by the MAP Act.

The proposed business plan for the four (4) year period is as follows:

Function	2026 FY (R)	2027 FY (R)	2028 FY (R)	2029 FY (R)
Administration (10%)	7 245 000	7 498 500	7 761 000	8 032 600
Transformation (20%)	14 490 000	14 997 000	15 522 000	16 065 200
Consumer education (30%)	21 735 000	22 495 500	23 283 000	24 097 800
Improvement of the quality of milk and other dairy products (19%)	13 765 500	14 247 150	14 745 900	15 261 940
Research and development (6%)	4 347 000	4 499 100	4 656 600	4 819 560
Industry information (5.5%)	3 984 750	4 124 175	4 268 550	4 417 930
Skills and knowledge development (2.4%)	1 738 800	1 799 640	1 862 640	1 927 824
Dairy animal health and welfare (1.5%)	1 086 750	1 124 775	1 164 150	1 204 890
Communication, liaison with role players and identification of statutory information, appointment of inspectors, Milk SA staff support and involvement in projects and projects internal audits (5.6%)	4 057 200	4 199 160	4 346 160	4 498 256
Total	72 450 000	74 985 000	77 610 000	80 326 000

The proposed statutory measures will apply to the following:

- Persons who buy raw (unprocessed) milk for the purpose of processing it or to use it to manufacture other products, or to sell it to persons located outside the jurisdiction of the Republic of South Africa, or to move it outside the jurisdiction of the Republic of South Africa;
- Persons who import a product which is subject to a levy;
- Persons who are milk producers and who process the raw (unprocessed) milk produced by them, or use it to manufacture other products, or who sell it to consumers, or who sell it to persons located outside the jurisdiction of the Republic of South Africa, or who move it outside the jurisdiction of the Republic of South Africa; and
- Persons who sell raw (unprocessed) milk to retailers.

The purpose of the statutory measure relating to registration is to compel all secondary industry role-players in the Republic of South Africa to register with Milk South Africa (the administrator). Registration will facilitate better communication in the industry on matters of common interest such as technical issues, food safety, product standards and other issues.

The purpose of the statutory measure relating to records & returns is to provide a statutory mechanism for dairy processors, traders, brokers, producer distributors, importers and exporters of dairy products

to keep records and furnish returns to Milk South Africa. The information and analysis thereof will enable Milk South Africa to make market signals available to role-players and government institutions.

The National Agricultural Marketing Council (NAMC) believes that the application by SAMPRO for the continuation of statutory measures is consistent with the objectives of the MAP Act (as set out in section 2 of the Act).

Directly affected groups in the dairy industry are kindly requested to submit any comments, in writing, regarding the proposed statutory measures, to the NAMC on or before 30 September 2025, to enable the Council to finalise its recommendation to Minister in this regard.

This notice will feature in the government gazette dated 12 September 2025.

Submissions should be in writing and addressed to:

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