



# **ENTERPRISE DEVELOPMENT/ COMMERCIALIZATION OF BLACK OWNED SMALL DAIRY ENTERPRISES**

(PRJ-0386-2024)

**Milk South Africa NPC**

**Year 2024** (January 2024 till December 2024)

## **Project goals**

### **Goal 1 - Monitor existing Milk SA approved small holder Black dairy commercialization enterprises**

#### ***Achievements***

Sustainable Commercialization Project came into being because of 2006-2009 Milk SA statutory levy surplus funds. Its objective is to promote competitiveness, profitability and sustainability of existing small black owned dairy enterprises by contributing to the reduction of commercial venture impediments. In order to augment the statutory levy surplus funds, Milk SA Transformation Manager successfully applied for grant funding from the Jobs Fund programme and secured R10.35M. Below follows an annual report on the objectives set for 2024.

During the year under review, monitoring continued to focus on dairy herd health, breeding, milk production, fodder flow, animal feeding, and business record keeping. Advice to entrepreneurs was given based on the actual circumstances of their enterprises. There were six hundred forty-four (644) cows on average in milk during the year under review. Farmers supplied 2 177 222 kilogrammes of milk to processors or consumers. Milk volume declined by 9% from 2 393 984 kilogrammes to 2 177 222 as the number of cows in milk dropped by 15% from 760 to 644 compared with 2023.

Sixteen (16) beneficiaries were visited at Delareyville (1), Dundee (1), Harrismith (8), Kaalfontein (2) Indwe (1), Matatiele (1), Swartberg (1), and Welkom (1). The visits were conducted to assess the circumstances of each enterprise, particularly fodder flow situation. Four (4) beneficiaries had cut a total of 78 hectares of maize for silage. The hectares cut ranged from seven to 30 hectares, with an average yield ranging from 14 to 36 tonnes of wet maize silage per hectare. Most farmers planted wintergreens with a range of two to fifty hectares per farm. The most common wintergreens were Japanese radish and oats, but some also planted teff grass in summer.

Forty-three (43) mature cows died amongst 16 beneficiaries because of incidents such as calving difficulties, milk fever, snakebites, injuries, red water, snow and mud traps, liver abscess

and gall sickness. Accordingly, beneficiaries were strongly advised to consult their local veterinarians for information regarding vaccination programmes and integrated dairy herd disease management programmes. Moreover, farmers were urged to contact veterinarians whenever they had bad animal incidents on their farms and to invest in veterinary services rather than losing a cow.

**Farmers identified the following main challenges:**

The majority of farmers continued to struggle with inadequate fodder flow due to a lack of irrigation infrastructure, insufficient rainfall during winter pasture planting period and slow progress to get farming loans from financial institutions. They relied on assistance from Milk SA. Due to heat stress, two beneficiaries at Harrismith had to cut their maize silage earlier than usual, while another delayed cutting due to power failure. Moreover, lack of rainfall also resulted in poor germination and growth of wintergreens.

Access to veterinary services remained a challenge due to the shortage of state veterinarians and the high cost of private veterinarians. Some farmers reported that state veterinarians were not always available on short notice and did not have transport readily available attend to farmers' emergency cases.

Five farmers were affected by the Eskom power cuts that disrupted their milk quality and milking schedules. Two farmers reported losing 800 litres because it sour. One farmer also did not have water because of Eskom power outage.

Five fire outbreaks destroyed grazing lands of four farmers and one house. A cow also died from manure heat stress because cow manure caught fire.

One farmer's borehole dried up and attempts to sink another borehole failed after more than five attempts. This farmer had to cart water by his bakkie for a distance of about three kilometres.

Management of cooperative enterprises remained a challenge because a sense of ownership and thus commitment to the success of the enterprise lacks in cooperatives compared to family-owned enterprises. Additionally, businesses owned by elderly entrepreneurs without children or young committed employees are at a risk of business continuity. Succession planning was recommended to all entrepreneurs to ensure the continuity and sustainability of their enterprises.

***No Non-achievements / underperformance has been reported***

**Goal 2 - Deliver pregnant heifers to new and existing black dairy enterprises depending on compliance with Milk SA criteria and beneficiary counter performance. This expenditure includes veterinary services**

***Achievements***

One of Milk SA's strategies to promote economies of scale, competitiveness, and sustainability Black smallholder dairy enterprises is to supply certified pregnant heifers. However no pregnant heifers were

***Non-achievements / underperformance***

There were no pregnant heifers delivered during the year under review.

delivered during the year under review because farmers did not have sufficient fodder flow on their farms to support additional animals. Milk SA's policy is to supply animals where there is proof of adequate fodder flow.

### ***Reasons for non-achievements / underperformance***

Farmers did not have sufficient fodder flow on their farms to support additional animals and they did not have money to pay their contributions to the cost of heifers.

### ***Planned remedies for non-achievements / underperformance***

Farmers are being assisted to secure funding from the Land Bank and other financial institution to establish pasture.

## **Goal 3 - Fodder flow improvement on farms- including fodder at the time of pregnant heifer delivery to maintain conditions of pregnant heifers**

### ***Achievements***

Adequate fodder flow is critical for a dairy cow to be productive, provided other critical inputs are adequate. Milk SA's project beneficiaries are advised regularly to ensure that they had sufficient fodder flow of good quality. This is achieved through planting of maize for silage, winter pasture planting, and purchases of extra fodder and dairy meal concentrates depending on the feed situation. Milk SA's plan was to assist farmers in planting permanent pastures to minimize shortage of fodder on farms, on a cost-sharing basis. Unfortunately, no permanent pastures had been established due to a lack of irrigation and rainfall. One farmer's borehole dried up and attempts to sink another borehole failed after more than five attempts.

Four (4) beneficiaries were assisted with the cutting of 78 hectares of maize to make silage, on an equal cost-sharing basis with Milk SA. Among these beneficiaries, the hectares cut ranged from 7 to 30 hectares, with an average yield ranging from 14 to 36 tonnes of wet maize silage per hectare.

A total of 966 tonnes of lucerne were delivered to 18 beneficiaries during the year under review. The quantity delivered per farmer ranged from 10 tonnes to 142 tonnes. Of the total lucerne delivered, 507 tonnes were on a 25%:75% cost-sharing basis between beneficiaries and Milk SA. Four hundred and fifty-nine (459) tonnes were granted to beneficiaries as an emergency relief support. Beneficiaries expressed gratitude for Milk SA's support in delivering dairy meal and lucerne during difficult times, indicating that the assistance has contributed to the improvement of their milk production. Milk SA analysis of farmer's milk records confirmed that the cow's average litre of milk per day was improving with an increase in dairy meal and lucerne

assistance.

Six hundred and twenty eight (628) tonnes of dairy meal concentrate were also delivered to 17 beneficiaries. The quantity delivered ranged from four (4) tonnes to 101 tonnes per farmer. Out of the total dairy meal concentrate delivered, four hundred and sixty three (463 tonnes) were on a 25%:75% cost-sharing basis between beneficiaries and Milk SA. Cost-sharing policy is implemented to promote an entrepreneurial mind-set and to protect Milk SA's scarce resources against misuse without accountability. One hundred and sixty five (165) tonnes were granted to a beneficiary as an emergency relief support.

### ***No Non-achievements / underperformance has been reported***

#### **Goal 4 - Supply critical enterprise on- farm infrastructure including affordable processing equipment**

##### ***Achievements***

Milk SA assisted two beneficiaries whose farms suffered from water shortage due to power failure, with the installation of solar power systems on a 25%:75% cost-sharing basis. The first beneficiary had a solar system and pump installed, but they were not working due to poor installation. As a result, the beneficiary requested Milk SA assistance. It has been reported that the installation was completed, and the system was functioning properly. For the second beneficiary, solar panels had already been assembled, but installation was not yet complete. The beneficiary informed Milk SA that the contractor had promised to complete the installation by January 2025. Milk SA also delivered a 2 400 litre capacity milk tank to another beneficiary who needed extra storage capacity to comply with buyer requirements on a 25%:75% cost-sharing basis between the beneficiary and Milk SA. The beneficiary informed Milk SA that the tank had been installed and it was functioning properly.

### ***No Non-achievements / underperformance has been reported***

#### **Goal 5 - Capacitate new and existing black dairy entrepreneurs and their workers in critical dairy enterprise / business competencies including dairy processing - Milk SA resources and external professionals**

##### ***Achievements***

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**Objective 5 - Capacitate new and existing black dairy entrepreneurs and their workers in critical dairy enterprise/business competencies, including dairy processing using MilkSA resources and external professionals. All costs included**

Eight continual learning and development workshops were held with project beneficiaries at Bethlehem, Harrismith, and Senekal. One hundred and four (104) beneficiaries from Delareyville, Dewetsdorp, Dundee, Harrismith, Kaalfontein, focused on the following aspects:-

Farmers monthly reporting information;

Performance of enterprise - number of cows in milk, herd size, average daily milk production per cow, cow mortality, stock theft, and culling rates;

Conditions for further support by Milk SA as resolved by the Transformation Programme Management Committee (TPMC);

Milk SA support and farmers' critical needs;

Support from Milk SA for permanent pasture planting and maize silage-making;

Private veterinary services support by Milk SA;

Water rights;

Blended funding scheme - Land Bank; and

Feedback on sustainable farming and farmers' training needs.

Milk SA's dairy industry consultant conducted eight physical on-farm enterprise assessments at the Harrismith. The dairy expert reviewed farmers' milk production performance, feeding, fodder flow, and breeding plans. The following were observed:

Low production remained a problem on most farms,

The farmers did not want to spend money on bulls;

Some farmers failed to record mating dates, and others who recorded them did not utilize them for determining cow dry-off dates;

Farmers still had no idea of how much dairy meal they were feeding although they had been given a form guiding them on feeding ; and

Milking cows were often not given enough time to finish their feed allocations.

After individual farm visits the dairy expert held a workshop with 23 participants representing 17 out of 20 Milk SA Transformation beneficiaries on the following day. The purpose of the workshop was to deliberate on the findings and to make recommendations for improvement. The following recommendations were made:

Farmers must feed lucerne outside the parlour and save milling costs. It is only necessary to mill lucerne for heifers under six months of age.

There must be control measures in place to make sure cows are fed the correct amount of dairy meal and give them enough time to finish it.

Farmers in maize-producing areas must produce enough maize silage to feed their cows every

day of the year. Moreover, they must enquire from where they buy inputs quantities of seeds and fertilizer to use to produce at least 6 tonnes of dry matter (DM) maize silage per hectare.

JNV Landscaping and Training conducted three workshops on sustainable dairy farming. The Agricultural Research Council (ARC) pasture expert attended the first and second workshops. The first workshop at Harrismith was attended by 13 participants representing 12 Black-owned dairy enterprises across Dundee (1), Swartberg (1), Harrismith (8), Indwe (1), and Matatiele (1). The workshop focused on sustainable farming system comprising economic sustainability, social sustainability, and environmental sustainability. Farmers were taught to earn money through farming activities while preserving the environment and society for the benefit of future generations. Some insights shared with farmers during the training are:

Plants that take over grazing land should not be planted.

Correct weedicides and herbicides must be used for planting fodder.

Better understanding of soil types on farms to determine suitable crops for planting. Fertilizers should also be applied according to soil fertility levels.

Farmers need to recycle waste materials to avoid polluting the environment, which negatively affects biodiversity as a whole. Burning of waste was discouraged since it pollutes the air and contributes to global warming.

A good sanitation system and ablutions are also crucial to prevent water contamination on farms.

The second workshop on sustainable farming at Welkom was attended by five participants representing four Black-owned dairy enterprises from Delareyville (2), Dewetsdorp (1), Tweespruit (1), and Welkom (1) who were not able to attend the first sustainable farming training program in Pretoria during quarter four of 2023. The training was focused on dairy production financial records. The participants were taught about the importance of financial records such as income and expenditure, inventory, and tax records for effective farm management. Participants were also taught on how to reconcile bank statements, manage cash flow, and prepare financial statements such as income statements and balance sheets. The importance of regular audits and reviews to ensure accuracy and integrity of their financial records was emphasised.

The third JNV Landscaping and Training workshop took place at Bethlehem on dairy farm record keeping. Twenty-six participants attended the training session representing 16 of the 20 smallholder dairy enterprises. Participants were equipped with critical skills for maintaining accurate and real-time records for dairy herd management, milk production, feed utilization, and financial planning. The training methodology included simulation exercises, real-time data recording, and interactive sessions, ensuring that participants could apply the knowledge effectively in their day-to-day dairy operations. Key outcomes of the training included:

Enhanced understanding of the importance of accurate record-keeping in dairy farming

Development of skills for the practical application of record-keeping templates and tools; and

Improved readiness to implement structured record-keeping practices for operational efficiency and compliance.

### **ARC contributions to the sustainable farming workshop**

During both the first and second sessions of sustainable farming training, ARC pasture expert

presented on pasture planting and cover crops. The expert advised farmers to select the right seeds when planting dairy pastures and to also consider cover crops planting to improve soil health on their farms. He also highlighted that farmers can save input costs with cover crops.

As part of a learning process, five beneficiaries visited New Zealand with Milk SA Transformation Manager, during December 2024, to be exposed to, and to learn from New Zealand's dairy industry experience. Beneficiaries visited five farms and two processing plants of different sizes. The main processing plant was focussing on assisting economic development of Maori people. The focus of the exposure was on the following:

New Zealand dairy history.

Fodder flow planning and management;

Balanced feeding for optimal productivity;

Breeding;

Calf rearing;

Business record keeping; and

Importance of a cooperative culture.

After having been exposed to good dairy practices, beneficiaries confessed that they were not feeding properly because they thought they would save money.

## ***No Non-achievements / underperformance has been reported***

### **Goal 6 - Coordinate and liaise with Government at all levels - AgriBEE Council meetings, Marketing Forum and provincial officers and all private stakeholders**

#### ***Achievements***

Coordination of transformation activities with other relevant stakeholders is of critical importance to ensure that maximum synergy is achieved, resources are used optimally, and that project participants are not confused. Nonetheless, effective coordination is dependent on a common vision among stakeholders. During the year under review, a number of engagements were made with institutions and persons indicated below in pursuing Milk SA's transformation goal.

#### **6.1. ARC**

A meeting was held with a representative of ARC regarding farm visits to assess farms and advise on the most appropriate type of pasture. Eventually, the ARC representative visited five farms at Harrismith and one at Welkom to assess pasture potential and to make recommendations for improving fodder flow. He discovered the following during the assessment: Farmers could plant drought-tolerant teff grass and multiple species of pasture together.

For wintergreens, farmers were using old seeds, especially Japanese radish. Farmers were advised to use new certified seeds with a label and he promised to assist them in ordering certified recently introduced seeds.

## **6.2. DALLRD Saudi Arabia Investment Conference**

Milk SA Transformation Manager was invited by DALLRD to attend DALRRD's bilateral engagement with one of Milk SA's transformation beneficiaries to explore investment and trade opportunities. It was learnt that the emphasis of the bilateral engagement was on the export of grains and lucerne to Saudi Arabia.

## **6.3. Fencorp**

Fencorp was met to discuss their potential partnership with one of our beneficiaries regarding processing of milk into milk powder. It was resolved that due to high cost of investment and lack critical skills needed and insufficient milk volume, Milk SA could not be involved and be responsible for something that was not convincing.

## **6.4. First Rand Empowerment Fund**

First Rand Empowerment Fund were met during the period under review to discuss the finalization of the proposed agreement between Milk SA and First Rand Empowerment Fund. Unfortunately, the agreement between the two parties was not signed due to their upper limit of R1.0M turnover which was regarded as very restrictive for a dairy enterprise that is both executively and capital very intensive compared to maize, vegetables, beef, etc.

## **6.5. Free State Investment Conference**

Free State provincial investment conference was attended during the year under review. The focus of the investment was on attracting investors in order to drive the economic development. What was encouraging was the speech of the Premier who emphasized on collaboration by all stakeholders for the greater benefit.

## **6.6. Free State Head of Department of Agriculture (HOD)**

The HOD for Free State was met to discuss support that was being given to Milk SA beneficiaries in Free State. It was agreed that Milk SA would send a list of beneficiaries to see how the two could work together to avoid duplication of support.

## **6.7. Kroonstad Animal Hospital workshop on mastitis**

Milk SA Transformation Manager and Transformation Officer attended animal health workshop on mastitis, hosted by Kroonstad Animal Hospital, Free State province. Five beneficiaries also attended the workshop as they were strongly requested to attend. The importance of veterinary care in dairy farming was discussed, and farmers must have access to veterinarians in their area. Farmers were taught about contagious mastitis that is spread by contaminated milking machines, operators, udder washcloths, etc., usually associated with lactating cows. There was also a discussion on environmental mastitis, which can be caused by bacteria in manure, soil, bedding, feed, and water, mainly during the dry season. It was suggested that farmers prevent mastitis to avert significant economic impact by (i) following hygiene practices during milking; (ii) observing mastitis cases during the dry period; (iii) taking out mastitis-infected cows from milking dairy stalls to avoid transmission to other lactating cows; (iv) implementing antibiotic therapy for the affected cows, and (v) consulting a vet about antibiotics they should use to treat mastitis, as some



antibiotics might not solve the problem effectively.

### **6.8. Land Bank**

Milk SA and its twelve beneficiaries met with the CEO: Free State Land Bank and her staff to explain farmers about Land Bank's agribusiness funding opportunities. Land Bank products that were presented to farmers included loans for mortgages, medium-term loans, perennial crops establishment loans, short-term seasonal loans, blended Finance Scheme, and agro Energy Fund. The Land Bank gave their loan applications forms to farmers and encouraged them to start with application process.

### **8.9. Marketing Forum**

Milk SA participated in four DALRRD's virtual Marketing Forum meetings. At these meetings, it was discussed that farmers need food safety certificates to meet market requirements. The Department of Agriculture across provinces presented a progress report regarding the implementation of the marketing strategy to ensure that farmers comply with market standards. Many initiatives targeting market access were reportedly implemented across provinces, including market information support and SAGAP/Global GAP accreditations. In some provinces, mini-pack houses and auction pens were constructed as part of market infrastructure and agro-logistic projects.

### **6.10. National Department of Agriculture**

A bilateral meeting between National Extension Support Services (NESS) directorate of the National Department of Agriculture (NDA) and Milk SA on deployment/collaboration of extension practitioners took place during the year under review. The purpose of the meeting was to discuss implementation of the Commodity Based Extension Approach (CBEA) through the collaboration/deployment of Extension Practitioners to commodity organisations in line with the Agriculture and Agro-processing Master Plan (AAMP). They desire to sign MoU / SLAs with commodity associations, including Milk SA, to implement CBEA, which they believed would benefit both parties through the knowledge sharing, thereby benefiting farmers on the ground. Additionally, the NESS team requested that the Transformation Manager present at their public sector forum on extension and advisory services during the period under review, regarding farmer support initiatives Milk SA had in place to support dairy industry development. However, Milk SA was unable to present as requested during the quarter under review due to other commitments. Milk SA was then requested to make presentation during quarter 1 of 2025.

### **6.11. Department of Water and Sanitation**

Two meetings were held between Milk SA, the Department of Water and Sanitation (DWS), and eight farmers at Harrismith to explain them about water rights and assist them in submitting their online applications. Following the first meeting, DWS visited each of the eight farmers on their respective farms to collect data regarding water use, animal populations, septic tanks, boreholes, and storage of water. During the second meeting, DWS assisted farmers with water rights applications, which were approved during the fourth quarter. General Authorisations have been issued to farmers in terms of section 39 of the National Water Act No.36 of 1998, and farmers had already received softcopies of the certificates. The DWS is still preparing registration of

certificates that would be handed over together with the original General Authorisations certificates.

### **6.12. National Agricultural Marketing Council (NAMC)**

During the year under review, engagements between NAMC and Milk SA were as follows:

There were two virtual meetings between Milk SA and the National Agricultural Marketing Council (NAMC). These meetings discussed the importance of establishing a commodity industry transformation production scheme based on Agriculture and Agro-Processing Master Plan (AAMP) goals and pillars to promote inclusive growth in the dairy industry. AAMP is a product of a social compact formed by labour, government, civil society, and industry to promote inclusive growth, competitiveness, transformation, employment, and food security. In these two meetings, NAMC and Milk SA agreed that other stakeholders involved in the dairy industry development should also be included in discussions regarding the milk production scheme. Thereafter, two meetings were held between Milk SA, NAMC and other stakeholders to discuss the milk production scheme document drafted by Milk SA transformation team. Stakeholders were requested to make their inputs to the document in line with their organisational roles and responsibilities towards the development of dairy industry. Other stakeholders would be invited to make presentations regarding their support towards the development of dairy industry.

Another meeting was held between Milk SA and the NAMC Transformation Review Committee (TRC) during the year under review to discuss the 2025 Enterprise Development budget as well as the Accelerated Sustainable Small-scale Dairy Development budget. The TRC acknowledged and approved the 2025 enterprise development and the updated ongoing accelerated sustainable small-scale dairy development budgets. The NAMC also requested Milk SA to expose some of their new TRC members to Black-owned dairy enterprises to have a better understanding of how Milk SA was empowering them. Site visit is planned to take place during first quarter of 2025.

### **6.13. Potential Beneficiaries**

Two potential beneficiaries were visited in Kwa-Zulu Natal, one in Gauteng and the one in Mpumalanga was assisted with Land Bank funding application.

Vryheid

The potential beneficiary visited at Vryheid had 120 dairy cows in total, and 60 in lactation. At the time of visiting, the farm was selling milk to local retailers and customers. Three farm beneficiaries found at the farm indicated that milk in their area was in high demand. They had fully erected a processing facility in preparation for producing amasi. Dairy Standard Agency was contacted by the Transformation Manager to assist them with their audits and certifications. Additionally, farm owners expressed an interest in joining Milk SA by registering as a processor. The farm has potential, but pasture needed to be established because there were no planted pastures. Feed for the farm's animals was being purchased from outside suppliers as there was no on-farm winter fodder.

Kokstad

The Agribusiness Development Agency (ADA) coordinated Kokstad's enterprise visit, which was attended by a Nestle representative as well. The farm had 549 mature dairy cows in total, and 474 were in lactation. At the time of visiting, the farm was selling its raw milk to an established milk buyer. The farm had about 200 hectares under irrigation of which 180 hectares were already under irrigated permanent pasture. It was found that the project did not meet Milk SA transformation criteria. However, they were advised to approach Land Bank and other potential funders.

Mpumalanga Province

A potential beneficiary from Mpumalanga Province was assisted with his application to the Land Bank. The beneficiary had been visited before by Milk SA, DSA and SAMPRO and advised on what was necessary for him to be part of Milk SA Transformation programme beneficiaries.

#### **6.14. Potential milk buyer**

Two meetings were held at George and in Cape Town respectively during December 2024 to address the pending termination of producers and milk buyer relationship. Discussion with the milk buyer focussed on strategies to ensure that farmers were not left in the cold while the meeting with a potential buyer focussed on how milk could be delivered to Moslems in Johannesburg. Further engagements will be pursued with potential buyers of milk and farmers to find a solution before the final date of milk producer-buyer relationship termination.

#### **6.15. Rural Chamber of Commerce and Industry Conference**

Both Milk SA Transformation Manager and Transformation Officer attended the Rural Chamber of Commerce and Industry Conference during the year under review. As one of the speakers, the Transformation Manager spoke about Milk SA's efforts to empower Black-owned dairy enterprises in the South African dairy industry. The conference provided rural and semi-rural people with the opportunity to network, build connections; and share market, funding, and economic growth information.

#### **6.16. SA Society of Dairy Technology (SASDT) annual symposium**

Both the Transformation Manager and the Transformation Officer attended the SASDT annual symposium titled " Dairy's Boundless Potential: Advancing Science and Technology through the International Dairy Federation" during the year under review. The symposium featured experts in the dairy industry, including members of the IDF Standing Committee. Discussions have covered topics such as dairy politics, economics, environment, animal welfare, standards, labelling, identity, nutrition, and marketing.

***No Non-achievements / underperformance has been reported***

## **Goal 7 - Provision of private veterinary services**

### ***Achievements***

Veterinary services are crucial to dairy farms to maintain healthy, productive herds. Previously,

Milk SA had established a good relationship with independent veterinarians and assisted a few farms under the smallholder commercialization of black-owned dairy enterprises initiative to manage dairy herd health and welfare. As reported during the previous reporting year, due to a lack of state veterinarians and challenges associated with dairy herd health management, Milk SA saw it vital to revive partnerships with independent veterinarians. Milk SA successfully partnered with an independent private veterinarian to visit eight beneficiaries at the Harrismith area in the Free State Province every three months to conduct pregnancy tests, assess body condition scores, conduct post-mortems, and monitor general dairy herd health.

During the year under review, engagement with Platberg Dieregesondheid, Harrismith, to discuss the challenges they encounter when working with Milk SA transformation beneficiaries and type of report expected from doctors by MilkSA whenever they visit farms. The doctor said it has been difficult to schedule appointments with farmers by telephone due to some not being available. Moreover, on some occasions, the doctor visited a farmer and the farmer indicated they did not need veterinary services. The doctor also recommended Milk SA to consider the Department of Agriculture's Compulsory Community Service programme that would provide affordable veterinary services to beneficiaries.

The veterinarian visited five beneficiaries' farms as per the partnership agreement between the private veterinarian clinic and Milk SA. On four of the five beneficiaries' farms visited pregnancy diagnoses were done. Also, the veterinarian assessed the body condition scores of the farms' animals and was not satisfied with the scores of the two farms' animals, negatively affecting the conception rates of their dairy cows. Consequently, farmers were advised to improve the body condition scores of their animals through proper feeding. The veterinarian also assessed the condition of cows owned by three of the five beneficiaries following fire outbreaks. According to the veterinarian's report, one cow died and no other injuries. Furthermore, the veterinarian reported three cases of abortion on two of the five farms visited, and laboratory tests for Brucellosis were conducted to determine if it were the cause of the abortions. In all cases, the test results were negative.

## ***No Non-achievements / underperformance has been reported***

### **Goal 8 - Assist project beneficiaries to improve accommodation and ablution facilities for their workers**

#### ***Achievements***

During the year under review, workers' accommodation which included a kitchen, shower, toilet, and urinal was constructed for two beneficiaries. The first beneficiary construction work was done completely on a on a 25%:75% cost-sharing basis between the beneficiary and Milk SA. We insist on cost sharing to promote an entrepreneurial mind-set and to protect Milk SA's scarce resources against misuse without accountability. The second beneficiary received emergency relief grant support to provide accommodation for workers following fires that destroyed the

farmhouse during the third quarter of the year under review. The contractor had already started construction work but had not yet completed. According to the farmer, the contractor promised to complete construction during the first quarter of 2025.

***No Non-achievements / underperformance has been reported***

## **Income and expenditure statement**

Income and expenditure statement	<a href="#">2024 ED EXPENDITURE.pdf</a>
Unnecessary spending during period	No

## **Popular Report**

[2024 ED ANNUAL REPORT NL Final28 Feb 2025.pdf](#)

## **Additional documentation**

No file has been uploaded

## **Statement**

Levy funds were applied only for the purposes stated in the contract	Yes
Levy funds were applied in an appropriate and accountable manner	Yes
Sufficient management and internal control systems were in place to adequately control the project and accurately account for the project expenditure	Yes
The information provided in the report is correct	Yes