

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF AGRICULTURE

NO. R. 7246

20 March 2026



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10 March 2026

THE NATIONAL AGRICULTURAL MARKETING COUNCIL

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

REQUEST FOR THE ESTABLISHMENT 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 establishment of statutory measures relating to levies, registration, the keeping of records and the rendering of returns.

This is a joint application between the South African Milk Processors' Organisation (SAMPRO) and the Milk Producers' Organisation (MPO). SAMPRO is a directly affected group and representative organisation of the secondary dairy industry while MPO is a directly affected group and representative organization of the primary dairy industry. The current statutory measures (levies, registrations and records & returns) in the dairy industry will expire on 30 June 2026. SAMPRO and MPO requested ministerial approval for the establishment of these statutory measures for a new period of four and a half years, from 1 July 2026 until 31 December 2030.

SAMPRO and MPO proposed that the current statutory levies will increase by 4.0 percent per annum as a result of inflation, since the current levies were first implemented in 2021. According to SAMPRO and MPO, 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) | | | | |
|-------------------------------------|--|-------------------------------|--------------|--------------|--------------|--------------|
| | | 1 Jul – 31 Dec 2026 (c/kg) | 2027 c/kg | 2028 c/kg | 2029 c/kg | 2030 c/kg |
| 04.01 | Milk and cream, not concentrated nor containing added sugar or other sweetening matter. | 2.00 | 2.08 | 2.16 | 2.25 | 2.34 |
| 04.02 | Milk and cream, concentrated or containing added sugar or other sweetening matter. | 19.17 | 19.94 | 20.73 | 21.56 | 22.43 |
| 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. | 7.22 | 7.51 | 7.81 | 8.12 | 8.45 |
| 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. | 5.82 | 6.05 | 6.29 | 6.55 | 6.81 |
| 04.05 | Butter and other fats and oils derived from milk, dairy spreads. | 20.57 | 21.39 | 22.25 | 23.14 | 24.06 |
| 04.06 | Cheese and Curd. | 28.71 | 29.86 | 31.05 | 32.29 | 33.59 |

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 | 1 Jul-31 Dec 2026 (R) | 2027 FY (R) | 2028 FY (R) | 2029 FY (R) | 2030 FY (R) |
|--|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| Administration | 3 640 000 | 7 571 200 | 7 874 000 | 8 189 000 | 8 516 600 |
| Transformation | 7 280 000 | 15 142 400 | 15 748 000 | 16 378 000 | 17 033 200 |
| Consumer education | 7 280 000 | 15 142 400 | 15 748 000 | 16 378 000 | 17 033 200 |
| Improvement of the quality of milk and other dairy products | 6 916 000 | 14 385 280 | 14 960 600 | 15 559 100 | 16 181 540 |
| Research and development | 2 184 000 | 4 542 720 | 4 724 400 | 4 913 400 | 5 109 960 |
| Industry information | 2 002 000 | 4 164 160 | 4 330 700 | 4 503 950 | 4 684 130 |
| Skills and knowledge development (2.4%) | 873 600 | 1 817 088 | 1 889 760 | 1 965 360 | 2 043 984 |
| Dairy animal health and welfare (11.5%) | 4 186 000 | 8 706 880 | 9 055 100 | 9 417 350 | 9 794 090 |
| 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%) | 2 038 400 | 4 239 872 | 4 409 440 | 4 585 840 | 4 769 296 |
| Total | 36 400 000 | 75 712 000 | 78 740 000 | 81 890 000 | 85 166 000 |

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 joint application by SAMPRO and MPO for the establishment of statutory measures relating to levies, registrations and records & returns in the dairy industry as requested, is consistent with the objectives of the MAP Act (as set out in section 2 of the Act). The request is currently being investigated by the NAMC, and recommendations in this regard will be made to the Minister in the near future.

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 10 April 2026, to enable the Council to finalise its recommendation to Minister in this regard.

Submissions should be in writing and addressed to:

National Agricultural Marketing Council

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