

**2008/09**

**Annual  
report**

**DEPARTMENT OF AGRICULTURE**

2009

Published by  
Department of Agriculture

Design and layout by  
Directorate Agricultural Information Services

Obtainable from  
Resource Centre  
Directorate Agricultural Information Services  
Private Bag X144  
Pretoria  
0001

Printed in the Republic of South Africa by  
Formaset Digital Tshwane (Pty) Ltd  
Pretoria

ISBN 978-0-621-38861-9

RP210/2009



## Foreword by the Minister

Rapidly increasing global food prices, linked to macroeconomic issues such as weather-induced lower crop yields, increased demand in the developing world, the increase in fuel prices, high input costs, as well as the effect of a deteriorating exchange rate, had a pronounced negative impact on the domestic economy, threatening the food security of poor households in the country. In 2009 imports exceeded exports for the first time in 5 years because of the global economic slow-down.

While South Africa does not experience food shortages, food is, unfortunately, unaffordable to a majority of households which spend a substantial part of their incomes on food. Despite the global downturn and lower fuel prices in the second half of 2008, food prices remained high because of various factors which include a high demand for food, increased input costs, collusion, etc.

To alleviate the impact of high food prices, government departments expanded on existing programmes to address poverty. These interventions included the provision of agricultural starter packs for household vegetable production, the promotion of food gardens and the allocation of additional funds for production projects such as mass food production and revitalisation of irrigation schemes. Funds were also made available for accelerating and improving agricultural crop production as part of the Ilima/Letsema campaign to ensure that no land lies fallow and that communities leverage land as a resource to fight poverty and hunger and increase food security.

The alignment of programmes of the Department of Agriculture (DoA) and the Department of Land Affairs (DLA) was internalised to meet the targets of the Land and Agrarian Reform Project (LARP) and the Agricultural Programme of Action (APoA). Through *Operation Gijima*, the delivery of support programmes for emerging farmers and beneficiaries of agrarian reform were accelerated further to fast track service delivery in support of government's War on Poverty campaign.

Technical support and capacity-building programmes have been strengthened to ensure adequate availability of young professional extension workers in rural areas. Our training involves partnerships and mentorship programmes in which relations with our stakeholders will be improved through this drive for development and growth of the sector.

Following the launch of the AgriBEE Charter Council, the requirements of the sector transformation charter and codes have now been fulfilled in terms of the Broad-Based Black Economic Empowerment Act of 2003. The number of AgriBEE equity deals will be increased annually by 10 %.

An issue that is also a serious concern is to provide quality food to South African citizens. It remains a priority to ensure that animal and plant products are disease free in the interest of protecting public health. Sanitary and phytosanitary controls and inspections included the strengthening of disease surveillance systems and improving controls at all our border posts.



Ms Lulu Xingwana (MP)

MINISTER FOR AGRICULTURE AND LAND AFFAIRS



Through the Khula-Mafisa Fund, established in partnership with Khula Enterprise Finance, commercial banks will be able to provide funding to emerging farmers who are able to repay loans but could lack the necessary collateral. Production loans will be provided through the leveraging of additional financial resources. Altogether 12 financial institutions were accredited, including Khula Enterprise, which acts as an indemnity for the Micro-agricultural Financial Institutions of South Africa (Mafisa) funds.

During 2008, we also focused on the empowerment of women and youth as active participants in the agricultural sector by encouraging and rewarding them for successful entrepreneurship. The annual Female Farmer of the Year Awards remains one of our main incentives to promote the participation of women in agriculture. Runners-up and female farmer winners were once again rewarded for their achievements at the awards ceremony held in the Western Cape Province on 26 August 2008.

Extreme weather conditions and climate change impact negatively on agricultural production and the livelihood of communities. Disaster risk management therefore remains a high priority area for the sector because of limited agricultural resources. We will therefore extend disaster risk management by developing a Flood Disaster Management Plan and continue to issue climate advisories and extreme weather warnings to assist farmers in managing climatic risks. Assessments will be conducted in monitoring the implementation of disaster risk measures. We shall also continue to promote programmes that mitigate against climate change and help farmers adapt.

We will also continue to strengthen relations on the African continent, through the implementation of the Comprehensive African Agricultural Development Programme (AADP) through bilateral agreements with African countries. In 2008, we focused on providing technical assistance, transfer of technology and market access to African countries. We also continued to work with Mozambique on joint projects, including animal improvement as well as research and development projects.


Within the Southern African Development Community (SADC) we focused on promoting regional integration, sanitary and phytosanitary control measures, food security, humanitarian assistance, as well as the development of early warning and risk management systems.

We will continue to participate in the India, Brazil and South Africa (IBSA) Agricultural Working Group and focus on strengthening research and capacity building, particularly in the fields of veterinary services and agri-engineering, animal production and animal health, agricultural trade and poverty reduction. Bilateral engagements with Argentina, China, India and Thailand are also at an advanced stage. Various areas of cooperation have been identified that will strengthen our capacity and relations with these countries even further.

In the international arena, we continued with efforts in the Doha Round of World Trade Organisation (WTO) negotiation to improve market access and trade conditions on a multilateral level. There are also ongoing efforts to improve market access into the European Union (EU), even beyond what was achieved in the existing Free Trade Agreement (FTA).

At the end of this government term, we reflect at the strides made in improving the lives of our people and take an optimistic view of the next term of government starting during 2009, continuing to fight hunger, poverty and joblessness.

In conclusion, I would like to extend my appreciation to all stakeholders in the agricultural sector, organised agriculture and our agribusiness partners for the commitment they have shown in realising our long-term vision of *A united and prosperous agricultural sector*. I would also like to thank the DoA, provincial departments of agriculture and state-owned entities for their contribution in meeting the objectives for the agricultural sector. By working together, we can do even more to speed up economic growth and transform our economy to create decent work and a sustainable livelihood!



Ms Lulu Xingwana (MP)

MINISTER FOR AGRICULTURE AND LAND AFFAIRS



# The Honourable Minister for Agriculture and Land Affairs

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Ms Lulu Xingwana (MP)

Dear Minister

I have the pleasure of presenting the Annual report of the Department of Agriculture for the period 1 April 2008 to 31 March 2009.



**Ms Njabulo Nduli**

DIRECTOR-GENERAL: DEPARTMENT OF AGRICULTURE





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# Acronyms

ACB	Agricultural Credit Board	D: IR	Directorate: International Relations
AADP	African Agricultural Development Programme	D: LS	Directorate: Legal Services
ADRM	Agricultural Disaster Risk Management	D: LUSM	Directorate: Land Use and Soil Management
AESTTAR	Agricultural Extension Services, Technology Transfer and Adaptive Research	D: M	Directorate: Marketing
AGIS	Agricultural Geo-referenced Information System	D: PH	Directorate: Plant Health
AgriBEE	Agricultural Black Economic Empowerment	D: PP	Directorate: Plant Protection
AI	Artificial Insemination	D: PRE	Directorate: Production and Resource Economics
AIDA	Animal Identification Act of 2002	D: RTD	Directorate: Research and Technology Development
Aids	Acquired immune deficiency syndrome	D: SCM	Directorate: Supply Chain Management
ApoA	Agricultural Programme of Action	D: SP	Directorate: Strategic Planning
ARC	Agricultural Research Council	D: SS	Directorate: Security Services
ARV	antiretroviral	D: VS	Directorate: Veterinary Services
ASD	Assistant Director	D: WUID	Directorate: Water Use and Irrigation Development
ASRDC	Agriculture and Sustainable Rural Development Committee (DEXCO subcommittee)	DBSA	Development Bank of Southern Africa
ASWC	All Stakeholders Working Committee	DEXCO	Departmental Executive Committee
ASTIACO	Agricultural Science, Technology and Innovation Activities Coordination	DLA	Department of Land Affairs
ATHRP	Agricultural Technical and Human Resources Programmes	DoA	Department of Agriculture
BAS	Basic Accounting System	DORA	Division of Revenue Act
BBBEE	Broad-Based Black Economic Empowerment	DPSA	Department of Public Service and Administration
BEE	Black Economic Empowerment	DPW	Department of Public Works
BOE	Boland Bank	DST	Department of Science and Technology
BSE	bovine spongiform encephalopathy (mad-cow disease)	EAP	Employee Assistance Programme
CASP	Comprehensive Agricultural Support Programme	ENE	Estimates of National Expenditure
CEO	Chief Executive Officer	EU	European Union
CFO	Chief Financial Officer	Fala	Financial Assistance and Land Administration
CIPAC	Collaborative International Pesticides Analytical Committee	FAN	Farm Assured Namibian
CPO	Chief Programmes Officer	FAO	Food and Agriculture Organization
CRDP	Comprehensive Rural Development Programme	FBO	Food Business Operator
CSIR	Council for Scientific and Industrial Research	FET	Further Education and Training
CSO	Civil Society Organisation	FID	Fidelity Bank
D: AAP	Directorate: Animal and Aquaculture Production	FIVIMS	Food Insecurity and Vulnerability Information Mapping System
D: ADM	Directorate: Agricultural Disaster Management	FMD	foot-and-mouth disease
D: ADF	Directorate: Agricultural Development Finance	FNB	First National Bank
D: AES	Directorate: Agricultural Engineering Services	FTA	Free Trade Agreement
D: AIS	Directorate: Agricultural Information Services	GADI	Grootfontein Agricultural Development Institute
D: APIS	Directorate: Agricultural Product Inspection Services	GAP	good agricultural practices
D: BED	Directorate: Business and Entrepreneurial Development	GDP	gross domestic product
D: BS	Directorate: Bio-safety	GEP	Gauteng Enterprise Propeller
D: ED	Directorate: Employee Development	GMO	genetically modified organism
D: ETES	Directorate: Education, Training and Extension Services	GPS	Global Positioning System
D: FA	Directorate: Financial Administration	HDI	historically disadvantaged individual
D: FSQA	Directorate: Food Safety and Quality Assurance	HFPP	Household Food Production Programme
D: GR	Directorate: Genetic Resources	HIV	Human Immunodeficiency Virus
D: HRM	Directorate: Human Resources Management	HOA	home owner's allowance
		HOD	Head of Department
		HR	Human Resources
		HRM	Human Resources Management
		HSRC	Human Sciences Research Council



IBSA	India, Brazil and South Africa	PEQ	post-entry quarantine
ICC	International Cooperation Committee (DEXCO subcommittee)	PFMA	Public Finance Management Act of 1999
ICT	information communication technology	PIA	Plant Improvement Act
IFSNP	Integrated Food Security and Nutrition Programme	PIMD	Provincial Indices of Multiple Deprivation
ISVEE	International Veterinary Epidemiology and Economics Conference	PIMSA	Project Information Management System for Agriculture
ITCA	Intergovernmental Technical Committee for Agriculture	PLAS	Proactive Land Acquisition Strategy
		PPECB	Perishable Products Export Control Board
		PRC	People's Republic of China
		PSCBC	Public Service Commission Bargaining Council
JES	job evaluation system	RAMP	Repair and Maintenance Project
JPCC	Joint Permanent Commission for Cooperation	R&D	Research and Development
		RSA	Republic of South Africa
KRA	key result area		
		SA	South Africa
LAN	local area network	SAAU	South African Agricultural Union
LARP	Land and Agrarian Reform Programme	Sacu	Southern African Customs Union
LRAD	Land Redistribution for Agricultural Development	SADC	Southern African Development Community
		SANSOR	South African National Seed Organisation
MADC	Mpumalanga Agricultural Development Corporation	SAPS	South African Police Service
Mafisa	Micro-agricultural Financial Institutions of South Africa	SAQA	South African Qualifications Authority
M&E	Monitoring and Evaluation	SASA	South African Sugar Association
Mercosur	Mercado Común del Sur	Sasco	South African Students Congress
MoU	Memorandum of Understanding	SASRI	South African Sugar Research Institute
MTEF	Medium Term Expenditure Framework	SCOPA	Select Committee on Public Accounts
		SDI	Service Delivery Improvement
		SDIP	Service Delivery Improvement Plan
		SHG	selfhelp group
NAC	National Agro-meteorological Committee	Sita	State Information Technology Agency
NAMC	National Agricultural Marketing Council	SMME	small, medium and micro-enterprises
NARF	National Agricultural Research Forum	SMS	Senior Management Service
NBS	Natal Building Society	SO	strategic objective
Nerpo	National Emergent Red Meat Producers' Organisation	SOE	state-owned enterprise
		SOPMER	strategic, operational, planning, monitoring, evaluating and reporting
NGO	nongovernmental organisation	SPFS	Special Programme for Food Security
NPPIS	National Plant Product Inspection Services	STC	Science and Technology Committee (DEXCO subcommittee)
NSTF	National Science and Technology Forum		
		STF	subtransformation forum
OBP	Onderstepoort Biological Products		
ODC	Organisation Development Committee	TB	tuberculosis
OECD	Organisation for Economic Cooperation and Development	TICAD	Tokyo International Conference on Africa's Development
OIC	Orange International Certificate		
OIE	<i>Office International des Epizooties</i> /International Office of Epizootics	UAE	United Arab Emirates
OSD	occupation specific dispensation	UN	United Nations
OVI	Onderstepoort Veterinary Institute	UPOV	International Union for the Protection of New Varieties
PABX	Private Automatic Branch Exchange	USA	United States of America
PBR	plant breeder's right		
PDA	provincial department of agriculture	WAN	wide area network
PEPC	Port of Entry Port Control	WTO	World Trade Organisation



# Acts referenced in the report

- African Growth and Opportunity Act (AGOA) of 2000, Title 1 of The Trade and Development Act of 2000 (Act of the United States of America) as amended
- Agricultural Credit Act, 1966 (Act No. 28 of 1966)
- Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)
- Agricultural Debt Management Repeal Act, 2008 (Act No. 15 of 2008)
- Agricultural Debt Management Repeal Bill
- Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
- Agricultural Research Act, 1990 (Act No. 86 of 1990)
- Animal Diseases Amendment Bill
- Animal Identification Act, 2002 (Act No. 6 of 2002)
- Animal Improvement Act, 1998 (Act No. 62 of 1998)
- Appropriation Act, 2008 (Act No. 9 of 2008)
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
- Division of Revenue Act, 2008 (Act No. 2 of 2008)
- Division of Revenue Act, 2008 (Act No. 1 of 2008)
- Employment Equity Act, 1998 (Act No. 55 of 1998)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Amendment Bill
- Genetically Modified Organisms Amendment Act, 2006 (Act No. 23 of 2006)
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)
- Groot Constantia State Estate Bill
- Land and Agricultural Development Bank Act, 2002 (Act No.15 of 2002)
- Land Bank Act, 1912 (Act No. 18 of 1912)
- Land Bank Act, 1944 (Act No. 13 of 1944)
- Liquor Products Amendment Act, 2008 (Act No. 32 of 2008)
- Liquor Products Amendment Bill
- Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)
- Meat Safety Amendment Bill
- Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)
- Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)
- Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)
- Plant Improvement Act, 1976 (Act No. 53 of 1976)
- Public Finance Management Act, 1999 (Act No.1 of 1999) (amended by Act No. 29 of 1999)
- Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970)
- Sustainable Utilisation and Protection of the Agricultural Resources Bill
- Veterinary and Para-veterinary Professions Amendment Bill
- Water Research Act, 1971 (Act No. 34 of 1971)

