



PART 2

Programme performance

Programme performance

VOTED FUNDS

Appropriation	Main appropriation	Adjusted appropriation	Actual amount spent	Under-spending
ENE	2 534 671 000	403 077 000	2 847 871 000	89 877 000
Responsible Minister	Minister for Agriculture and Land Affairs			
Administering department	Department of Agriculture			
Accounting Officer	Director-General of Agriculture			

AIM

The Department of Agriculture aims to lead and support sustainable agriculture and promote rural development through ensuring access to sufficient, safe and nutritious food; eliminating skewed participation and inequity in agriculture; maximising growth, employment and income in the sector; improving the sustainable management of natural agricultural resources and ecological systems; ensuring effective and efficient governance; and ensuring knowledge and information management.

KEY MEASURABLE OBJECTIVES, PROGRAMMES AND ACHIEVEMENTS

The strategic role of the department is to facilitate the transformation objectives for agricultural development, food security and growth of the sector and the sustainable use of natural resources.

To achieve this, the department provides support for the growth and transformation of the agricultural sector, poverty eradication and rural development, and for establishing farmer support programmes. These include access to technology, markets, finance, information and training. The department also seeks to mitigate risks by formulating strategies for disaster management, quality assurance, food safety, as well as plant and animal health.

The activities of the department are organised in five programmes:

Programme 1: Administration

Purpose Provides the department with political and strategic leadership and management, and manages capital investments.

Measurable objective To ensure overall effective, efficient and timely delivery on the department's mandate within the allocated resources.

Programme 2: Livelihoods, Economics and Business Development

Purpose Develops and facilitates the implementation of appropriate policies and targeted programmes aimed at promoting equitable access to the agricultural sector to promote shared growth and the commercial viability of emerging farmers and ensure household food security. Facilitates market access for South African agricultural products nationally and internationally. Promotes BBBEE in the agricultural sector. Provides economic and statistical services to support economic growth and development. Monitors the economic performance of the sector.

Measurable objective To improve emerging farmers' access to and sustained participation in agriculture, and improve food security in the medium term, by providing improved opportunities and more equitable access in order to maximise growth and employment in the sector.

Programme 3: Bio-security and Disaster Management

Purpose Manages the risks associated with animal diseases, plant pests and genetically modified organisms. Ensures food safety. Develops the agricultural risk and disaster management policy framework.



Measurable objective Reduce the incidence of animal and plant diseases and pests and ensure food safety, compliance with international and national norms and standards, and disaster management measures through improved risk management systems.

Programme 4: Production and Resources Management

Purpose Identifies opportunities and develops strategies to optimise agricultural productivity and profitability through the sustainable use and protection of land and water resources.

Measurable objective Improve the efficiency of agricultural production for livestock, fisheries and crops, area-wide planning, mechanisation, irrigation development and the enhancement, conservation and rehabilitation of degraded natural agricultural resources.

Programme 5: Sector Services and Partnerships

Purpose Manages and coordinates intergovernmental, stakeholder and international relations, agricultural education and training, extension and advisory services, and scientific research and technology development.

Measurable objective Maximising growth in the sector by providing support services to emerging and established farmers, including women, youth and persons with disabilities through targeted skills development, extension and technology development programmes.

ACHIEVEMENTS

Highlights of the department's achievements during 2008/09 in relation to key measurable objectives include the following:

Programme	Highlights of achievements
1. Administration	Approved policies and strategies were managed and implemented through the efficient utilisation of financial and human resources. Financial and other support services were rendered satisfactorily in terms of predetermined service standards
2. Livelihoods, Economics and Business Development	<p>The economic performance of the agricultural sector was monitored on a quarterly basis and overviews of economic changes and their impact on the sector were produced</p> <p>Improvements to the existing crop forecasting system are being addressed <i>via</i> a contract awarded to an ARC-led consortium. Crop forecasts for both summer grains and winter cereal crops were within the prescribed 5 % of actual harvest during the period under review</p> <p>Altogether 79 866 vulnerable households and emerging farmer groups were supported by means of agricultural starter packs as part of the HFPP</p>
3. Bio-security and Disaster Management	<p>Contingency planning measures were put in place, including a national steering committee in respect of the invader fruitfly (<i>Bactrocera invadens</i>) following confirmation of its southwards spread within SADC</p> <p>Additional scientific expertise was recruited and inducted to the regulatory environment in order to strengthen risk management capacity relating to GMOs</p> <p>A border control inspection training manual was drafted to facilitate and improve risk management capacity at all ports of entry</p> <p>The import of heat-treated poultry meat from China was suspended after melamine was detected in numerous animal products in various countries</p> <p>Training manuals were developed on the safe use and correct handling of agricultural production inputs, mainly pesticides, stock remedies and farm feeds as regulated in terms of the Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act of 1947. There is a general lack of understanding around the use of these production inputs by some farmers and extension officers</p> <p>The regulations regarding the grading, packing and packaging of fresh vegetables intended for sale in South Africa was gazetted on 13 February 2009 under the principal Act, the Agricultural Product Standards Act of 1990. The regulation covers 36 vegetable types that are sold at wholesale (national fresh produce) markets and retail levels. This regulation will assist in price determination and formulation when trading</p>



Programme	Highlights of achievements
3. Bio-security and Disaster Management (<i>cont.</i>)	with vegetables at fresh produce markets and will provide protection for consumers from purchasing products which are not of sound, fair and marketable quality
4. Production and Resources Management	<p>Many countries in the SADC region still do not have plant variety protection frameworks in place to protect the intellectual property rights of plant breeders. Because this is important to ultimately facilitate access to protected plant varieties, a 3-day capacity building and training event was hosted in South Africa to support SADC countries towards finalisation and implementation of the relevant legislation</p> <p>A survey involving 700 emerging and established cattle farmers was completed and published as part of the National Livestock Support Programme. This will be used to align the programme with the real needs of the respondents</p> <p>A household food production model was developed aimed at increasing production of food crops at household level. This is one of the mitigating intervention measures against high food prices through improved production efficiencies at household level</p>
5. Sector Services and Partnerships	<p>To facilitate targeted training, research and extension support to black entrepreneurs, a mentorship programme was implemented by 12 commodity organisations contracted by the DoA. Altogether 4 658 beneficiaries (a total of 182 projects) received mentorship support</p> <p>The National Agricultural Research Agenda was completed and inputs from stakeholders were incorporated. The agenda will be submitted to the Departmental Executive Committee (DEXCO) for approval</p> <p>An agreement was signed on sustainable food production and nutritional education in schools in support of the national school nutrition programme through our participation with the FAO</p> <p>Through bilateral agreements with a number of African countries, the DoA was actively involved with the implementation of the AADP. Within SADC, the DoA promoted food security and agricultural production as well as the African Green Revolution to minimise the negative impact of high food prices on the poor in sub-Saharan Africa</p>

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

The starting point for effective service delivery in the DoA was the development of the departmental service catalogue which will be launched in the next financial year. A crucial support aspect of any product or service is the availability of information on it:

What does it offer?, How will it benefit the client?, What processes will be followed?, What procedures will be followed?, What time frames are relevant? and What service standards should apply?, etc.

The service catalogue mainly deals with the products and services of the DoA on an individual and detailed basis, specifying amongst others, the service standards, clients, complaints mechanism and turnaround times. The line function directorates are reporting on services rendered on a monthly basis with specific emphasis on service standards and turnaround times, which play a significant role in monitoring and evaluation.

An improvement plan will be developed for selected underperforming services, which will be detailed in the Service Delivery Improvement Plan (SDIP). These services will also be monitored to track performance.

Some of the key services rendered during the year under review were the following:

- Access to financial services
- Coordination and mobilisation of emerging farmers into cooperatives and self-help groups
- Providing disaster risk information to clients for early warning and risk mitigation purposes
- Farmer-to-farmer Mentorship Policy
- Land reform post-settlement support
- LandCare support services
- Providing engineering services
- Entrepreneurship development and agricultural SMME capacity support and provision and facilitation of funds for AgriBEE initiatives.



Insufficient funding, staff turnover and the long recruitment process as well as delay in approval processes of various initiatives and lack of technically skilled personnel, were some of the challenges experienced in rendering various services, which led to underperformance.

There should be close and regular engagement with support services directorates in order to understand the intensity/urgency and importance of the programme services. This will certainly be of assistance as delivery of some outputs are dependent on the efficiency of support services and hence remain in progress for a long time.

OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT

During the period under review, the organisational structure was realigned with the department's strategic objectives in order to strengthen implementation capacity to improve service delivery on the DoA's mandate. The realignment was done within the current MTEF allocation and envisaged a stronger capacity for high-level technical advice and strategic leadership capacity.

The realignment process of the organisational structure entailed the following:

- Reorganisation of identified line function chief directorates and directorates into new branches, including:
 - Production and Resources Management
 - Agriculture Support Services
 - Trade and Economic Development
 - Food Safety and Bio-security.
- Dividing the Directorate: Veterinary Services into two directorates, namely: Animal Health and Veterinary Quarantine and Public Health. The Directorate: Animal Health will primary be responsible for disease control, animal health import/export policy and epidemiology matters and the Directorate: Veterinary Quarantine and Public Health will be responsible for animal quarantine, veterinary public health, hygiene and identification as well as animal welfare matters.
- Strengthening of the Chief Operations Office into the Branch: Operations Management which includes the Communication functions, the International, Intergovernmental and Stakeholder Relations functions as well as Legal Services.
- Creation of a Directorate: Gender Mainstreaming which will *inter alia* be responsible for:
 - ensuring implementation of the national gender policies and guidelines on women's empowerment and gender equality through the development of departmental and sector-specific guidelines and standard operating procedures; and
 - coordinating gender training and education of all staff within the agricultural sector to ensure that gender is integrated into all aspects of the work, etc.
- Creation of a Directorate: Facilities and Travel Management, subjected to the outcome of the job evaluation process, in the Branch: Corporate and Financial Services.

The realignment of the macro structure of the department was approved and implemented on 1 January 2009. The micro structure was also approved and will be implemented with effect from 1 April 2009.

Coordinating the job evaluation process with the provincial departments was concluded with the approval of the Intergovernmental Technical Committee on Agriculture (ITCA) for the implementation of the job evaluation results with effect from 1 April 2009. The major challenge is the inconsistency with the implementation of the job evaluation results in the provinces.

The department also participated in the development of the occupation specific dispensation (OSD) for engineers and related professions, which includes scientists, which is an initiative of the Department of Public Service and Administration (DPSA). The OSD entails the development and implementation of tailor-made remuneration dispensations for identified occupations, including:

- Unique salary structures per occupation
- Centrally determined grading structures and broad job profiles
- Career pathing based on competencies, experience and performance
- Pay progression within the salary levels



- Grade progression without competing for vacancies or promotion to higher posts.

During the period under review the following Senior Management Service (SMS) posts were filled:

- Director-General
- Chief Operating Officer
- Deputy Director-General: Production and Resources Management
- Chief Director: Engineering Services and Resources Management
- Director: Strategic Planning
- Director: Security Services
- Director: Plant Health.

During 2008, the department consulted organised labour in the Departmental Bargaining Chamber in terms of DoA Resolution No. 4 of 1998 regarding the realignment of the departmental structure. The structure was subsequently adopted and implemented. During the period under review, the report on the People Effectiveness Survey was finalised by the DPSA in cooperation with the DoA and submitted to the Director-General.

As a result of the termination of the fresh meat inspection services at the Bull Brand Abattoir, consultation took place with organised labour and affected employees in terms of DoA Resolution No. 4 of 1998. These employees were placed in alternative positions in the department.

STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

Strategic overview

Although national income statistics show that the agricultural sector presently accounts directly for about 3 % of the gross domestic product (GDP), agriculture's contribution to the overall economy is much greater than this figure. The sector has a strong indirect role in the economy because of its backward and forward linkages to other sectors. The demand for goods such as fertilisers, chemicals and implements forms backward linkages with the manufacturing sector, while forward linkages are established through the supply of raw materials to the industry.

In terms of exports, agriculture contributes approximately R30 billion annually. The share of agricultural exports in the country's total exports is about 8 % and processed agricultural products about 60 % of all agricultural exports. Formal agriculture provides employment (both seasonal and contract employment) to approximately 800 000 workers and the smallholder sector provides full or part-time employment to a further 1 million households. This represents about 8,5 million people who are employed in the sector. Agro-processing and the food industry are major sources of employment and the number of jobs created per unit of investment is higher in agriculture compared to other sectors. This implies that growth in agricultural output overall has a greater impact on employment creation.

High food prices

Dealing with the increasing rise in food prices has been a major challenge for the department. Contributing factors included low availability of crops worldwide, unfavourable weather conditions, increased demand in the developing world, high agricultural inputs costs as well as fuel prices. In the second half of 2008, there was, however, an upward trend in food production and the gross income of producers increased, bringing some relief to consumers. The effects of lower oil and food prices should lead to lower inflation, and factors such as growth in real capital formation and a weaker exchange rate may have a positive impact on lower commodity prices.

During the period under review, we focused on the Ilima/Letsema campaign to promote household food production by accelerating and improving agricultural crop production. The campaign was launched nationally in eight provinces (excluding North West Province) in pursuit of national and household food security to mobilise communities to leverage land as a resource to fight poverty and hunger. As part of the campaign, agricultural starter packs were provided for household vegetable production and promotion of food gardens. Additional funds were also allocated for production projects such as mass food production, investments in production-enhancing infrastructure, including irrigation schemes and soil reclamation.

Land and agrarian reform

Accelerating the pace of land and agrarian reform was another focus area for the department during 2008/09. Focusing on the LARP objectives, the DoA strived to attain the objectives of the Presidential Apex Priority 7 on land and agrarian



reform. Departmental implementation plans were geared to accelerate delivery and collaboration on land and agrarian reform and agricultural support through aligned and joint actions of all stakeholders. Through alignment and sharing of resources national, provincial and local governments are committed to this process to ensure support to newly settled emerging black farmers.

Key policy developments

Support to beneficiaries of land reform

To support the beneficiaries of land reform and other black farmers, norms and standards for extension and advisory services were developed. Strategies were also designed for agricultural education and training as well as for research and development.

Agricultural production (Ilima/Letsema)

As one of the LARP pillars, additional funds were allocated for the Ilima/Lestsema campaign. Over the MTEF period, an amount of R50 million was allocated for 2009/10, R200 million for 2010/11 and R400 million for 2011/12. These funds will be transferred to the provincial departments of agriculture as conditional grants for specific production projects such as the upgrading of the Vaalharts/Taung and Makhathini irrigation schemes and the Food Massification Programme in the Eastern Cape.

Food safety and bio-security

Other key focus areas included food safety and bio-security. The department is in the process of developing an effective inspectorate service at all ports of entry and to ensure law enforcement and compliance with regulations that control exports and imports of agricultural products. The Sedupe K9 (sniffer dog) unit currently at O.R. Tambo International Airport has been expanded to other ports of entry and will be expanded further in 2009. The Plant Health component is also receiving special attention to respond to constraints that currently expose the agricultural sector to risks associated with plant pests and diseases. The department's science-based decision-making system, which complies with international and national bio-security obligations and responsibilities, will be strengthened in support of the agricultural industries.

Project management

The department distinguished between the strategic management, project management and performance management processes and has development synergies between these to improve performance. The development of project management policies, processes, methodology, procedures and templates for its Project Management Support Office were completed at the end of October 2008, and project planning support was provided to 64 departmental initiatives during 2008.

DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

Collection of departmental revenue (cf. table on page 24 top)

The revenue collected by the department was less than originally estimated mainly because of the overestimation of the revenue to be collected after the repeal of the Agricultural Debt Management Act of 2001. However, this was made good to a large extent by the fact that unspent conditional grants to provinces had to be paid back and in this regard an amount of R107,6 million was received and is reflected under the item Financial Transactions.

A significant portion of revenue is derived from the sale of goods and services which include statutory services such as the registering of fertilisers, farm feeds, stock remedies and plant breeders. Transfers received are higher than estimated and it represents funds received as donations for officials in respect of the cost of foreign visits. Interest, dividends and rent on land were underestimated because of lesser interest received from the Agricultural Debt Account loans which were transferred to the books of the department.

An advanced control process to ensure the identification of revenue collected per office and reconciliation with the Basic Accounting System (BAS) was implemented successfully.

Departmental expenditure

The table (page 24 bottom) sets out the extent to which the department utilised its budget during the period under review, and includes adjustments made and additional funds received.



	2005/06	2006/07	2007/08	2008/09	2008/09	% deviation
	Actual	Actual	Actual	Target	Actual	from target
	R'000	R'000	R'000	R'000	R'000	
Non-tax revenue	–	–	–	–	–	–
Sales of goods and services other than capital assets	71 695	59 211	65 825	59 234	63 153	6,62
Administrative fees	59 023	55 477	61 275	56 030	58 624	4,63
Sales of goods and services	4 456	3 691	4 346	3 198	4 005	25,23
Sale of scrap, waste and other used current goods	8 216	43	204	6	524	8 633,34
Transfers received	300	–	26	29	80	175,86
Public corporations and private enterprises	300	–	26	29	80	175,86
Fines, penalties and forfeits	54	3	92	10	10	0
Interest, dividends and rent on land	1 596	1 391	1 483	18 500	9 292	(49,77)
Interest	654	888	763	18 134	8 726	(51,88)
Rent on land	942	503	720	366	566	54,64
Sales of capital assets (capital revenue)	208	211	9 957	500	330	(34,00)
Other capital assets	208	211	–	500	330	(34,00)
Financial transactions (recovery of loans and advances)	2 283	33 798	4 666	140 000	136 137	(2,76)
Total departmental receipts	76 136	94 614	82 049	218 273	209 002	(4,25)

As can be seen the department closed off the financial year with unspent funds totalling R89 877 million, which accounts for 3,06 % of the total appropriated funds (R2 938 billion). The surplus can be contributed to the following: an amount of R60 million earmarked for transfer to provinces to speed up food production was not spent as an agreement could not be reached in time with the Development Bank of South Africa on the disbursement of the funds, and an amount of R20 335 million, in respect of the classical swine fever combating campaign in the Eastern Cape could not be spent as some of the compensation claims were not received in time from rural farmers.

Programmes	Voted for 2008/09	Roll-overs and adjustments	Virement	Total voted	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	300 364	7 652	(6 389)	301 627	297 415	4 212
Livelihoods, Economics and Business Development	901 814	(145 040)	(5 323)	751 451	748 484	2 967
Bio-security and Disaster Management	311 721	305 462	(6 928)	610 255	589 228	21 027
Production and Resources Management	259 900	218 575	1 562	480 037	418 869	61 168
Sector Services and Partnerships	760 872	16 428	17 078	794 378	793 875	503
Total	2 534 671	403 077	–	2 937 748	2 847 871	89 877



Transfer payments

Transfers to provinces

Province	Amount transferred	Estimated expenditure
	R'000	R'000
Eastern Cape	112 153	111 341
Free State	74 491	66 387
Gauteng	37 356	32 356
KwaZulu-Natal	123 890	121 786
Limpopo	156 191	155 808
Mpumalanga	107 577	69 193
Northern Cape	99 621	72 128
North West	125 052	116 783
Western Cape	61 633	59 512
Total	897 964	805 294

The table includes transfers to provinces in respect of CASP, LandCare, Ilima/Letsema and agricultural disasters. CASP is aimed at making provision for agricultural support to targeted beneficiaries of the land and agrarian reform programmes. The LandCare Programme addresses the degradation problems of natural/agricultural resources in the country and the improvement of the socio-economic status and food security of rural communities. Ilima/Letsema was implemented to increase food production. These transfers are administered in accordance with the Division of Revenue Act. The Act contains frameworks which prescribe the monitoring mechanisms to ensure that provinces achieve the envisaged goals. Monitoring mechanisms employed, included quarterly progress reports on outputs against plans, and quarterly visits to the provinces by the national Department of Agriculture to monitor performance and provide support.

Transfers to local governments

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Various local governments in respect of: Vehicle licences	332	
Total	332	

Transfers to departmental agencies and accounts

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Agricultural Research Council	514 556	514 556
National Agricultural Marketing Council	22 459	22 459
Water Research Commission	2 500	2 500
National Student's Financial Aid Scheme	5 022	5 022
Public Service Education and Training Authority	586	586
Perishable Products Export Control Board	600	600
Tompi Seleka Agricultural Training Centre	872	872
Eastern Cape Rural Finance Corporation	65 000	65 000
Total	611 595	611 595

The ARC is a national public entity listed under Schedule 3A of the PFMA and was established under the Agricultural Research Act of 1990. The ARC is the principal agricultural research institution in South Africa and renders services to the department on request.

The NAMC is a national public entity listed under Schedule 3A of the PFMA and was established by the Marketing of Agricultural Products Act of 1996. The council provides strategic advice to the Minister on agricultural marketing issues,



undertakes investigations on agricultural marketing and marketing policy, and does annual reviews of all statutory levies collected by various industries in accordance with the Act. The NAMC provides guidelines to the industry on statutory levies, a portion of which is used to fund the empowerment of previously disadvantaged individuals in the areas of training, exposure and market access.

The Water Research Commission is a national public entity listed under Schedule 3A of the PFMA and was established in terms of Section 2 of the Water Research Act of 1971 as amended. The Commission undertakes specific research projects as required by the DoA against the predetermined deliverables as set out in a memorandum of agreement.

The National Student's Financial Aid Scheme was developed with the primary aim of managing the department's external bursary scheme for students undertaking studies in the agricultural field.

The PPECB is a national public entity listed under Schedule 3A of the PFMA and was established in terms of the Perishable Products Export Control Act of 1983. The board controls the export of all perishable products from South Africa, the value of which is approximately R9 billion a year. The PPECB also operates as an assignee for the department under the requirements of the Agricultural Product Standards Act of 1990.

Transfers to public corporations and private enterprises

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Ncera Farms (Pty) Ltd	2 177	2 177
Land Bank	243 000	243 000
Private enterprises	–	–
Claims against the State	305	305
Total	245 482	245 482

Ncera Farms (Pty) Ltd is a public company listed under Schedule 3B of the PFMA, with the department as the sole shareholder. It is situated in the Eastern Cape on state-owned land of approximately 3 102 ha. Its purpose is to provide extension services, training and other agricultural support services to settled farmers and neighbouring communities to enable them to become self-sufficient.

The Land Bank operates as a development finance institution within the agricultural and agribusiness sectors and is regulated by the Land and Agricultural Development Bank Act of 2002. It provides a range of finance options to a broad spectrum of clients within the agricultural sector, including wholesale and retail financing for commercial and developing farmers, cooperatives and other agriculture-related businesses. It provides long, medium and short-term loans to all agricultural sectors. The bank also manages the funds transferred from the department for Mafisa.

Transfers to foreign organisations

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Office International des Epizooties	703	703
International Seed Testing Association	42	42
Organisation for Economic Cooperation and Development	72	72
International Union for the Protection of New Varieties	321	321
International Grains Council	129	129
Office International de la Vigne et du Vin	456	456
Food and Agriculture Organization of the United Nations	7 924	7 924
International Commission of Agricultural Engineering	53	53
Consultative Group on International Agricultural Research	3 209	3 209
Commonwealth Agricultural Bureau International	142	142
International Dairy Federation	30	30
International Cotton Advisory Council	149	149
Foreign rates and taxes	6	6
Total	9 974	9 974



The table at the bottom of page 26 sets out membership fees paid by the department to organisations approved by Parliament.

Transfers to nonprofit institutions

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Cooperative Development Initiative	535	535
Grassland Society—donation	10	10
SA Pork Producers' Organisation—donation	65	65
Milk Producers' Organisation—donation	40	40
Agricultural Economists of SA	14	14
Farmer Development Trust	1 000	1 000
National African Farmers' Union	1 000	1 000
Sterile Insect Technique	4 000	4 000
Food and Trees for Africa	1 000	1 000
Total	7 664	7 664

Transfers to households

Purpose	Amount transferred	Estimated expenditure
	R'000	R'000
Avian influenza	12 467	12 467
Social benefits	1 701	1 701
Classical swine fever	59 624	59 624
Claims against the state	500	500
AgriBEE	20 000	20 000
Foot-and-mouth disease, KwaZulu-Natal	27	27
Total	94 319	94 319

Conditional grants and earmarked funds

During the financial year the department administered five conditional grants, namely; CASP, the LandCare Programme, agricultural disaster management, agricultural starter packs and Ilima/Letsema. The CASP grant is the only Schedule 4 grant in terms of the Division of Revenue Act of 2008, while the other grants are Schedule 5 grants. For 2008/09 an amount of R534 918 million has been allocated to CASP, R48 969 million to LandCare programmes, R49 million for agricultural disaster management, R76 million for starter packs and R96 million for Ilima/Letsema.

Funds in respect of these grants were transferred on a quarterly basis to the provincial departments of agriculture in terms of the Division of Revenue Act of 2008. The Act contains frameworks, which prescribe monitoring mechanisms to ensure that provinces achieve the envisaged goals.

Outline of the purpose and expected outputs of the grants

Comprehensive Agricultural Support Programme

The primary purpose of the programme is to make provision for agricultural support to the targeted beneficiaries of the land and agrarian programmes. Through implementing of CASP the following outputs are expected:

- Increased access to and improvement in the quality of agricultural support services provided to targeted beneficiaries (i.e. advisory, information and knowledge management, training and capacity building, market and business development support, financial on and off-farm infrastructure, such as dipping).
- Improvement in the capacity of the department to deliver agricultural support services.
- Number of targeted beneficiaries (from land and agrarian reform programmes) getting access to public agricultural support services.



- Increased access by resource-poor farmers to timeous market and technical information.
- Improvement of the availability of on and off-farm infrastructure supporting targeted farmers (for example dipping, fencing, rehabilitation of irrigation schemes, etc.).
- Number of Land Redistribution for Agricultural Development (LRAD) reform beneficiaries who accessed/are accessing markets, market information and training on markets.

LandCare

The LandCare Programme was established to address the degradation problems of natural/agricultural resources in the country and to improve the socio-economic status and food security of rural communities. Not only was this programme aimed at addressing degradation problems, but also to encourage South Africans to use natural resources in a way that improves their quality of life and that of future generations. The programme's specific outputs for the period under review were measured through the following criteria:

- Number of beneficiaries and kilometres of irrigation channels
- Hectares of veld under improved management systems
- Number of beneficiaries benefiting from improved production systems
- Number of farmers benefiting from farming practices in reducing the depletion of soil fertility and acidity
- Number of awareness activities to show how inappropriate use of agricultural resources impact negatively on the resources base, i.e. project launches, farmers' days
- Number of youth benefiting from sound management practices.

Transfer of funds

The funds were transferred to and deposited into the primary bank accounts of each province in accordance with the provision of the Division of Revenue Act of 2008 and the approved payment schedule.

The figures in respect of the Conditional Grants paid to provinces are included as Annexure 1C of the Annual Financial Statements.

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Capital investment

The Department of Public Works (DPW) was instructed to proceed with the construction of the new Animal Quarantine Station in Durban. The DPW has requested an environmental impact study in this regard and will commence with the tender process for the appointment of a building contractor once this study is finalised. Capital Works funds will have to be rolled over to the next financial year should the project be delayed by the environmental impact study.

Maintenance

Daily maintenance at departmental buildings has been attended to in terms of the DPWs' delegations. A Repair and Maintenance Project (RAMP) was registered by the DPW for execution at a departmental building in Pretoria. The project, however, was terminated by DPW because of unsatisfactory performance by the contractor. Funds for the appointment of a new contractor will be made available during the next financial year.

ASSET MANAGEMENT

The consolidation of office accommodation per province and per town is an ongoing process in order to reduce the number of outside offices.



Programme 1: Administration



Tommie Marais

DEPUTY DIRECTOR-GENERAL

PURPOSE

The programme provides the department with strategic leadership and management, as well as overall administrative and performance oversight.

Support services, as a component of Programme 1, are inclusive of the following directorates: Human Resources Management, Legal Services, Security Services, Budgets and Reporting, Financial Administration, Supply Chain Management as well as the Subdirectorate: Corporate Support Services. The nature of their business depends on the support areas indicated by the business units. The pace at which these units support the requests in terms of resolving problems, availing resources, attracting the most-needed skills, etc., is very important for the overall achievement of targets set by the department.

Issues relating to the capacity of the department to deliver essential services within the context of the *Batho Pele* framework cannot be dealt with in isolation without engaging the nature of support as rendered by those units responsible to render services to delivery units.

PROGRAMME OVERVIEW

The Programme: Administration takes responsibility for providing strategic leadership including overall departmental strategy development, monitoring the implementation thereof, as well as overall organisational administration and governance.

The programme comprises the Ministry, Office of the Director-General, Corporate and Financial Services and Operations Management.

The programme also provides strategic support to the Ministry and serves as an interface between the department and Parliament. It takes responsibility for ensuring that the strategies and goals of the department feed into the broader government objectives and priorities. The programme further takes responsibility for providing strategic leadership in intergovernmental programmes as well as partnerships that the department has fostered within the sector.

KEY RESULT AREAS

The programme is responsible for overall effective, efficient and timely delivery on the mandate within the allocated resources as a key result area of the department. To achieve this objective, the programme ensures that the department consistently applies methodologies for ongoing service delivery improvement and quality of service. It continues to review existing performance management systems for their effectiveness in order to support the department's overall objective of service excellence.

SERVICE DELIVERY ACHIEVEMENTS

Information on the output of the programme for the 2008/09 period, is reported per directorate.



Reports on services rendered by the directorates Agricultural Information Services; Information and Communication Technology; Internal Audit; Monitoring and Evaluation; Strategic Planning; as well as the Transformation Unit have also been included.

Budgets and Reporting

The directorate renders a service of managing the budgetary process and financial reporting in the DoA.

Human Resources Management

The Directorate: Human Resources Management focused on recruitment of, management of, and providing direction for the staff in the department.

The Job Evaluation Unit of the directorate played a leading role in the job evaluation coordination process for the agricultural public sector in order to develop generic job descriptions and to harmonise the salary levels for identified cross-cutting posts in the sector.

During the period under review the following policies, developed by the directorate, were consulted and adopted by the Departmental Bargaining Chamber: Working Hours Policy, Dress Code, Exit Interview Policy, Policy on Camping Facilities and Allowances, Secondment Policy, Recruitment and Selection Policy and Procedure, Overtime Policy and the Retention Policy. The departmental Human Resources Plan was also submitted to the DPISA.

Some of the challenges that were experienced during the year under review were the turn-around time for the filling of vacancies, which hampered the filling of posts as a result of the implementation of the compulsory National Vetting Strategy as well as the lengthy job evaluation coordination process with the provincial departments of agriculture. The inconsistent application of the Job Evaluation System by departments also causes recruitment and retention problems within the public service.

Financial Administration

This directorate has a mandate to render financial support services to the department and its duties and responsibilities are, *inter alia*: the payment of salaries and allowances, payment of claims, i.e. interdepartmental, subsistence and transport allowances and claims and miscellaneous payments, i.e. courses, cellphones, etc.

It is also responsible for the reconciliation of income tax and the issuing of IRP 5 certificates, administering departmental and agricultural debt and maintaining agricultural debt securities. It further maintains financial records, conducts *ad hoc* financial investigations when necessary, manages losses of and damage to departmental assets, claims against the department and exercises internal financial control.

Supply Chain Management

The Directorate: Supply Chain Management renders a supply chain management service to the department. It is also responsible for ensuring compliance with the supply chain management processes with regard to demand and acquisition management including, amongst others, the identification of need assessments and linkage to the strategic objectives of the department, the drafting of specifications, invitations, evaluation and adjudication of bids and quotations. It is further responsible for the compilation and maintenance of a supplier database, supplier performance management and contract management.

The directorate is also responsible for the logistical management services that include the establishment of an effective logistical service that involves, amongst others, issuing of orders, payments and stores. Asset management is responsible for the establishment of an asset life cycle with regard to the planning, acquisition, operation, maintenance, disposal of assets as well as the reporting of asset management performance in the financial statements.

Agricultural Information Services

During the year under review the Directorate: Agricultural Information Services coordinated nominations for the Female Farmer of the Year Awards and arranged the national awards ceremony at Grand West Casino, Cape Town, in the Western Cape Province, on Tuesday 26 August 2008. Recognition was given to winners who received awards in four categories: Top Producer for Export Markets, Top Producer for National Markets, Top Producer for Informal Markets and Top Producer for Household Use.

The directorate coordinated the Onderstepoort Biological Products (OBP) centenary celebrations, held from 7 to 9 October 2008 at OBP, in Pretoria, Gauteng. The celebrations included a workshop and a gala dinner. The directorate also



organised the World Food Day celebrations held in East London, Eastern Cape on 16 October 2008. The event was organised jointly by the DoA and DLA.

The design and layout of 44 flyers and information booklets were completed and these were published for various directorates. Altogether 47 InfoPaks (new corporate layout and reprints) were published and distributed during the period under review. The directorate further produced material for 48 workshops/conferences/meetings and produced 51 posters and banners for various departmental events.

The AgriBEE Charter Council launch was held at the Premier Hotel, in Pretoria, Gauteng on 5 December 2008. The directorate coordinated this event and also exhibited.

The directorate rendered communication and media support to the Ilima/Letsema campaign and launches in all provinces, except North West, where the campaign is still to be launched.

Information and Communication Technology

The directorate has been mandated with managing and providing information and communication technology support services to the department. As part of its mandate the directorate has to provide general and specialised advice on information communication technology (ICT) to all levels of the organisation and to undertake ICT services management with regard to ICT services rendered directly to customers.

During the year under review, the following services were rendered:

- Implementation of PABX at Roodeplaat, Customs House (10th floor) and Milnerton was done successfully
- Successful LAN/WAN changes and support at regional sites
- LAN buffer installations at Milnerton were done successfully
- Auto attendance changes at Stellenbosch
- D: HRM was configured successfully
- Pincode installations at Milnerton, Silverton and Roodeplaat were completed.

Monitoring and Evaluation

The focus of the Directorate: Monitoring and Evaluation on relevance, performance and success is strategically linked to the objectives of ensuring that the DoA's programmes and projects produce sustainable results that would benefit the department's clients.

Both programmes and projects contribute to the achievement of departmental objectives by supporting decision making, accountability, learning and capacity development.

The 5-year Sector plan was reviewed and presented to the Ministerial Task Team and the Chief Director: Partnerships while the 5-year Organisational performance report was also compiled for the newly elected government. The development of CASP and the Mafisa Monitoring and Evaluation (M&E) Framework has been finalised and is in the processes of approval.

The quarterly Organisational performance reports have been compiled and presented to the Departmental Management Committee. The directorate has been conducting profiling of successful projects under AgriBEE and the service catalogue was compiled. The assessment of the M&E status of the provincial departments of agriculture regarding the undermentioned has been ongoing:

- Monitoring and evaluation structure—capacity
- Information systems in place
- Availability of frameworks and policies.

Strategic Planning

During the year under review the directorate aligned and harmonised planning processes at all levels in the DoA, developed annual business plans, improved annual performance plans as well as operational plans (Strategic plan compilation). The directorate has reviewed strategic, operational, planning, monitoring and evaluation and reporting (SOPMER) guidelines and drafted the SDIP. These achievements have a direct contribution to the aligned and harmonised planning process which was the main challenge for this directorate before. It must also be noted that this is a continuous improvement process which will be improved over time.



Legal Services

The mandate of the Directorate: Legal Services is to provide legal support to the department and Ministry. In terms of legislation, the following Bills were drafted by the directorate and sent for approval:

- Liquor Products Amendment Bill
- Sustainable Utilisation and Protection of the Agricultural Resources Bill
- Agricultural Debt Management Repeal Bill
- Veterinary and Para-veterinary Professions Amendment Bill
- Meat Safety Amendment Bill
- Animal Diseases Amendment Bill
- Fertilizers, Farm Feed, Agricultural Remedies and Stock Remedies Amendment Bill
- Groot Constantia State Estate Bill.

Transformation

The Transformation Unit's purpose is to monitor the transformation programme of the DoA in line with government transformation objectives; give guidance, strategic support on transformation and provide corrective measures where necessary; set transformation standards guided by relevant legislations and to ensure an effective and efficient mechanism for performance on transformation and reporting.

The unit has continued with the establishment of subtransformation forums (STFs), with the view to ensure employee participation in the decision-making process within their respective directorates. Of all the directorates in the department 98 % have so far established their STFs; only five directorates have not responded positively in ensuring that STFs are established.

Security Services

The Directorate: Security Services renders and administers the total security function of the department, including the protection of personnel, state assets and information through the development and implementation of security policies, procedures and measures. It also represents the department in the Criminal Justice Cluster Priority Committee on Rural Safety and other security forms to provide advisory services regarding security issues to the Minister, Director-General and Top Management.

Physical and information security awareness programmes are conducted on a monthly basis at various directorates. Security surveys were conducted during the year under review. Appraisal reports were forwarded to the respective directorates.

Internal Audit

This directorate renders an independent and objective assurance and consulting activity designed to add value and improve the department's operations.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenges	Corrective measures
Internal Audit	<p>Debt management: Some contract documents are still in Afrikaans only</p> <p>Purchases and payments: Difficulty with the isolation of non-assets from the BAS report that shows all assets purchased during the financial year</p> <p>The information on the BAS report is grouped in total amounts spent up to a point in the financial year and not grouped in goods purchased individually</p>	<p>Where old documents were in Afrikaans, an official working with the activity is made available to assist</p> <p>(This requires that the documentation should be compiled and written in English)</p> <p>Information should be analysed and reports produced on a monthly basis. This recommendation is still to be accepted.</p>



Directorate	Challenges	Corrective measures
Internal Audit (cont.)	<p>Division of Revenue Act (DORA): Availability of documentation</p> <p>Grootfontein Agricultural Development Institute (GADI)—all activities: Shortage of auditors to audit all activities at GADI</p> <p>Recruitment and appointments: Time taken to agree and approve system descriptions as discussed with HRM is not acceptable (4 weeks). Requested files are also not provided in a reasonable time</p>	<p>Ideally DORA should be audited throughout the year. Constraints limit it to an annual audit only. Annual audit will cover a year's activities</p> <p>Because of constraints, look at project being audited every 2nd year</p> <p>Where deadlines are not met, directorates will be notified</p>
Security Services	<p>Access control points: Installation of a proper access control system</p> <p>Key control: Issued: Non-compliance to key control procedures, cost implication for new system</p>	<p>None</p> <p>None</p>
Human Resources Management	<p>Commitment of SMS members and non-availability of members of selection committees delayed the process of filling posts in most instances</p> <p>In administration of handling misconduct, grievances and disputes, the challenges encountered were:</p> <ul style="list-style-type: none"> • Inability of managers to apply progressive discipline adequately • Unawareness by management/employees of the PSCBC, DoA resolutions and management guidelines • Unavailability of Investigating Officers to investigate grievances because of other work commitments 	<p>None</p> <p>None</p>
Legal Services	<p>Human Resources—lack of certain skills</p> <p>Inadequate exposure to certain operations (relevant to contracts, legislation and litigation), international meetings (relevant to international agreements, treaties, conventions, policies)</p> <p>Poor or no service/assistance from the State Attorney and State Law Advisers</p> <p>Lack of cooperation of internal clients such as late instructions, delayed responses, poor or no evidence, poor or no background information, poor business decisions, lack of processes, use of contract precedents without the endorsement of Legal Services</p>	<p>Fill vacancies</p> <p>Constantly appealing to clients to include Legal Services in relevant operational areas</p> <p>Engaged the State Attorney on poor service delivery</p> <p>Address directors upward on ongoing basis on need for cooperation</p> <p>Provide client with a report on difficulties in cases so that they could improve operations</p>
Monitoring and Evaluation	SOPMER Guideline	The directorate still has to finalise its inputs to the draft document



Programme 2: Livelihoods, Economics and Business Development

PURPOSE

Develop and facilitate the implementation of appropriate policies and targeted programmes aimed at promoting equitable access to the agricultural sector, promote shared growth and the commercial viability of emerging farmers and ensure household food security. Facilitate market access for South African agricultural products nationally and internationally, promote BEE in the agricultural sector, provide economic and statistical services to support economic growth and development and monitor the economic performance of the sector.

The programme comprises 3 subprogrammes:

Livelihoods Development Support facilitates the provision of post-settlement support to emerging farmers, agricultural development finance, promotion of farmer cooperatives and village banks as well as food security through policies, norms, legislation, programmes and information.

Trade and Business Development facilitates international and domestic market access for South African agricultural products and promotes BEE in the sector. It also interacts with the NAMC.

Economic and Statistical Services provides for the collection and analysis of agricultural statistics, monitors and evaluates the economic performance of the sector and produces quarterly reports on sector trends. It also interacts with Statistics South Africa.



Billy Morokolo (Acting)

DEPUTY DIRECTOR-GENERAL

MEASURABLE OBJECTIVE

To improve emerging farmers' access to, and sustained participation in agriculture, and to improve food security in the medium term by providing improved opportunities and more equitable access, in order to maximise growth and employment in the sector.

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Livelihoods Development Support	Improved livelihoods of emerging farmers/ households/ entrepreneurs	Number of farmers and/or entrepreneurs gaining access to financial services; and number of member-based	7 000 farmers and/or entrepreneurs gaining access to financial services	49 farmers have gained access to financial assistance. A total of R973 926 has been disbursed to these farmers



Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Livelihoods Development Support (<i>cont.</i>)		financial institutions linked to financial markets		<p>There were no disbursements in the 3rd and 4th quarter as institutions had not signed the agreements with the Agricultural Development Finance Unit</p> <p>In the last two quarters Agricultural Development Finance focused on getting more financial institutions accredited: 12 institutions were accredited, including Khula Enterprise, which acts as an indemnity for the Mafisa funds</p>
		Increased number of sustainable land and agrarian reform projects/beneficiaries	80 000 land and agrarian reform beneficiaries	32 733 land and agrarian reform beneficiaries (CASP supported beneficiaries) were supported
		Number of vulnerable households and emerging farmer groups supported by means of agricultural starter packs	70 000 households	<p>With the exception of North West, KwaZulu-Natal and Mpumalanga, the equitable share and additional funding through the HFPP generated a number of interventions that reached 79 866 households</p> <p>Additional funding was received from Treasury to mitigate the impact of high food prices. An amount of R76 million was granted to extend the HFPP with the aim of reaching an additional 70 000 households as approved by the Interministerial Committee</p>
Trade and Business Development	Equitable participation in trade, marketing and business development	Number of farmers and entrepreneurs	100 entrepreneurs facilitated	<p>The excellence model has been facilitated on 15 entrepreneurial development projects as business skills intervention</p> <p>50 farmers were trained in the Free State and 50 in Limpopo</p>
			1 100 farmers trained	<p>To date 305 farmers have been trained on agricultural marketing and 3 on leather tanning in Ethiopia</p> <p>A total of 308 farmers have been trained</p>
		Number of interventions and support frameworks established	8 interventions and support frameworks established	<p>To enhance institutionalisation, interventions and support, frameworks were established:</p> <ul style="list-style-type: none"> • AgriBEE Charter Council—appointment • Partnership support for women • Floriculture initiative for empowerment (AgriBEE Entrepreneurial Programme)



Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Trade and Business Development (cont.)		Sector specific strategies incorporating BBEE	3 commodity strategies incorporating BBEE	Facilitation of excellence model awareness for enterprising AgriBEE funds—refinement of focus and operational guidelines The Cotton Strategy is being implemented as one of the strategies incorporating BBEE As part of the hand-over process, the Grain Strategy and other possible strategies to be developed will be submitted to the new custodian subprogramme
Economic and Statistical Services	Report on the economic performance of the sector	Number and range of reports published	Published 16 economic reviews, 8 topical reports and 6 statistical reports by March 2009	<p>Economic reviews</p> <ul style="list-style-type: none"> All 4 quarterly economic analysis and forecast review reports were completed All 12 monthly analytical reports of key macro-economic valuables, including the report on the effects of bio-fuel on food security, were completed <p>Statistical reports</p> <ul style="list-style-type: none"> Livestock statistics—completed Monthly <i>Food security bulletin</i>—completed Quarterly <i>Crops and markets</i>—completed <i>Trends in the agricultural sector</i>—completed <i>Annual report on fresh produce market statistics</i>—completed

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2008/09–2010/11*, are reported per quarter.

Quarter 1

A total of R399 034 was disbursed to 29 clients during the quarter in the Eastern Cape. An amount of R291 295 was disbursed to 20 broiler enterprises and R107 739 to 9 crop enterprises. Altogether 23 of the clients were structured in 8 groups and 6 were individuals.

Extension officers were inducted in Gauteng, Western Cape and the Free State as well as the Accreditation Committee.

Altogether 54 cooperatives were established, including 4 in the Free State (livestock and vegetables); 2 in the Western Cape (vegetables); 9 in Limpopo (livestock/fruit and vegetables); 13 in KwaZulu-Natal (livestock/poultry and vegetables); 18 in Mpumalanga (poultry and vegetables); 4 in North West (livestock/poultry and vegetables); and 4 in Gauteng Province (vegetables and poultry).

A total of 63 selfhelp groups were formed. This included 11 in the Free State, 47 in Mpumalanga and 5 in Gauteng.

During the period under review, 200 egg production units were distributed in Limpopo; 1 924 production packages benefiting 2 800 participants were distributed in Mpumalanga; and 702 production packages were distributed to 2 schools



for their food gardens in Gauteng Province. A total of 25 schools were identified for exposure to a workshop intended to set up a working scenario with possible participants from the surrounding communities in Limpopo Province. In Gauteng, another 25 schools/clinics were identified in Orange Farm as well as 3 agricultural micro-enterprises. Four projects were established in Limpopo and a further 16 projects were identified for implementation under an agreement with the Independent Development Trust.

The AgriBEE Charter Council institution has been set up with the aim of drafting an all-inclusive designated group empowerment framework for approval and establishing commodity group integration structures.

The quarterly *Economic analysis and forecast report* was made available on the DoA website. The *Crops and markets* publication was released on 27 May 2008, reflecting crop and fresh produce statistics for the quarter January to March 2008. The *Food security bulletin* was published and posted on the DoA website on 17 April 2008, 12 May 2008 and 6 June 2008 and the *Livestock statistics* publication was published on 23 May 2008.

Quarter 2

Altogether R574 892 was disbursed to 20 clients through the Land Bank in Limpopo, the Free State and North West provinces.

The provincial breakdown included 7 clients to an amount of R194 444 in Limpopo; 2 clients to the amount of R105 448 in North West; and 11 clients to an amount of R275 000 in the Free State.

The enterprise breakdown consisted of 14 crops to the amount of R328 496; 2 broiler production units to the amount of R48 977; 3 livestock units for R172 419; and equipment (1) to the amount of R25 000.

Of the total disbursed for groups vs individuals, R320 096 was disbursed to 3 groups (with 13 members) and R254 796 to 7 individuals.

During this period, altogether 124 primary agricultural cooperatives were established. This included 10 in KwaZulu-Natal (livestock/poultry and vegetables); 5 in Gauteng (vegetables and poultry); 23 in the Eastern Cape (maize/vegetables and livestock); 4 in the Free State (livestock and vegetables); 32 in Limpopo (vegetables and fruit); 45 in Mpumalanga (poultry and vegetables); and 5 in the North West Province (livestock/poultry and vegetables).

A total of 54 selfhelp groups were formed, including 15 in the Free State; 31 in Limpopo; 4 in KwaZulu-Natal; and 4 in Gauteng provinces.

Food security projects established during this period included the following:

Gauteng Province

In Gauteng Province 200 vegetable product packs were provided; 3 school gardens were launched; and 3 school gardens were to be launched by November 2008 as part of the Ilima/Letsema project.

As part of the World Food Day commemoration, awareness campaigns were held successfully in which 3 000 community members were involved.

Mpumalanga Province

As part of the Ilima/Letsema campaign, 255 fruit trees and 228 vegetable seedlings were provided, benefiting 35 households. Altogether 99 tractors were procured for the entire province to benefit poor households at R51 million; production inputs for R13 million; and starter packs for R2 million.

Free State Province

In the Free State Province, 8 vegetable tunnels were erected to benefit 8 households. Another 17 vegetable tunnels were erected and altogether 150 seedlings were provided to households as part of the Ilima/Letsema project.

Awareness campaigns were held successfully where 200 community members attended as part of the World Food Day commemoration in the province.

Limpopo Province

As part of the Ilima/Letsema campaign 3 500 layers (hens) were provided, benefiting 97 households; 30 vegetable packs were provided, benefiting 30 households; and 4 000 broilers were provided to 278 households. An amount of R2 million was spent.



During the World Food Day celebrations in Limpopo Province, 1 000 food and seed packs were distributed.

Eastern Cape Province

In the Eastern Cape Province, 1 000 seedlings were provided to 80 households, as well as 80 orange trees; 80 avocado trees; and 80 seed potatoes as part of the Ilima/Letsema campaign. Altogether 6 845 projects were implemented in the province and a total of 53 268 households benefited.

Successful awareness campaigns were held to celebrate World Food Day, involving 7 000 community members. Food parcels were distributed to 500 poor households.

Western Cape Province

As part of the Ilima/Letsema campaign, 110 production packs were delivered and 60 community projects were implemented.

A total of 49 production packs were delivered during World Food Day celebrations.

Northern Cape Province

In the Northern Cape, 50 starter packs were distributed to 50 schools; 20 starter packs to health centres; 150 starter packs to households; and a total of 10 000 fruit trees. As part of the Ilima/Letsema campaign, 100 seed packs were distributed, benefiting 20 households.

A successful awareness campaign was held in the province celebrating World Food Day, involving 3 000 community members.

KwaZulu-Natal

Altogether 350 seed packs were delivered, benefiting 70 households during this period.

The HFPP was implemented in all the provinces. A total of 923 projects have been captured on Project Information Management System for Agriculture (PIMSA) for 2008/09 and some of the 560 projects for 2007/08 still have outstanding information on coordinates. All provinces were covered by the PIMSA workshop and all individual CASP projects.

A minimum of five agribusiness entrepreneurs were trained in agro-processing technology and marketing skills. Three entrepreneurs who received a month's training on leather tanning and craft technologies have been to Ethiopia during the 1st quarter. This deliverable was achieved earlier than planned.

Quarter 3

No further disbursements were made as agreements with participating institutions expired and it took time to negotiate and conclude new agreements. However, a total of 6 institutions have since been accredited to serve as Mafisa intermediaries. These include the National Emergent Red Meat Producers' Organisation (Nerpo), MGK Operating Company, Kaap Agri, Gauteng Enterprise Propeller (GEP), Eastern Cape Rural Finance Corporation (Uvimba Finance) and Peulwana Financial Services.

An additional two institutions, namely Mpumalanga Agricultural Development Corporation (MADC) and Hlanganani Farming Finance, are having their accreditations finalised. Ithala and the South African Sugar Association (SASA) are also having their applications for accreditation attended to.

Altogether 74 primary agricultural cooperatives were established in the provinces, including 14 in Limpopo (vegetables); 15 in Mpumalanga (poultry and vegetables); 8 in the Free State (livestock and vegetables); 4 in Gauteng (vegetables and poultry); 8 in the Eastern Cape (maize/vegetables and livestock); and 16 in North West (livestock/poultry and vegetables).

A total of 27 selfhelp groups were identified, including 5 in Mpumalanga and 22 in North West Province.

All systems are now in place and 221 farmers were trained on the basics of agricultural marketing.

Quarter 4

A status report on agricultural state land was disposed. Fala farms disposed of during this quarter were Theewaterskloof No. 68 and Waterval in the Caledon district in the Western Cape Province.

The agricultural marketing training programme is on course and 104 farmers were trained. So far, nationally, a total of 305 farmers were trained on the basics of agricultural marketing in this financial year.



Altogether 81 primary agricultural cooperatives were established in the provinces: 26 in Limpopo (vegetables); 23 in KwaZulu-Natal (poultry/vegetables); 3 in the Western Cape (vegetables); 5 in the Free State (livestock and vegetables); 12 in the Eastern Cape (maize/vegetables and livestock); and 12 in Mpumalanga (poultry and vegetables).

Altogether 64 selfhelp groups were established, including 20 in the Free State; 4 in KwaZulu-Natal; 36 in Limpopo; and 4 in Mpumalanga Province.

A Tariff simulation exercise on exports report was completed. Trade awareness campaigns were also completed. Events took place in 3 provinces, namely Mpumalanga, the Eastern Cape and North West.

The planned target for the 2008/09 financial year was 70 000 households (food security beneficiaries) accessing the HFPP. This target was increased by a further 70 000 households because of the reality that more households might have fallen to below the poverty line owing to the increase in food prices. To deal with the mitigation of high food prices, an additional amount of R76 million was allocated to the provinces to ensure acceleration in implementing the HFPP.

CHALLENGES AND THE RESPONSE TO CHALLENGES

Directorate	Challenges	Response to challenges
Agricultural Development Finance	<p>Further disbursements were not possible as institutions had to sign agreements or renew agreements</p> <p>Limited institutions to disburse. Delays within participating institutions in the provinces frustrate extension officers (e.g. Land Bank)</p> <p>No disbursements because agriculture is seasonal—the winter season has reduced the number of applications processed and approved</p> <p>SHGs often collapse owing to loss of members, some members expect immediate benefits and if these are not forthcoming they disappear. Lack of motivation to save by some members of the groups</p> <p>The established and operational cooperatives are generally facing a challenge of lack of capacity with regard to management of cooperatives</p> <p>Most of these cooperatives do not have business plans</p> <p>The sustainability of these cooperatives is doubtful as most of the members are aged and illiterate</p> <p>Lack of resources (finances, infrastructure) serves as impediment to the success of the cooperatives</p>	<p>To contact institutions to identify their constraints and to assist where necessary</p> <p>Applications tend to increase in the 2nd and 3rd quarter, when farming is viable</p> <p>Encourage commitment among members and repeated motivation for saving with the groups</p> <p>As part of cooperative development, these cooperatives will be assessed so that intensive capacity-building programmes can be facilitated</p> <p>Business planning skills will be provided as post-registration support</p> <p>Awareness campaigns on the cooperative concept have to be conducted to ensure proper understanding by the farmers and to generate interest among the youth. Capacity-building sessions, particularly on governance, should be provided to ensure that the enterprise is managed effectively and efficiently. The cooperative will be linked with financial programmes for infrastructural support</p>
Food Security	<p>There is a lack of an integrated monitoring approach and therefore an inability to prepare for a final report on the Millennium Development Goals</p> <p>The reporting of progress is limited to the provincial departments of agriculture only. This leads to underreporting of other interventions by participating social cluster departments</p>	<p>To be tabled and agreed to during the provincial visit (2009/10 financial year)</p> <p>A draft plan will be discussed during provincial meeting—Integrated Food Security and Nutrition Task Team. Broader monitoring and reporting cycles should be adopted by task teams in order to provide information on all interventions as defined in the master plan</p>



Directorate	Challenges	Response to challenges
Food Security (cont.)	<p>It was reported during the national workshop that funds were committed for the HFPP and the funds proposed for FIVIMS national roll-out were never secured (in some cases the additional request was ignored, citing the first correspondence)</p> <p>The projects document of SPFS recommends that to implement the SPFS components successfully approximately R130 million should be available over a 5-year period in order to improve food production without compromising the sustainability of the resource base</p> <p>The funds were never made available to achieve the outcome as defined in the agreement</p> <p>Further challenges arose, namely:</p> <ul style="list-style-type: none"> • Clarification of the role of food security directorates at both national and provincial departments • The aim of interventions at household level and the failure to reach profitability and therefore the sustainability of our interventions • The inability to mobilise the participation of youth in the defined interventions • The inability to synchronise planning and definition of interventions at a provincial level 	<p>The following recommendations were agreed to during the national workshop during March 2009:</p> <p>The provincial representatives communicate the need to recover FIVIMS funds allocated to their provinces and to emphasise to their provincial principals the importance of prioritising FIVIMS</p> <p>The DoA should, in writing, inform provincial HODs and CFOs to make funds available for FIVIMS. Visits to provinces should be arranged in order to lobby departments to allocate resources for FIVIMS implementation</p> <p>The DoA develops a concept document (simplified version) of the FIVIMS guidelines that will indicate the different processes that will unfold during the implementation of FIVIMS, such as: different phases of implementation, time frames, budget required, human resources, different activities</p> <p>While efforts are being made to secure resources for FIVIMS implementation, the provinces will be guided by information as used by the War on Poverty, i.e. Provincial Indices of Multiple Deprivation (PIMD)</p> <p>A standard framework for profiling of households should be aligned to the framework of the War Room on Poverty but should take into account the food security concept</p>
Land Settlement	<p>Other provinces are still struggling with GPS utilisation. High land prices</p> <p>Poor attendance of meetings by members, particularly municipalities</p> <p>Inflated land prices, inconsistent valuations in terms of comparable sales</p>	<p>To identify problem areas and consider further training of officers</p> <p>To identify problem areas and consider further training of officers</p> <p>DLA will write letters to agents indicating prices for other transferred projects that were sold by them and indicating abnormal difference</p>



Directorate	Challenges	Response to challenges
Land Settlement (cont.)	<p>Movable assets used to raise land prices as well as sale of “going concerns” without proper arrangement for caretakership, particularly on the Proactive Land Acquisition Strategy (PLAS)</p> <p>Identification of beneficiaries for some PLAS projects presented at land reform forums for recommendation and approval is done at a later stage</p> <p>Leasing still takes long because it has to go through to the Minister of Public Works for authorisation</p> <p>Lack of ministerial delegation is still a major problem. Approvals for leasing state land still takes too long</p> <p>High land prices prevent people from buying land and lead to land purchases only through PLAS</p> <p>Sellers failing to produce borehole strength certificates of their farms as required by the Provincial Grant Committee</p>	<p>Valuators to compare different deals within a given area, price negotiations to be undertaken at all cost</p> <p>PLAS deals must follow properly identified beneficiaries to ensure continuity and project sustainability</p> <p>A process with DLA and DPW has started, which will allow the Director: Land Settlement to authorise leasing of farms and only make submissions to the Minister of Public Works for transfers</p> <p>Proposal made on amendments to the Agricultural Credit Act. Enquiries regarding delegations are still in progress (at DLA). Follow-ups are made regularly at DPW and the submission has not been signed yet</p> <p>Project leaders to continue with price negotiations with the sellers</p> <p>DLA to engage with the seller to ensure that certificate forms part of the required documents</p> <p>Potential farmers should be listed and submitted to avoid omitting these farmers during budget planning</p> <p>Introduce a system in which quarterly expenditure will be recorded (where delays occur, these should be dealt with immediately)</p>
Business and Entrepreneurial Development	<p>Consultations between the DoA and other industry groups came to a halt; awaiting the outcome of handover commodity strategies. The implementation of the various pillars in the implementation plan need further support (e.g. Mafisa for production)</p> <p>The facilitation of training of facilitators on the SMME Excellence Model was delayed, therefore no training took place. Further accreditation of the course material is in process and D: BED is reliant on D: ETES</p> <p>The agro-logistics system is a new technological intervention to coordinate agricultural logistics services in SA and is being considered complex by some members of the industry. Some industry players are not keen to participate in planned joint meetings fearing the Competition Commission (sharing business information to the detriment of competition rules)</p> <p>Limited support from provinces in coordinating the training programme</p>	<p>Continue to attend industry stakeholder groups consultations, representing the interests of emerging groups</p> <p>Engaging with D: SCM and D: ETES to fast-track the process</p> <p>Workshops with the different industries have been planned to highlight the merits of the agro-logistics system to the industries</p> <p>A database of farmers has been developed and training dates identified with the provinces</p>
Agricultural Statistics	<p>Challenges in the <i>Farmer Register pilot report</i>. The reason that the report was carried over is that there has been challenges in the finalisation of the data-capturing system. Extra time is needed for data quality checks</p>	<p>Lack of availability of resources</p>



Directorate	Challenges	Response to challenges
Agricultural Statistics (cont.)	<p>Protocol had to be followed in terms of getting inputs from senior staff members</p> <p>Challenges exist in expanding the project nationally and getting authorisation and sufficient resources to continue with it</p>	
Production and Resource Economics	<p>Lack of capacity for the completion of topical and economic review reports</p> <p>Funds have been surrendered because of the unavailability of an official to undertake the study</p> <p>There has been a delay in the certification of an MoU between DoA and the NAMC to use as a basis for a report on macro-economic fundamentals on the competitiveness and profitability of the agricultural sector</p> <p>Lack of funds to conduct the national coordination and standardisation of methodologies and tools to evaluate agricultural economic performance</p> <p>Lack of capacity and supervision on the development of an irrigation atlas for two selected catchment areas</p>	<p>Increase capacity in the directorate</p> <p>Liaise with the NAMC to fast-track the process</p> <p>Request funds from CFO</p> <p>Dedicate an official to supervise</p>
International Trade	<p>There has been carryovers from the previous financial year, because of the fact that the subdirectorate was without an ASD for three quarters, hence the delay in drafting and delivery of outputs</p>	<p>The ASD assumed responsibility on 2 February 2009, and drafting of the documents is progressing well</p>



Programme 3: Bio-security and Disaster Management



Kgabi Mogajane

DEPUTY DIRECTOR-GENERAL

PURPOSE

To manage the risks associated with animal diseases, plant pests, GMOs and registration of products used in the agricultural field. This is done to ensure food safety and security and safeguard human health. It also develops the agricultural risk and disaster management plans to reduce risks associated with natural disasters.

The programme comprises 2 subprogrammes, namely Plant Health and Inspection Services; and Food, Animal Health and Disaster Management.

Plant Health and Inspection Services develops policies and systems to manage risks associated with plant pests and diseases, GMOs, promote trade of products of plant origin and the movement of regulated articles and products. It also ensures good quality control of regulated products.

Food, Animal Health and Disaster Management manages and reduces risks associated with animal diseases, promotes trade of products of animal origin, ensures food safety and developing agricultural risk and disaster management strategies.

MEASURABLE OBJECTIVE

Reduce the incidence of animal and plant diseases and pests and ensure food safety, compliance with international and national norms and standards, and disaster management measures through improved risk management systems.

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator	Actual performance	
			Target	Actual achievement
Plant Health and Inspection Services	Bio-safety regulatory guidelines	Bio-safety regulatory guidelines approved	March 2009	The bio-safety regulatory guidelines were tabled at the Advisory Committee for final comments, and were approved in principle by the GMO Executive Council on 4 March 2009 and will be made available on the website once the GMO Amendment Act is enforced
	Border control inspection training manual	Border control inspection training manual SAQA accredited	March 2009	The final draft of the border control manual has been completed and is awaiting approval



Subprogramme	Output	Performance indicator	Actual performance	
			Target	Actual achievement
Plant Health and Inspection Services (cont.)	Plant Protection Bill	Plant Protection Bill approved	March 2009	Draft National Plant Protection Bill has been withheld, pending decisions and progress on the draft Plant Health Policy
Food, Animal Health and Disaster Management	Agricultural climate change sector plan	Agricultural climate change sector plan approved	March 2009	The Agricultural climate change sector plan is expected to be finalised at the end of the 1 st quarter of the 2009/10 financial year
	Food Safety/ Control Strategy	Food Safety/ Control Strategy approved	March 2009	The draft report on the country profile is available and awaiting approval
	Primary Animal Health Care Programme	Primary Animal Health Care Programme approved	March 2009	The draft primary animal health care programme report is available and it will be presented to the ITCA Veterinary Working Group Forum to consider all the latest developments

SERVICE DELIVERY ACHIEVEMENTS

Further information on outputs of the programme, as specified in the *Strategic plan 2008/09–2010/11*, is provided per quarter.

Quarter 1

During quarter 1, the Directorate: Veterinary Services issued a total of 15 226 import permits (animals and animal products).

Pest risk analysis J73 was conducted and import conditions finalised for 18 species of plants and plant products. Export market access was obtained for 3 plant commodities.

As part of the Animal Identification Act of 2002 (AIDA) awareness campaign, an exhibition was staged at the Rand Easter Show. Information was distributed and schools, farmers, nongovernmental organisations (NGOs), agricultural unions, government officials from other departments and the public at large, visited the stand.

A total of 475 989 animal identification marks were registered on the National Register of Animal Identification Marks and 6 383 new registrations were finalised.

The bovine spongiform encephalopathy (BSE) surveillance was conducted and a total of 2 813 samples were collected. Only 3 were high-risk cases (received during July and August 2008).

Altogether 47 buffaloes were captured in the Marakele National Park and tested for corridor disease, of which 42 tested positive for *Theileria parva*.

National control inspections for the Agricultural Pests Act of 1983 were conducted, permits issued, bottlestores visited, samples were drawn and sent for testing, export certificates were issued, and imported consignments were inspected.

Phytosanitary certificates were issued, *Bactrocera invadens* surveys conducted from Nelspruit to Komatipoort, and from Mananga to Komatipoort.

Registered seed companies were inspected, new evaluations for seed sellers were conducted and 3 premises were approved. Orange International Certificate (OIC) seed sampling was also done. South African National Seed Organisation (SANSOR) inspectors were audited, exemption certificates issued and trade inspections for juice, milk and dairy products were conducted. Re-export phytosanitary certificates were issued. An exotic fruitfly survey was conducted in Limpopo and traps were serviced.

Nurseries were inspected and were found to be in compliance with the provisions of the Plant Improvement Act of 1976.

Wharf patrols, galley waste management audits and fruitfly traps were serviced.



Quarter 2

During the quarter the laboratory audit team visited the following laboratories: Bloemfontein and Kroonstad Veterinary Laboratory in the Free State Province; Middelburg, Grahamstown and Queenstown Veterinary Laboratory in the Eastern Cape Province; as well as Stellenbosch, Beaufort West, George and Swellendam Veterinary Laboratory in the Western Cape Province.

The Directorate: Veterinary Services attended a study group for farmers—the Nigel Royal Bafokeng group of organised farmers. Moretele farmers' days, Port Shepstone's information day and the AIDA presentation study group in Wolmaransstad were held. AIDA training took place in Butterworth, a beef cattle information day was held in Fezile Dapi, Steynsrus, as well as a meeting with Zebediela Ndebele Tribal Authority at Groothoek.

During quarter 2, the Directorate: Agricultural Disaster Management participated in the maize information day in Limpopo and in the World Food Day in North West.

Quarter 3

During the period under review, 6 153 import and 1 749 export inspections were conducted at land borders. Altogether 1 423 plant permits were issued, 3 315 phytosanitary certificates were received, as well as 1 678 animal permits were received. A total of 2 401 health certificates were also issued. The number of rejections was 1 251.

At the airports 2 340 imports were received this quarter by the Directorate: Agricultural Product Inspection Services, 3 573 inspections were conducted, 509 plant permits were issued, 821 phytosanitary certificates were issued and there were about 602 rejections.

At seaports 2 483 imports were received, 1 352 import inspections were conducted, 33 plant permits were received and 233 phytosanitary certificates issued.

In the Western Cape Region, 12 registered seed companies were inspected, of which 14 seed lots were found to be in compliance with the Plant Improvement Act (PIA) and 16 seed lots were withdrawn from sale because of erroneous labelling. A total of 4 import seed inspections were done and 24 seed lots were inspected.

Altogether 7 GMO import permits, 9 GMO export permits and 11 certificates were issued for export of maize (5), potatoes (1), sunflower (2) and wheat (1) mainly to SADC countries and Africa.

Altogether 76 import permits for plant propagation material of post-entry quarantine (PEQ) crops were issued; 64 permits for the importation of genetic plant propagation material of 268 new varieties of PEQ crops, e.g. peach, nectarine, grapevine, apple, plum; and 2 permit applications were referred to the Division Pest Risk Analysis.

For the export of regulated articles, 3 pest information packages were finalised and distributed and 5 phytosanitary certification requests were assessed. For the import of regulated articles, 14 plant genera were assessed for weediness potential.

As part of the buffalo bovine tuberculosis survey, altogether 247 buffalo were sampled in the Letaba and Olifants River catchments, including 13 buffalo from Mozambique. Foot-and-mouth disease (FMD), theileriosis and brucellosis were monitored and 21 buffalo calves in the Phalaborwa area were tested for buffalo bovine tuberculosis, FMD, theileriosis and brucellosis.

A total of 475 989 animal identification marks were registered on the National Register of Animal Identification Marks and 6 383 new registrations have been finalised.

Quarter 4

A total of 54 buffalo farms were registered during the quarter.

The Port of Entry Port Control (PEPC), National Plant Product Inspection Services (NPPIS) and PPECB audits were conducted during this quarter.

Altogether 10 field trial inspections were conducted at Monsanto in Malelane, Orania and Groblersdal; at Pioneer in Delmas and Standerton; and at the South African Sugar Research Institute (SASRI) in Mount Edgecombe. A further 4 inspections were also conducted at Bayer in Weipe.

BSE surveillance was conducted and a total of 2 047 samples, of which only 13 were high-risk cases, were received during the quarter. Anthrax surveillance was carried out in the Kruger National Park and included routine passive surveillance in the entire Park, as well as active surveillances in Pafuri.



Export requirements were negotiated or reviewed for gelatine to Brazil, heifers to Mauritius, game to the United Arab Emirates (UAE) and bovine embryos to Australia. Veterinary model health certificates were also negotiated for primates from The Netherlands, fishmeal analogue from Brazil, zebra from Zambia, zebra blood from Zambia and cattle imports from the Farm Assured Namibian (FAN) meat scheme for export of meat to the EU.

Imports at land borders included the refusal of entry of 610 consignments (no documentation), 159 consignments were released on extended detentions, 41 orders were issued, 63 500 kg of fruit and vegetables were confiscated from travellers and destroyed as a result of noncompliance or no documentation and 8 samples were drawn for analysis.

A total of 42 phytosanitary certificates were issued for exports at land borders within the land border environment.

In KwaZulu-Natal citrus orchards were inspected for export to Korea and China. Altogether 385 phytosanitary certificates (79 for citrus exports) were issued, 16 export inspections were carried out as well as 10 potato field inspections and soil samples were sent to the laboratory. There were 7 interceptions, treatment orders were issued and the pathogens were sent to the laboratory and 17 banana inspections were carried out at the Roosmary Packhouse. A total of 17 import inspections were carried out and all complied with the marking as well as the compositional requirements for the respective products. Only 1 import exemption of 43,5 litres was issued for liquor, 1 bill of entry was given extended detention to Johannesburg, 2 bills of entry were given extended detention to Pretoria, 12 seed import inspections were conducted and 12 samples drawn for germination/purity testing. A total of 44 *Bactrocera invadens* traps on two different transects were serviced and 4 wood packaging material audits were done. Auditing as well as 2 normal trade control inspections were conducted at registered premises.

In the Gauteng region, 8 releases were issued, 7 import inspections were done and 25 extended detentions received. Only 2 import exemptions of 3 128 543 litres were issued for liquor, 1 seed import inspection was conducted, 1 269 phytosanitary certificates were issued and 32 samples were drawn. There were 15 phytosanitary rejections (based on lack of relevant documents such as PPECB certificates and import permits). Others were rejected because of mites and aphids detected. Altogether 10 inspections for export, nurseries and fields were conducted, 2 export certificates were issued for maize to Ethiopia and Egypt, 5 OECD certificates were issued, 3 for maize seed lots and 2 for cotton seed lots. One GMO inspection was done in Klerksdorp and 579 traps in 52 sites were serviced.

In the Eastern Cape Region 59 phytosanitary certificates were issued for February 2009 and 15 audits were conducted.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenges	Corrective measure
Plant Health	High staff turnover is affecting the performance of the directorate	Immediate appointment of personnel
	Late approval of submissions and short notice invitations affect the directorate's participation in national and international meetings and workshops	Put forward timely submissions for in-principle approval of participation and the relevant delegation Ensure adequate preparation
	Compliance with guidelines and procedures as stipulated on the import permits, work programmes and bilateral protocols	Communicate to clients the option of using an electronic phytosanitary registration system, which utilises the DoA database of Food Business Operator (FBO) codes
Bio-safety	Lack of capacity that specifically addresses the issue of promotion and awareness relating to bio-safety	The directorate has made a provision on the post establishment for an Information Officer post
Agricultural Product Inspection Services	Compliance by the emerging sector, with the requirements of the relevant agricultural Acts and international agreements	Conduct training and information-sharing sessions for the emerging sector
Veterinary Services	High staff turnover is affecting the performance of the directorate	Vacant state veterinarian and technician posts must be filled urgently
Agricultural Disaster Management	Finding suitable service providers specialising in agrometeorology	Build internal capacity
Food Safety and Quality Assurance	The directorate does not have an in-house specialist on fertilisers	Build internal capacity



Programme 4: Production and Resources Management

PURPOSE

Identify opportunities and develop strategies in order to optimise agricultural productivity and profitability within the agricultural sector through the sustainable use and protection of land and water resources.

The programme comprises 2 subprogrammes:

Agricultural Production facilitates improvements in agricultural productivity with the emphasis on sustainable animal, aquaculture and plant production systems and administers the Plant Improvement Act, 1976 (Act No. 53 of 1976), Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976) and the Animal Improvement Act, 1998 (Act No. 62 of 1998).

Engineering Services and Resources Management facilitates the development of agricultural infrastructure and use of agricultural resources. This also includes auditing of natural resources, controlling migratory pests, rehabilitation and protection of agricultural land and promotion of the community-based LandCare Programme.

MEASURABLE OBJECTIVE

Improve the efficiency of agricultural production for livestock, fisheries and crops, area-wide planning, mechanisation, irrigation development and the enhancement, conservation and rehabilitation of degraded natural agricultural resources.



Andile Hawes

DEPUTY DIRECTOR-GENERAL

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Agricultural Production	Crop and livestock massification	Community gene banks	2 gene banks established	Status report produced. Second phase of project is underway and planning of structural and other logistic requirements is in progress
		Animal Breeding Support Programme	500 breeding materials distributed	Report on breeding materials distributed to emerging farmers was finalised (145 bulls, 50 pregnant cows and 311 heifers, a total of 506 breeding materials distributed in the Eastern Cape, Free State, North West and Limpopo)



Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Agricultural Production (<i>cont.</i>)		Community seed production scheme	3 schemes established	This deliverable was finalised and a full report completed. The schemes are on sorghum, maize, and groundnuts. Each scheme is made up of an average of 3 projects and is currently piloted in various districts of Limpopo and Mpumalanga. These schemes are done in partnership with the ARC, SANSOR and the respective PDAs
Engineering Services and Resources Management	Natural resources management and enhancement	Agricultural Mechanisation Programme	200 power hoes distributed	This activity has been halted owing to the fact that all available capacity has been reallocated to the LARP initiative
		Land Use Planning and Zoning Programme	3 local municipalities zoned	Agro-ecological zones—Gauteng and Limpopo Draft output for Gauteng and Limpopo provinces available, completed in-field verification for all district municipalities in both the provinces. The mapping of the Subdivision of Agricultural Land of 1970 is completed and is available on AGIS
		Guidelines for irrigation development	100 000 ha established/rehabilitated	Literature review was completed. Draft guidelines compiled and approved (100 %)

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2008/09–2010/11*, are reported per quarter.

Quarter 1

During quarter 1, altogether 49 premises were registered for breeding of disease-free plantations. This is made up of 4 new registrations and 45 renewals.

The Directorate: Plant Production dealt with 339 enquiries and requests for information regarding the production of olives, maize production, waste management, chilli peppers, cotton production, herbs, crop suitability, training and mentorship programmes, hemp and fibre were received.

Quarter 2

During this quarter a new drill rig was technically tested on 29 July 2008 and the necessary adjustments were made. A total of 6 staff members received drill rig training on the new rig.

Key soil conservation works were constructed during the period under review. This included the movement of 1 532 m³ soil in Swellendam; clearing of 8 ha of invasive trees at Spitskop; and the spraying of regrowth on thorn trees at Doringhoek (20 ha).

The FMD borderfence was constructed at Bray (1 954 km fence erected in July 2008).

Quarter 3

The total number of premises registered for breeding of disease-free plantations was 42. This was made up of 4 new registrations and 38 renewals.

The *Plant Variety Journal* (vol. 119) was completed. Altogether 30 new kinds of plants were declared in terms of the Plant Breeders' Rights Act of 1976. New declarations were sent to the Government Printer for publication in the *Government Gazette*.



As part of the FMD borderfence project, a 20 m³ excavation was completed at Kruidfontein, water control structures on the road were erected and 9 km normal fence completed. At Kosi Bay, 43 km normal fencing was completed as well as 19 culverts.

At Witsyfer a total of 6,5 ha of prosopis was cleared (120 of 5 988 hectares were completed).

At GADI, 24 boreholes were drilled, which came to a total of 1 566 m.

Locust control and inspection took place in 25 districts in October, 26 districts in November and 23 locust districts in December. The types of locusts that were controlled successfully in the same period included 27 526 hopper bands, 684 adult swarms and 3 mixed swarms.

Quarter 4

Blackfly monitoring and control was done in the eastern Orange River, western Orange River, middle Orange River, Fish River, Sundays River and Breede River. The larvae population was low, therefore no control operation was carried out. In the Gamtoos River, the larvae population was high, and 2 control operations were therefore carried out.

Import authorisations were given for 5 860 animals, 164 002 semen straws and 199 embryos. The number of authorisations for a permanent stay in the country was 118 300 (poultry) while 60 animals were authorised for a temporary stay (i.e. only the duration of the shows). Further authorisations were for 218 690 feedlot, slaughter and grazing importation animals. A total of 1 216 animals and 182 semen straws were authorised for exportation.

During quarter 4, altogether 78 bulls were registered as donors; 71 new registrations were handled; 78 applications were renewed for Reproduction Operators; and 4 lectures were offered to Reproduction Operators and South African Police Service (SAPS) Stock Theft personnel.

During the period under review, 1 import agent and 2 Artificial Insemination (AI) centres were registered. Altogether 11 inspections on AI centres were conducted successfully.

At Punda Maria, 20,7 km of 28 km fencing was completed; at Altien 12 km elephant fence was completed as well as 2 of 3 river crossings. The Letaba River project was completed in January 2009 and included 2 structures on river crossings and the completion of 9 km elephant fence.

Altogether 16 boreholes were drilled (a total of 2 238 m) as part of the Kgalagadi project.

In the administration of the Subdivision of Agricultural Land Act of 1970, the following were achieved:

- 913 applications were captured
- 1 095 applications were assessed by committee members
- 202 change of land use applications were processed
- 47 letters to agricultural holdings were issued
- 146 letters written to the Deeds Office regarding Act No. 70 of 1970 on zoned agricultural land (no objection letters)
- 247 consents to subdivide agricultural land were issued.

Locust control took place in 33 districts in January, 15 districts in February and 27 locust districts in March 2009. The types of locusts that were controlled successfully in the same period included 10 947 hopper bands and 1 119 adult swarms. The number of teams that was used for locust control was 112 in January, 65 in February and 111 in March 2009.

During quarter 4, a total of 95 quelea outbreak reports were received from small grain farmers, 95 precontrol inspections, 61 aerial control operations and 5 fuel explosions were executed, controlling some 44,46 million quelea on 704 ha. The average success rate was 86 %.

In the Free State, the mapping of gully erosion is 50 % completed. More than 11 000 gullies are already mapped in the Free State Province.

Altogether 103 animals were registered as semen and embryo donors. A total of 7 operators were registered for reproduction purposes.

Applications processed under the Plant Breeders' Rights (PBRs) Act of 1976 included the following: a total of 39 applications was received, 57 were registered, 2 were rejected and 2 were withdrawn.



The Distinctness uniformity stability report was completed. A total of 42 reports were completed, 41 varieties approved, 1 variety rejected, 8 PBR certificates issued and 19 PBRs surrendered.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenges	Corrective measure
Agricultural Engineering Services	A shortage of engineers because of their high demand in other sectors is hampering the delivery of planned interventions	More engineers have to be recruited on more competitive terms
Animal and Aquaculture Production	Lack of funds makes it impossible to reach a considerable number of farmers Slow turn-around times by support services delays the delivery of planned outputs at targeted periods	Line function directorates' plans should be coordinated properly and aligned with those of support services
Plant Production	Limited funding for research projects Resignation/transfer/promotion of officials to other directorates or institutions	Collaborations have to be strengthened with research institutions/units to improve economic allocation of resources Turn-around time for filling of positions has to be improved by HRM
Land Use and Soil Management	Insufficient funding will impact negatively on the planned interventions for 4 provinces during 2010/11 and 3 provinces in 2011/12	A request for additional funding of R6,4 million over the next 2 years as part of the MTEF option, has already been submitted by the branch
Genetic Resources	The NGOs (partners in delivery of some outputs) seem to have other interests as they do not always prioritise the tasks that have to be done Resignation of key personnel (e.g. Gene Bank Curator) is negatively affecting delivery in the directorate	Service level agreements have to be signed with all partners and emphasis must be placed on roles and turn-around times Further capacity is needed in the directorate and positions must be filled within a reasonable time
Water Use and Irrigation Development	Delay in filling of positions by HR Difficulties in accessing information from the PDAs	HR must improve turn-around times (new appointments) and encourage the filling of crucial positions The relationships and roles between the DoA and PDAs should be understood by all involved



Programme 5: Sector Services and Partnerships

PURPOSE

Manage and coordinate intergovernmental, stakeholder and international relations, agricultural education and training, extension and advisory services as well as research and technology development.

The programme comprises 2 subprogrammes:

Sector Services directs and supports agricultural education, training, extension, research and advisory services in support of targeted groups. It also manages the transfer of funds to the ARC.

International, Intergovernmental and Stakeholder Relations provides leadership and coordination in all facets of international relations within agriculture and creates an enabling environment for constructive relations among all stakeholders.

MEASURABLE OBJECTIVE

Maximise growth in the sector by providing support services to emerging and established farmers including women, youth and the disabled through targeted skills development, extension and technology development programmes.



Vangile Titi

DEPUTY DIRECTOR-GENERAL

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Sector Services	Training, research and extension support programmes	Number of black entrepreneurs receiving targeted training, research and extension support	3 000 black entrepreneurs receiving targeted training, research and extension support by March 2009	The mentorship programme was implemented by 12 commodity organisations contracted by the DoA. A total of 182 projects with 4 658 beneficiaries received mentorship support, which includes training, research and extension support
	Norms and standards for agricultural training institutions	Adoption of norms and standards by sector partners	By March 2009	Norms and standards were discussed with selected representatives of the provinces and were supported and adopted by ASRDC/STC



Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Sector Services (cont.)				A budget of R50 million has been approved for implementation in the 2011/12 financial year. In addition, a budget option was submitted to Treasury
	National Research Agenda	National Research Agenda	An approved agenda	The document was completed and presented at the ASRDC/STC meeting. Inputs from stakeholders were incorporated and the document will be submitted to DEXCO for approval
International, Intergovernmental and Stakeholder Relations	Structured partnerships with local and international stakeholders in support of black entrepreneurs	Number of structured partnerships approved and implemented	By March 2009	An agreement was signed with the cotton industry and the strategy is in its implementation phase The directorate initiated and facilitated several meetings with the fruit industry (Apple Pear Lemon Group) in the Western Cape and the South African Sugar Association in Durban
	Strategy on engagement with national and international public and private sector stakeholders	Approved strategy document	By June 2008	Strategy document has been postponed to the 2009/10 financial year. This is owing to the vacancy of the Director position

SERVICE DELIVERY ACHIEVEMENTS

Further information on outputs, as specified in the *Strategic plan 2008/09–2010/11*, is provided per quarter.

Quarter 1

A document on the implementation protocol for human capital development to support innovation and science and technology in agriculture was completed and presented to the ASRDC/STC for information sharing. This was approved by the joint meeting with the Department of Science and Technology (DST) (ASTIACO) on 27 May 2008, and will be used by the DST as part of its options to National Treasury for 2009/10.

The governance framework of the ARC was approved by the ASRDC/STC and the Director-General and will be sent to the ARC for input and consideration before being signed by the Chairperson of the Board and the Minister.

The investigation report on the status of provincial research centres was completed and presented to the ASRDC/STC in October 2008.

The status report on targeted training programmes for extension as part of the Annual report on the implementation of norms and standards was approved by the joint ASRDC/STC Committee.

The data system for generating reports on international engagements was developed.

The analytical report on the benefits of commodity-based mentorship programmes was approved by the joint ASRDC/STC Committee.

Quarter 2

Guideline documents on centres of excellence, competitive funding, the Agriculture Technology and Human Resource Programme and the transfer of technology were completed and approved by the ASRDC/STC and the National Agricultural Research Forum (NARF) Plenary.

The GADI research report was published and the ASRDC notified accordingly.



At GADI, training and capacity-building support provided during the quarter included 78 accredited FET courses benefiting 1 332 black entrepreneurs; 64 information days benefiting 1 997 black entrepreneurs; as well as providing technical advice to 308 black entrepreneurs. A Training and capacity-building report was approved by the GADI editorial committee on 18 March 2009.

Provincial agri-consultations were held on LARP with sector stakeholders in all nine provinces from 8 to 25 July 2008.

The Presidential Commercial Agriculture Working Group meeting was held on 11 August 2008. The following issues were discussed during the meeting: the Sector plan review report; the Ministerial Advisory Council; high food prices; water pollution; safety and security in the rural farming areas; and the outcomes of the agri-consultation.

Quarter 3

A database on all international agreements was developed and posted on the intranet on the International Relations web page. The database of all agreements is updated continuously.

A number of meetings were facilitated and coordinated in an effort to promote relations with organised agriculture, particularly emerging farmers. This included the CEO Forum Steering Committee meeting, held on 25 November 2008 and the Sector Plan Review meeting with the Office of the Presidency, hosted on 1 December 2008. The purpose of the meeting was to consult and finalise the report for approval by the State President. All sector stakeholders accepted the *Report of the review of the strategic plan for South African agriculture* (called Sector plan review report) with the exception of TAU SA. TAU SA was asked to table their concerns on the Sector plan review report to the sector stakeholders. The outcome of the meeting was to extend the mandate of the Task Team for the report to allow them to draft a detailed implementation plan, draw up terms of reference and to ensure that the report is aligned to the main government framework planning processes.

The Principals meeting with the Minister focused on the AgriBEE Charter Council, Agricultural sector plan review and the Agri-consultation Declaration. The outcome of the meeting was to launch the AgriBEE Council on 5 December 2008.

Quarter 4

During the quarter the following reports were finalised and approved by the ASRDC/STC:

- Analytical report on the benefits of the professional development programme;
- Annual report on agricultural graduate enrolment and outputs from higher education institutions;
- Annual report on the state of compliance to norms and standards for extension;
- Annual report on capacity building of CASP beneficiaries; and
- Annual report on publicly funded agricultural research.

The ICC Committee approved the Annual report on international study programmes.

In order to promote relations with organised agriculture (particularly emerging farmers) the following meetings were facilitated and coordinated:

- The Food Price Symposium was held at the CSIR Convention Centre, Pretoria on 6 March 2009. A high level of sector stakeholder involvement was achieved at the symposium. The theme "Food price volatility: A roadmap towards a shared strategy to mitigate the impact of high food prices" was formulated.
- A Ministerial Task Team meeting on the Sector plan review report was convened by the Director-General on 19 March 2009. The deliberations of the meeting focused on approval of the Terms of Reference for the new mandate (implementation of the Sector plan review report; drafting of the implementation plan; implementation of an oversight body; assessment of additional resources for implementation of the plan and the Task Team Action Plan.)
- The CEO Steering Committee meeting was facilitated and held on 19 March 2009. Among other issues it focused on agro-logistics; land audits; implementation of the Agri-consultation Declaration (LARP); implementation of the Sector plan review report recommendations and water pollution. Resolutions were taken and tasks given to responsible personnel to ensure continuity.
- Sector Stakeholder CEOs and the DoA management hosted a CEO Forum meeting in Durban on 27 March 2009. The meeting focused on the global economic crisis and its impact on agriculture; government's response to food prices; food security and safety; water pollution; and the role of the CEO Forum. New tasks and further investigations on certain issues were given to the CEO Steering Committee.



CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenges	Corrective measure
Education, Training and Extension Services	<p>The budget for the programme is proving to be too small amid the growing interest in the programme in the sector</p> <p>Lack of financial and human resources at the DoA meant difficulties in effectively coordinating implementation of the recovery plan</p>	<p>The R20 million annual budget for the programme must be increased</p> <p>Submission requesting financial resources has been forwarded to the Director-General</p>
International Relations	<p>There is a human capacity problem with respect to implementation of agreements. Furthermore, there are no funds. Added to this, submissions do not get approved on time</p> <p>The main challenge is to identify and establish a team of experts to participate in the work of the Binationals and Commissions as well as the subsidiary bodies in which SA will participate</p>	<p>Capacity building within the directorate</p> <p>The ICC has requested the directorate to nominate officials particularly in Africa. Two directorates, engaged in African issues have nominated officials</p>
Research and Technology Development	<p>Cooperation and securing appointments with relevant contact people at universities/colleges and provinces. Also, there is a negative perception by universities of the purpose of investigating the status of provincial research centres, leading to reluctance to provide the required information</p> <p>Funding of the programme/protocol</p> <p>Validation of the information submitted per institution, lack of information from some institutions and the gaps in some of the information provided make interpretation and finalisation of the reports difficult</p>	<p>Make persistent follow-ups and develop visiting schedules, starting with institutions that have already responded. Assuring respondents that feedback will be provided once the report has been compiled</p> <p>Negotiation with DST to co-fund the implementation of the programme/protocol. DST to include this as part of its options to National Treasury for 2009/10</p> <p>Information verified for every institution and follow-ups made in cases where information is missing or captured wrongly</p>
Intergovernmental and Stakeholder Relations	<p>Participation of DoA directorates to attain intended objectives in promoting relations with organised agriculture (particularly emerging farmers) is always a challenge</p> <p>Director's position has been vacant and has delayed delivery of the strategy</p>	<p>Ownership and participation of all relevant directorates to promote relations with organised agriculture</p> <p>Immediate appointment of the Director.</p>
GADI	<p>Creation of additional posts and the delay with respect to JES</p>	<p>Job evaluation process has to be completed as soon as possible</p>

