

Press Release

FOR IMMEDIATE RELEASE

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TIA SIGNS MOU WITH MILK SA TO DRIVE INNOVATION IN THE DAIRY SECTOR

South Africa has one of the most efficient and competitive dairy industries in the world whilst operating in a free market environment, unlike most of its international trade competitors which are supported with government interventions. The number of milk farms and processors of dairy products continues to decline, especially since deregulation in 1997, but the industry succeeds to increasingly provide sufficient unprocessed milk and dairy products of a high standard to consumers.

Milk South Africa (Milk SA) is the overarching body of the local dairy industry, with its members being the Milk Producers' Organisation (MPO) and the SA Milk Processors' Organisation (SAMPRO). Projects under its management are funded by statutory levies and include quality and safety, transformation, skills and knowledge development, research & development, industry information and consumer education.

In its role as an industry builder, the Technology Innovation Agency (TIA), an entity of the Department of Science and Innovation (DSI), signed a strategic collaboration agreement with Milk SA as the umbrella industry body. Milk SA was established with the strategic intent to improve the competitiveness of the South African dairy industry, broaden the market for South African dairy products and empower existing black dairy entrepreneurs in the South African dairy industry to broaden the market.

The cluster model is TIA's approach for assessing value chains and stimulating the development of activities and interventions to facilitate sector or industry-level engagements through a cross-cutting approach. This approach is intended to address systemic weaknesses that hamper innovation and commercialisation beyond just the provision of funding to individual projects. In this collaboration, Milk SA will amongst others be the implementing partner for the current Dairy Genomics Programme / Cluster of TIA.

"We are delighted to have reached this milestone and we look forward to the contributions by TIA and Milk SA towards the prosperity of the South African dairy industry. The signing of this collaboration agreement is the culmination of years of negotiation and underscores the realisation that partnerships are central to the achievement of the developmental goals of South Africa.

"This historic moment of the signature of a memorandum of understanding between TIA and Milk SA has also ensured a meeting of minds regarding further support to the transformation agenda of Milk SA and TIA. As we pursue diversity, equity, and inclusion, we envisage a dairy



industry in which the participation of women is commonplace, and in which all opportunities within the value chain are opened for participation," said Dr Vuyisile Phehane, Executive: Bioeconomy at TIA.

"Milk SA regards the relationship with TIA as of high importance in supporting the research and development (R&D) programme of the dairy sector. Technology development and innovation in a competitive environment where profit margins are small is crucial and therefore, we anticipate that this relationship should provide increased opportunities to achieve such innovation and at the same time maintain sustainability," said Dr Heinz Meissner, R&D Programme Manager at Milk SA.

This collaboration is a good example of a public-private partnership that would contribute to economic growth and a competitive industry, leading to improved quality of life for South Africans.

As a strategic high-impact programme, the model of cluster creation and management supports the DSI's Decadal Plan and the implementation of the 2019 White Paper on Science Technology and Innovation. The Decadal Plan guides on modalities for the state's intervention towards rescuing industries in decline, amongst other interventions defined in the Agricultural and Agro-processing Masterplan.

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About TIA

The Technology Innovation Agency (TIA) is a public entity in South Africa that serves as the key institutional intervention to bridge the innovation chasm (gap) between research and development from higher education institutions, science councils, public entities, and private sector, and commercialisation (beneficiation). TIA was established in 2010 and has a national reach with offices in KwaZulu Natal, Western Cape and Gauteng. The main thrust of the mandate of TIA is funding and supporting innovative technologies that show potential to be commercialised. The organisation also has programmes that provide non-financial support to innovators and SMMEs. Lastly, TIA is a catalyst and enabler of innovation through various partnership initiatives locally, in the African continent and globally.

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