2

Programme performance
Programme performance

VOTED FUNDS

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>Main appropriation</th>
<th>Adjusted appropriation</th>
<th>Actual amount spent</th>
<th>Under-spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENE</td>
<td>R2 281 166 000</td>
<td>R3 469 603 000</td>
<td>R3 328 417 123</td>
<td>R141 185 877</td>
</tr>
<tr>
<td>Responsible Minister</td>
<td>Minister for Agriculture and Land Affairs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrating department</td>
<td>Department of Agriculture</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting officer</td>
<td>Director-General of Agriculture</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

AIM

The DoA 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 DoA 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 DoA are organised in five programmes:

Programme 1 Administration provides the department with political and strategic leadership and management, and manages capital works and infrastructure.

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 promotes equitable access to the agricultural sector, the growth and commercial viability of emerging farmers, and food security and rural development. Facilitates market access for South African agricultural products nationally and internationally by developing and implementing appropriate policies and targeted programmes. Promotes Broad-Based Black Economic Empowerment (BBBEE) in the sector. Provides economic and statistical services to support economic growth and development.

Measurable objective Improve emerging farmers’ access to and sustained participation in agriculture, and improve food security in the medium term through providing better opportunities and more equitable access in order to maximise growth and employment in the sector.

Programme 3 Biosecurity and Disaster Management develops and implements policies for food safety, agricultural disaster risk management and for preventing and controlling animal and plant diseases.

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

Programme 4 Production and Resources Management manages productivity and sustainability in agriculture, monitors and controls genetically modified organisms and develops and implements policies and legislation on the sustainable use of agricultural land and water resources.
Measurable objective Improvement of the productivity and profitability in the agricultural sector and sustainable use of land and water resources.

Programme 5 Sector Services and Partnerships manages and co-ordinates intergovernmental, stakeholder and international relations, agricultural education and training, extension and advisory services, and scientific research and technology development.

Measurable objective Maximise growth in the sector through providing skills, agricultural education and support services to emerging and established farmers, including women, youth and the disabled.

ACHIEVEMENTS

Highlights of the department’s achievements during 2007/08 in relation to key measurable objectives include the following:

<table>
<thead>
<tr>
<th>Programme</th>
<th>Highlights of achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Administration</td>
<td>Approved departmental strategies were managed and executed by efficient utilisation of available resources, both financial and human. Financial and administrative support services were rendered satisfactorily in terms of predetermined service standards.</td>
</tr>
</tbody>
</table>
| 2. Livelihoods, Economics and Business Development | The Agricultural Sector Charter was gazetted under Section 12 of the Broad-Based Black Economic Empowerment Act of 2003. The charter has been developed as a transformation blueprint for the agricultural sector and provides guidelines for empowerment in the sector.

An Agricultural Tariff Policy Framework that is en route for tabling in Parliament was completed. The purpose of this policy framework is to ensure that the determination and application of the Agricultural Tariff Policy between the Department of Trade and Industry, through the International Trade and Administration Commission (ITAC) and the DoA is co-ordinated and synchronised.

Commodity-based agricultural marketing training materials that are Agricultural Sector Education and Training Authority (AgriSETA) accredited were developed. The benefit of getting the materials accredited ensures that all farmers undergoing the training and using the materials will get certificates of competency in a specific National Qualifications Framework (NQF) category. The materials will be used as a basis to impart agricultural marketing skills to farmers on grains, livestock and horticultural products across the country.

A process leading to the ratification of the Southern African Customs Union/European Free Trade Association (SACU/EFTA) Free Trade Agreement by all parties was finalised. This agreement will improve market opportunities for a significant number of South African agricultural products in the markets of Switzerland-Lichtenstein, Norway and Iceland.

As part of the development and improvement of the crop forecasting system, the new producer independent crop estimation system was implemented in all 9 provinces, the objective yield optimised (5 points per field versus 2 points per field previously), and the digitising of field crop boundaries was completed for the entire country. |
| 3. Biosecurity and Disaster Management | Additional sniffer dogs for the detection of prohibited agricultural substances/objects at airports were procured and dog handlers trained.

Service level standards for agricultural products were drafted and finalised to provide information to the public on service delivery time lines.

A risk profiling system and a certification system that can be used during inspections was also drafted.

Further improvements in international market access was achieved through the implementation of two additional export protocols with China, namely for table grapes and dried tobacco leaf. By facilitating bilateral agreements on importing apples and pears from China, new import opportunities were created.

To ensure the inclusion of local input in the drafting of new international phytosanitary standards, comments were submitted on six draft international standards for phytosanitary measures. This was followed by participation in the annual meeting of the International Plant Protection Convention (IPPC).

In terms of early warning systems for exotic pests of plants, a rapid response plan, the Alien Plant Pest Disaster Management Plan using fruitflies as an example, was completed. |
| 4. Production and Resources Management | An actual soil loss (erosion) map was compiled for South Africa and onsite verification was completed. This map is available at provincial and local level for planning purposes.

The area-wide master plan for the rehabilitation of the Taung/Vaalharts irrigation scheme was completed. |
4. Production and Resources Management (cont.)
Databases for fruit, vegetables and grain-production guidelines, management calendars and crop profiles for various crops grown in South Africa, were completed. These databases contain valuable information to assist farmers in decision making in their farming operations and will also act as critical support system to extension officers to provide advisory services to farmers.

Significant strides were made in terms of the conservation and sustainable use of Plant Genetic Resources for Food and Agriculture (PGRFA). An increasing number of accessions have been stored at the Plant Genetic Resources Centre from various agro-ecological zones. Within participating communities, this has created awareness of the importance of PGRFA.

5. Sector Services and Partnerships
A MoU was signed between the DoA and the Malaysian Department of Agriculture that will be used as a framework to guide future productive engagements to broaden market access and strengthen agricultural development co-operation between the two countries. The MoU focuses on livestock production, research and development as well as aquaculture production.

With regard to multilateral engagements, the DoA continued to promote and safeguard the interests of South African agriculture through enhanced co-operation and engagements with the Organisation for Economic Co-operation and Development (OECD), International Organisation for Wine and Vine (OIV), Office International des Epizooties (OIE), FAO and World Trade Organisation (WTO). Within the OECD, the main activities revolved around the completion of the review of the agricultural policies of member countries.

A DoA delegation, led by the Minister, participated in the FAO Council and Conference in November 2007. The focus of the conference and the meeting was the discussion of the independent external evaluation of the FAO.

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

The starting point for effective service delivery in DoA was the identification of those aspects of products or services that satisfy the needs and expectations of our clients. This requires a shift in terms of functions and programmes from ‘What do we do?’ to a focus on ‘What do our functions and programmes produce that is specifically useful to our clients in enabling them to do what they need to do?’

A series of workshops were held with the directorates responsible for the delivery of our various products and services to redefine these in terms of how they benefited our clients, and a schedule of impact-focused products and services was consequently produced.

The same workshops were used to define those aspects of the products and services that were of direct benefit or use to the client, together with standards that could be used to measure the efficacy of service delivery in these terms. In some cases, the standards already existed, and their definitions were accepted or improved upon, and in other cases new standards were produced which were more relevant to the concept of client needs focused measurement.

The ratification and agreement with our clients of the service delivery standards for our products and services will form a crucial part of the Service Delivery Improvement Plan for this year. This will constitute the first activity of the Service Delivery Focused Operational Planning Initiative planned for the next financial year, in which we aim to achieve a department-wide focus on a set of mutual external and internal objectives supported by an effective monitoring and evaluation system.

We aim, through a series of workshops and interactions, to confirm and agree on the key existing and new service standards laid out in this plan with our clients and stakeholders.

Part of the process of identifying roles and support needs addresses the way functions should ideally be carried out in order to contribute effectively to service delivery outcomes, along with any barriers there may be to these changes. These may, for instance, take the form of a lack of information communication technology (ICT) systems; a requirement for changes to policy or legislation; shortage of skills; an insufficient budget—or other factors that would prevent or slow down service delivery.

Many of these obstacles will be addressed by the internal support functions. However, some may require the intervention of management or external organisations. This intervention will provide the DoA with a method of ensuring maximum service delivery impact for budget spent in the formulation of strategy and planning for the following years.
OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT

Following the restructuring process of 2006, the refinement of the directorates Biosafety and Intergovernmental and Stakeholder Relations was finalised and implemented in 2007. The restructuring process was therefore finalised and the structure is now fully operational.

The Organisation Development Committee (ODC), which was established in 2006 to facilitate organisational refinement and post establishment management has shown good results. Through its processes the vacancy rate in the department dropped from 18 to 13.6% during the period under review. There was also an improvement in the prioritisation of work study investigations. Work study processes are now managed in such a manner that there is a reduction in grievances owing to the expectations that were created by the previous process.

The ODC also facilitated the alignment of the human resources management in the DoA with the requirements of the Department of the Public Service and Administration (DPSA) by creating a separate directorate for employee development.

The co-ordinated job evaluation process between the national and provincial departments of agriculture in respect of salaries offered to professionals on the same level, has been performed as planned; the only challenge is the implementation of the results thereof because of financial constraints.

To promote the principles of co-operative government, integration, alignment and co-ordination, the departments of Agriculture and Land Affairs developed the LARP. The project was submitted and accepted by the Presidency as one of the 24 Presidential priorities. This project has resulted in the two departments aligning their functions for improved service delivery. The alignment process was also facilitated by the planning calendar, which was developed together. Joint planning of events improved the use of resources, both financial and human.

Contingency plans were put in place to minimise the public service strike of 25 May to 28 June 2007. As a result, service delivery in the department was not affected. The strike was managed according to the guidelines set out by the DPSA. The “no work, no pay” rule was implemented by the department and the statistics were reported to the DPSA on a daily basis.

STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

A major challenge for the agricultural sector during 2007/08 has been to accelerate the pace of land and agrarian reform and to embark on an integrated programme for rural development. The LARP was therefore developed during 2007/08 to provide a new paradigm for sector service delivery, a “business unusual” framework for delivery and collaboration on land reform and agricultural support to accelerate the rate and sustainability of transformation through aligned and joint action by all involved stakeholders. The purpose is to create a delivery paradigm for agricultural and other support services based on the concept of “one-stop shop” service centres located close to farming and rural beneficiaries. The objectives of the LARP are the following:

- Increasing black entrepreneurs in the agribusiness industry by 10%;
- Providing universal access to agricultural support services to the emerging black farmers;
- Increasing agricultural production by 10% for emerging black farmers under the Ilima/Letsema campaign;
- Increasing agricultural trade by 10 to 15% for the target groups.

The LARP is a focus area for the DoA, with considerable alignment and sharing of resources to ensure support to newly settled emerging black farmers. National, provincial and local governments are committed to jointly lead this process of accelerating land and agrarian reform.

A second very important challenge for the agricultural sector was rising food prices, globally as well as nationally and at household level. Factors that contributed towards these high prices included low availability of grains worldwide, increased demand, unfavourable weather conditions, increasing fuel costs and high input costs—especially fertiliser. The impact on the purchasing power of poor households had a very negative effect in the country. Government departments in the Social and Economic Clusters were therefore instructed by Cabinet to expand on programmes that support vulnerable groups in South Africa. For agriculture, these include agricultural starter packs for household vegetable production and promoting food gardens. Under the Ilima/Letsema campaign, the acceleration and improvement of agricultural crop production will be promoted actively.
Another important challenge for the department has been ensuring that animal and plant products are disease-free, therefore improving public health. This still remains a priority as it has a direct bearing on agriculture’s ability to provide safe and nutritious food to the South African public as well as optimising trade opportunities.

**Key policy developments and legislative changes**

**Support to beneficiaries of land reform**

To support 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 a research and development strategy. Following a study on the profile of extension in all the provinces, an extension recovery plan was developed to increase the number of extension officers employed and to provide the opportunity to current extension officers to improve their qualifications.

**Broad-Based BEE framework for agriculture**

The DoA strives to incorporate the small, medium and micro-enterprises (SMME) Excellence Model into higher learning institutions and colleges of agriculture towards the creation of Centres of Excellence for changing mindsets and for capacity building in the sector. In addition, the department intends to transform the agricultural sector by means of value chain commodity and empowerment strategies.

**Optimising productivity for the sustainable use of resources**

The Sustainable Utilisation and Protection of Agricultural Resources (SUPAR) Bill is being finalised to ensure that limited agricultural resources are protected and used in a sustainable manner. This Bill will also ensure that natural resources are conserved for agricultural production and development of livelihoods.

An Irrigation Strategy was finalised and emphasises the governance of agricultural water. The strategy also prioritises implementation options, namely the revitalisation of existing irrigation schemes and the efficient use of irrigation water.

**DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS**

**Collection of departmental revenue**

The DoA’s collected revenue exceeds the estimated amount for the sale of goods and services mainly because of the increase in exports. A significant portion of revenue is derived from the sale of goods and services, which include statutory services such as registering fertilisers, farm feeds, stock remedies and plant breeders. Other receipts came from interest received as well as an amount of R92 000 for penalties forfeited in favour of the department in 16 court cases. The sale of scrap, which had an additional inflow of R9,9 million, was not included in the budget.

The DoA started with the implementation of an enhanced control process on revenue collected from its different offices to ensure identification of revenue collected per office and updated procedural manuals at all revenue collection points. The departmental policy on revenue was also reviewed and the changes made will enable the reconciliation between services rendered and revenue collected.

<table>
<thead>
<tr>
<th></th>
<th>2004/05 Actual</th>
<th>2005/06 Actual</th>
<th>2006/07 Actual</th>
<th>2007/08 Target</th>
<th>2007/08 Actual</th>
<th>% deviation from target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nontax revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales of goods and services other than capital assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative fees</td>
<td>58 252</td>
<td>59 023</td>
<td>55 477</td>
<td>52 865</td>
<td>61 275</td>
<td>15,9</td>
</tr>
<tr>
<td>Sales of goods and services</td>
<td>4 477</td>
<td>4 456</td>
<td>3 691</td>
<td>3 366</td>
<td>4 346</td>
<td>29,1</td>
</tr>
<tr>
<td>Sale of scrap, waste and other used current goods</td>
<td>3</td>
<td>8 216</td>
<td>43</td>
<td>5</td>
<td>204</td>
<td>3 980,0</td>
</tr>
<tr>
<td><strong>Transfers received</strong></td>
<td>–</td>
<td>300</td>
<td>–</td>
<td>–</td>
<td>26</td>
<td>2 500,0</td>
</tr>
<tr>
<td>Public corporations and private enterprises</td>
<td>–</td>
<td>300</td>
<td>–</td>
<td>–</td>
<td>26</td>
<td>2 500,0</td>
</tr>
<tr>
<td><strong>Fines, penalties and forfeits</strong></td>
<td>16</td>
<td>54</td>
<td>3</td>
<td>3</td>
<td>92</td>
<td>2 966,7</td>
</tr>
</tbody>
</table>
### DEPARTMENTAL EXPENDITURE

The table sets out the expenditure of the department per programme for the period under review, and includes adjustments made and additional funds received during the year. The department was allocated an amount of R2 281.2 million in the Estimate of National Expenditure (ENE) with a further addition of R700 million in a special adjustments estimate to address the liquidity shortage of the Land Bank, while a further amount of R488.4 million was appropriated in the Adjustments Estimate, R188.7 million for the classical swine fever (CSF) combating campaign and R300 million for agricultural disasters, bringing the total voted funds for 2007 to R3 469.6 million. An amount of R141.2 million (4.07% of total appropriation) of the voted funds has not been spent and can be attributed to the following:

Claims totalling R96.3 million for compensation payments to farmers in respect of the CSF campaign are still awaited from the Eastern Cape Department of Agriculture. An amount of R19.8 million was paid to the Department of Public Works in March 2007 for the new Durban Quarantine Station and the Agriculture Place renovation programme but was returned on 28 March 2008 as they have not started with the projects. A drilling rig was only partly delivered, resulting in a further underspending of R3.97 million, which is to be rolled over to the 2008/09 financial year. Please refer to the report of the Accounting Officer for further detail.

### Programmes

<table>
<thead>
<tr>
<th>Programmes</th>
<th>Voted for 2007/08</th>
<th>Roll-overs and adjustments</th>
<th>Virement</th>
<th>Total voted</th>
<th>Actual expenditure</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>283 335</td>
<td>(2 187)</td>
<td>(15 754)</td>
<td>265 394</td>
<td>238 813</td>
<td>26 581</td>
</tr>
<tr>
<td>Livelihoods, Economics and Business Development</td>
<td>886 951</td>
<td>673 007</td>
<td>(8 470)</td>
<td>1 551 488</td>
<td>1 541 955</td>
<td>9 533</td>
</tr>
<tr>
<td>Biosecurity and Disaster Management</td>
<td>243 611</td>
<td>489 062</td>
<td>7 357</td>
<td>740 030</td>
<td>641 799</td>
<td>98 231</td>
</tr>
<tr>
<td>Production and Resources Management</td>
<td>247 280</td>
<td>(4 297)</td>
<td>(10 962)</td>
<td>232 521</td>
<td>226 320</td>
<td>6 201</td>
</tr>
<tr>
<td>Sector Services and Partnerships</td>
<td>619 489</td>
<td>32 852</td>
<td>27 829</td>
<td>680 170</td>
<td>679 530</td>
<td>640</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 281 166</strong></td>
<td><strong>1 188 437</strong></td>
<td>–</td>
<td><strong>3 469 603</strong></td>
<td><strong>3 328 417</strong></td>
<td><strong>141 186</strong></td>
</tr>
</tbody>
</table>

### Transfer payments

#### Transfers to provinces

<table>
<thead>
<tr>
<th>Province</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R’000</td>
<td>R’000</td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>96 848</td>
<td>89 700</td>
</tr>
<tr>
<td>Free State</td>
<td>66 354</td>
<td>55 000</td>
</tr>
<tr>
<td>Gauteng</td>
<td>22 921</td>
<td>22 900</td>
</tr>
<tr>
<td>Province</td>
<td>Amount transferred</td>
<td>Estimated expenditure</td>
</tr>
<tr>
<td>--------------------------</td>
<td>--------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>115 311 R'000</td>
<td>4 000 R'000</td>
</tr>
<tr>
<td>Limpopo</td>
<td>115 864 R'000</td>
<td>52 600 R'000</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>90 338 R'000</td>
<td>53 500 R'000</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>79 630 R'000</td>
<td>73 400 R'000</td>
</tr>
<tr>
<td>North West</td>
<td>112 763 R'000</td>
<td>54 000 R'000</td>
</tr>
<tr>
<td>Western Cape</td>
<td>61 696 R'000</td>
<td>57 000 R'000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>761 725 R'000</strong></td>
<td><strong>462 100 R'000</strong></td>
</tr>
</tbody>
</table>

The purposes of these transfers are discussed under Conditional grants and earmarked funds on p. 26.

**Transfers to local governments**

<table>
<thead>
<tr>
<th>Name of institution</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various local governments in respect of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicle licences payable to municipalities</td>
<td>374 R'000</td>
<td>374 R'000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>374 R'000</strong></td>
<td><strong>374 R'000</strong></td>
</tr>
</tbody>
</table>

**Transfers to departmental agencies and accounts**

<table>
<thead>
<tr>
<th>Name of institution</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Research Council</td>
<td>488 499 R'000</td>
<td>488 499 R'000</td>
</tr>
<tr>
<td>National Agricultural Marketing Council</td>
<td>17 020 R'000</td>
<td>17 020 R'000</td>
</tr>
<tr>
<td>Water Research Commission</td>
<td>3 250 R'000</td>
<td>3 250 R'000</td>
</tr>
<tr>
<td>National Student Financial Aid Scheme</td>
<td>8 300 R'000</td>
<td>8 300 R'000</td>
</tr>
<tr>
<td>Public Service Education and Training Authority</td>
<td>500 R'000</td>
<td>500 R'000</td>
</tr>
<tr>
<td>Perishable Products Export Control Board</td>
<td>4 600 R'000</td>
<td>4 600 R'000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>522 169 R'000</strong></td>
<td><strong>522 169 R'000</strong></td>
</tr>
</tbody>
</table>

The ARC was established under the Agricultural Research Act of 1990, and is the principal governmental agricultural research institution in South Africa. Its primary mandate is to conduct research, and develop and transfer technology that promote agriculture and the related industries. The ARC continues to be highly responsive to new needs expressed by its clients, supporting this with good performance in the development and transfer of technologies to and for the resource-poor farming sector. In line with its statutory mandate of transferring technology, the following research products and technologies were transferred to resource-poor farmers: cotton production management strategies, evaluation and selection of seeds, integrated natural resource management strategies, promotion of urban agriculture, water-conservation strategies, beekeeping commercialisation, disease appraisal, beef production, field testing of contagious abortion in cattle, legume protein programme, mushroom farming and commercialisation, quality fruit production strategies, indigenous crops programme and agricultural research for development. These products and technologies have contributed to sustainable job creation and income generation in communities previously excluded from participating meaningfully in agriculture.

The NAMC was established by the Marketing of Agricultural Products Act of 1996 in terms of which the council provides strategic advice to the Minister for Agriculture and Land Affairs on agricultural marketing to ensure improved market access by all participants, marketing efficiency, optimising export earnings, and the viability of the agricultural sector. Among its responsibilities, the NAMC undertakes investigations on agricultural marketing and marketing policy, and undertakes 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 so that a proportion of the proceeds
Programme performance is used to fund the empowerment of previously disadvantaged individuals (PDIs) in the areas of training, exposure and market access. For the latter, the NAMC has an annual outreach programme to inform emerging black farmers about the marketing environment.

The Water Research Commission is a statutory entity established in terms of section 2 of the Water Research Act of 1971 as amended. The commission undertakes research projects which are funded by the DoA. As part of the monitoring process, the department evaluates the achievements of these research projects against the predetermined deliverables as set out in the memoranda of agreement. The commission provides reports on all the research projects periodically to the department.

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

The PPECB is a statutory organisation, which conducts its business in terms of the Perishable Products Export Control Act of 1983. In its early years export products under its control comprised mainly deciduous and citrus fruit, however, the product range soon extended to include fish, meat, flora and other perishable products. There are now more than 200 product types under the board’s control. The PPECB also operates as an assignee for the department under the requirements of the Agricultural Product Standards Act of 1990. It is listed as a Schedule 3A entity of the PFMA. The board controls all perishable exports from South Africa, the value of which is in excess of R9 billion a year.

**Transfers to public corporations and private enterprises**

<table>
<thead>
<tr>
<th>Name of institution</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ncera Farms (Pty) Ltd</td>
<td>1 866</td>
<td>1 866</td>
</tr>
<tr>
<td>Land Bank</td>
<td>998 000</td>
<td>998 000</td>
</tr>
<tr>
<td>Red meat industry</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Claims against the State</td>
<td>178</td>
<td>178</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 000 045</strong></td>
<td><strong>1 000 045</strong></td>
</tr>
</tbody>
</table>

Ncera Farms (Pty) Ltd is a public company listed under Schedule 3B of the PFMA, with the department as the sole shareholder. It is a service centre situated in Eastern Cape in the Kidd’s Beach area and its purpose is to provide extension services, training and other agricultural support services to newly 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, co-operatives and other agriculture-related businesses. It provides long, medium and short-term loans to all agricultural sectors. The bank is the sole shareholder in the Suid-Afrikaanse Verband-versekeringsmaatskappy Beperk (SAVVEM), a company which provides mortgage insurance cover to the bank’s clients. The bank also manages the funds transferred from the department to Mafisa.

**Transfers to foreign organisations**

<table>
<thead>
<tr>
<th>Name of institution</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office International des Epizooties</td>
<td>794</td>
<td>794</td>
</tr>
<tr>
<td>Organisation for Economic Co-operation and Development</td>
<td>52</td>
<td>52</td>
</tr>
<tr>
<td>International Grains Council</td>
<td>133</td>
<td>133</td>
</tr>
<tr>
<td>Office International de la Vigne et du Vin</td>
<td>544</td>
<td>544</td>
</tr>
<tr>
<td>Food and Agriculture Organization of the United Nations</td>
<td>23 260</td>
<td>7 924</td>
</tr>
<tr>
<td>Consultative Group on International Agricultural Research</td>
<td>7 681</td>
<td>7 681</td>
</tr>
</tbody>
</table>
The above table sets out membership fees that the department pays to organisations approved by Parliament.

**Transfers to nonprofit institutions**

<table>
<thead>
<tr>
<th>Name of institution</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth Agricultural Bureau International</td>
<td>138 R'000</td>
<td>138 R'000</td>
</tr>
<tr>
<td>International Dairy Federation</td>
<td>30 R'000</td>
<td>30 R'000</td>
</tr>
<tr>
<td>International Cotton Advisory Council</td>
<td>136 R'000</td>
<td>136 R'000</td>
</tr>
<tr>
<td>Foreign rates and taxes</td>
<td>97 R'000</td>
<td>97 R'000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32 865 R'000</strong></td>
<td><strong>32 865 R'000</strong></td>
</tr>
</tbody>
</table>

**Transfers to households**

<table>
<thead>
<tr>
<th>Name of institution</th>
<th>Amount transferred</th>
<th>Estimated expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social benefits</td>
<td>3 593 R'000</td>
<td>3 593 R'000</td>
</tr>
<tr>
<td>Classical swine fever—compensation paid to farmers</td>
<td>88 376 R'000</td>
<td>88 376 R'000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>91 969 R'000</strong></td>
<td><strong>91 969 R'000</strong></td>
</tr>
</tbody>
</table>

**Conditional grants and earmarked funds**

The table on p. 23 (Transfers to provinces), includes transfers to provinces in respect of the CASP (R415 million), LandCare (R46.7 million) and agricultural disasters (R300 million). CASP is aimed at making provision for agricultural support to targeted beneficiaries of the land and agrarian reform programmes, while 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. These transfers were administered in accordance with the Division of Revenue Act (DORA) of 2007. 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 provinces and projects by the national Department of Agriculture to monitor performance and provide support.

**Purpose and expected outputs of the grants**

**COMPREHENSIVE AGRICULTURAL SUPPORT PROGRAMME**

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

- *Increased access to and improvement in the quality of agricultural support services provided to targeted beneficiaries (such as advisory, information and knowledge management, training and capacity building, market and business development support, financial support and on and off-farm infrastructure such as dipping).*
- *Improvement in the capacity of the department to deliver agricultural support services.*
• Increase in the number of targeted beneficiaries (from land and agrarian reform programmes) getting access to public agricultural support services.
• Increased access by resource-poor farmers to market and technical information.
• Improvement of availability of on and off-farm infrastructure in support of targeted farmers (for example dipping tanks, fencing, rehabilitation of irrigation schemes, etc.).
• Increase in the number of Land Redistribution for Agricultural Development (LRAD) reform beneficiaries who access markets, market information and training on the marketing of products.

The department increased its capacity to monitor all CASP projects by including 43 land settlement co-ordinators. The involvement of these co-ordinators enabled the department to monitor 520 out of 817 CASP projects during the financial year.

Funds were temporarily withheld from one province due to slow spending but after intervention from the department, implementation of the projects took place with a resultant increase in spending of the allocated funds.

LANDCARE

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

• Number of beneficiaries and kilometres of irrigation channels rehabilitated
• 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 the 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 destined for payment to PDAs as conditional grants were transferred and deposited into the primary bank accounts of each province as advised by the National Treasury and in accordance with the provision of the DORA and the approved payment schedule.

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Capital investment

The Department of Public Works was instructed to proceed with the construction of an additional administration building at the Plant Health Quarantine Station at Stellenbosch. This building will accommodate officials of the support and other line function directorates in the Cape Town region as part of the department’s plan to consolidate office accommodation.

Maintenance

All maintenance and repairs at departmental buildings have been finalised in terms of normal procurement processes. The DoA also implemented an Energy Saving Policy at all its offices countrywide.

Asset management

During the 2007/08 financial year, the department has consolidated office accommodation at five major centres in order to streamline its Asset Management Plan for office accommodation.

The DoA disposed of assets during the 2007/08 financial year to the value of R5 810 563. Assets to the value of R212 626 were written off as a result of theft and losses during this period.

In order to ensure effective control over the assets in the department all assets were physically barcoded. The department’s asset register is also updated on a continuous basis as and when assets are procured or disposed of by means of the Logistical Information System (LOGIS). The department embarked on a project to record the current state of its capital stock regarding the condition thereof on LOGIS.
PROGRAMME 1

Administration

PURPOSE

The programme provides the department with political and strategic leadership and management, and manages capital works and infrastructure.

The programme has two main components:

**Corporate Services** provides internal infrastructure support services to enable customer-orientated programmes to meet their strategic objectives through the optimal use of human resources, legal expertise and security services.

**Financial Management** ensures sound financial management, evaluates the feasibility of programmes and projects, renders financial and supply chain management services, manages agricultural debt collection and coordinates budgetary matters. These activities are at all times governed by the PFMA, the Treasury Regulations and the Departmental Financial Instructions.

Support services, as a component of Programme 1, are inclusive of the following:

**Subprogramme Corporate Services**
- Directorate Human Resources Management
- Directorate Legal Services
- Directorate Security Services

**Subprogramme Financial Management**
- Directorate Budgets and Reporting
- Directorate Financial Administration
- Directorate Supply Chain Management

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 achievement of targets set by the department in totality.

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 first engaging the nature of support as rendered by those units responsible to service delivery units. A questionnaire is distributed on a quarterly basis for business units to ascertain the level of satisfaction regarding the support that they receive from the support units mentioned.

This assessment tool is not sufficient on its own to give a true perspective of performance, hence the existence of an ongoing exercise designed to refine the mechanism. The anticipated approach should enable the business units to determine their support requirements within the planning calendar, thereby enabling the operational planning unit to compile the list of action items for support units to respond to as part of their operational plan.
KEY RESULT AREAS

The programme takes responsibility for overall effective, efficient and timely delivery of the department’s 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 continuous improvement in service delivery and quality of service. This programme continues to review existing performance management systems for their effectiveness, in order to support the department’s overall objective of service excellence.

MEASURABLE OBJECTIVE

To conduct the overall management of the department, to provide central corporate services and supply project management and support to the department.

SERVICE DELIVERY ACHIEVEMENTS

Information on outputs of the programme for the 2007/08 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.

Human Resources Management

During the year under review the directorate submitted the following policies to GOPC for consideration and approval:

• Recruitment and Selection Policy
• Employee Development Policy
• Camping Facilities and Allowance Policy
• Working Hours Policy
• Exit Interview Policy

Legal Services

In terms of legislation, this directorate handled the drafting of the following bills during 2007/08:

• 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.

Security Services

The purpose of the Directorate Security Services is to render and administer the total security function of the DoA, which includes the protection of personnel, State assets and information through the development and implementation of security services. The directorate conducted a survey to assess the level of satisfaction regarding its services. Out of the 70 clients who responded to the questionnaire, 96% was satisfied with its services, whereas only 4% was not satisfied.

During the period under review, the directorate conducted security evaluations of the DoA offices at ports of entry which included the upgrading and installation of electronic security systems in all offices of the department, zoning of sensitive areas, installation of proper fire alarm systems at the Delpen and Sefala buildings and the installing and upgrading of the current fire alarm system in Agriculture Place. Security surveys were conducted at regional offices and security measures were implemented.
**Budgets and Reporting**

The directorate renders a service of managing the budgetary process and financial reporting in the DoA. During the year under review, clients who accessed the services rendered by the directorate indicated that they were satisfied.

The directorate is responsible for co-ordinating the State of Expenditure/Medium Term Expenditure Framework/ENE inputs and reporting on expenditure and departmental revenue to the National Treasury, the Minister and the Director-General. During the year under review the monthly state of expenditure in respect of the budget and conditional grants were co-ordinated and submitted; National Treasury’s approval for transfer payments were obtained; budget related assistance rendered; and budgetary structures maintained.

The directorate focused on the handling of virements, shifting of funds and roll-over requests, updating of the budget on the Basic Accounting System, disbursement of funds in terms of the DORA and maintaining of Paymaster-General and commercial bank accounts. Monthly reconciliation of bank accounts and monthly requisitioning of funds to finance expenditure were concluded. Other services rendered included managing revenue collection and reconciliations, i.e. payments for permits, rent, farm produce, etc.; compiling annual financial statements; managing audit queries and matters relating to the Standing Committee on Public Accounts; maintaining continuous support on financial systems; implementation of the new Standard Chart of Accounts (SCOA) structure; and rendering a secretarial and support service to the Departmental Control Committee (DCC) as well as the management of departmental entertainment expenditure.

**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, etc., 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 debt and agricultural debt and maintaining agricultural debt securities. It further maintains financial records, conducts departmental inspections where necessary, manages losses of and damage to departmental assets and claims against the department and exercises internal control.

During the year under review, the directorate experienced a high staff turnover, which made it difficult to render some of the services within the set standards. Other problems involved ‘budget-blocking’, owing to some directorates not adhering to prescribed requirements before submitting documents for payment.

Performance against the service standards during the period under review, was as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Transactions</th>
<th>Service standard</th>
<th>Performance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsistence and travel: foreign advances</td>
<td>52</td>
<td>8 days</td>
<td>99% &lt; 4 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1% &lt; 5–8 days</td>
</tr>
<tr>
<td>Foreign claims</td>
<td>55</td>
<td>8 days</td>
<td>98% &lt; 4 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1% &lt; 5–8 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1% &gt; 8 days</td>
</tr>
<tr>
<td>Subsistence and travel: domestic advances</td>
<td>501</td>
<td>8 days</td>
<td>96% &lt; 8 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4% &gt; 8 days</td>
</tr>
<tr>
<td>Domestic claims</td>
<td>2 029</td>
<td>8 days</td>
<td>90% &lt; 4 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9% &lt; 5–8 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1% &gt; 8 days</td>
</tr>
<tr>
<td>Service providers (invoices)</td>
<td>3 220</td>
<td>8 days</td>
<td>65% &lt; 4 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5% &lt; 5–8 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30% &gt; 10 days</td>
</tr>
<tr>
<td>Overtime claims</td>
<td>1 007</td>
<td>10 days</td>
<td>90% &lt; 5 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10% &lt; 6–10 days</td>
</tr>
<tr>
<td>Supplementary salary payments</td>
<td>4 813</td>
<td>10 days</td>
<td>90% &lt; 5 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10% &gt; 6–10 days</td>
</tr>
<tr>
<td>Service</td>
<td>Transactions</td>
<td>Service standard</td>
<td>Performance %</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>--------------</td>
<td>------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Monthly distribution of debtor accounts</td>
<td>5 609</td>
<td>3 days</td>
<td>Within 1 day</td>
</tr>
<tr>
<td>Verification of payments (invoices)</td>
<td>5 077</td>
<td>24 hours</td>
<td>100% &lt; 24 hours</td>
</tr>
<tr>
<td>Petty cash advances/payment</td>
<td>442</td>
<td>Daily</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Supply Chain Management**

The Directorate Supply Chain Management renders a supply chain management and transport service to the department. The directorate also renders demand, acquisitions, logistical, assets, and transport management services.

During the 2007/08 financial year, the draft policy on the repair and maintenance of vehicles was incorporated into Chapter 15 of the Departmental Financial Instructions and the development and implementation of the Logistical Information Management System (LIMS) was finalised. A draft document was finalised on the directorate’s participation in specification and evaluation committees and the implementation of the barcode system was finalised.

**Corporate Support**

The Subdirectorate Corporate Support provides corporate support services with regard to accommodation and infrastructure-related requirements, records management, secretariat, events, switchboard and reception services within the DoA.

During the year under review the consolidation of office accommodation in Bloemfontein, East London, Kimberley and Polokwane was finalised. The Repairs and Maintenance Project at Harvest House has been completed. Various ad hoc projects such as erecting carports at Agriculture Place and Harvest House were undertaken. A Policy on Records Management was drafted and a total of 20 000 file boxes were transferred to Metro File (Pty) Ltd for off-side storage. Secretariat support services were rendered to 134 high-level meetings during the year under review.

**Agricultural Information Services**

During the year under review, communication support services were provided to the Office of the Director-General. The directorate co-ordinated nominations for the Female Farmer of the Year awards and arranged the national awards ceremony, which included advertising the awards nationally in the media and organising the gala dinner in Nelspruit, Mpumalanga on 31 August 2007. Winners 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.

Communication support was provided for the World Food Day celebrations, which took place on 16 October 2007 in Mopani district (near Nelspruit), Mpumalanga and provided communication and media support for the rabies campaign during September 2007, by developing messages and adverts for the 11 SABC radio stations, all SABC TV stations, e-TV and newspaper adverts. The directorate also co-ordinated the AgriBEE showcasing event held in Cape Town on 21 February 2008.

The departmental Annual report 2006/07 was published and tabled in Parliament on 27 September 2007. The Strategic plan 2008/09–2010/11 was published, presented to the Portfolio Committee on Agriculture and Land Affairs, and the Select Committee on Land and Environmental Affairs and tabled in Parliament on 27 February 2008. Altogether 52 InfoPaks, flyers and booklets were printed/reprinted on animal diseases, cultivating vegetables and other farming topics and distributed to the farming community. In addition, information on Products and services of the Department of Agriculture was published on the Intranet.

**Information and Communication Technology**

The Directorate Information and Communication Technology 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 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 directorate upgraded the Agricultural Geo-referenced Information System (AGIS) successfully. As part of its service delivery support to the DoA, the Local Area Network (LAN) management software
was installed, the overflow of unsolicited e-mail/spyware (SPAM) e-mails during December 2007 was solved and
the back-up solution implementation was completed. The regional offices investigation on the Wide Area Network
(WAN) and LAN is now in the final stage and the good agricultural practices (GAP) analysis was completed. An
image server was built and installed and the image server data were moved and decompressed to the relevant
servers.

The directorate had to deal with many challenges relating to power failures and load shedding—to this end, it is
investigating UPS solutions as back-up for power cut-offs.

**Internal Audit**

The Directorate Internal Audit renders an independent and objective assurance and consulting activity designed to
add value and to improve the department’s operations.

In addition to the performance of audits, the directorate is also responsible for investigations and conducting risk
assessments.

During the period under review, the directorate produced the following reports: Travel and subsistence, City Deep,
Internal bursaries, Occupational health and safety, Grootfontein Agricultural Development Institute (GADI), Stel-
lenbosch, Leave, Directorate Agricultural Engineering Services (fuel and lubricants), Transport and the DORA.
Follow-up audit reports were also done on the Stellenbosch Office, City Deep and the Kempton Park Quarantine
Station. All these reports complied with the Departmental Financial Instructions, Treasury Regulations, the PFMA
and DoA policies and procedures where applicable.

**Monitoring and Evaluation**

The DoA products and services catalogue was drafted and circulated to directorates to verify the information and
review the service standards, language usage and the description of services.

Quarterly organisational performance reports were compiled and presented to the DMC.

**Strategic Planning**

This directorate developed a standard format for DoA directorates’ strategic planning and review processes.
Strategic and operational sessions of line-function directorates were facilitated in partnership with the Directorate
Monitoring and Evaluation. A hierarchy of planning and performance indicators was drafted. Further work from 4 x 4
interactions will improve the process.

**Transformation**

The Transformation Unit focused on achieving best practices through research and benchmarking. The unit facili-
tated the implementation of Employment Equity Act of 1998 and managed and reported on the Batho Pele Pro-
gramme of Action (PoA) of Government.

During the year under review, responses to queries raised by employees and members of the public through the
Talk to Director-General ideas box was facilitated. The unit ensured the review of policies and programmes in accord-
ance with transformation and change management imperatives. Officials from the unit participated in departmental
structured meetings such as job evaluation (JE), Governance and Operational Policy Committee (GOPC), Employ-
ment Equity and Transformation Consultative Forum (EETCF), Departmental Budget Committee (DBC) and Infor-
mation Technology Committee (ITC) to provide direction regarding transformation issues and assisted in identifying
transformation projects and facilitating the implementation thereof.

**State of transformation in the DoA**

The Batho Pele plan of action, is informed by the mandate as a unit, and what the department is obliged to deliver on.

**Employment equity**

The department has a steady success rate in achieving employment equity regarding women at the Senior
Management Service (SMS) levels.
PROGRAMME 2

Livelihoods, Economics and Business Development

PURPOSE

To promote equitable access to the agricultural sector, promote the growth and commercial viability of emerging farmers, and work towards achieving food security and rural development.

The programme facilitates market access for South African agricultural products nationally and internationally by developing and implementing appropriate policies and targeted programmes. It promotes Broad-Based Black Economic Empowerment (BBBEE) in the sector, and provides information for developing and promoting the agricultural sector.

The programme comprises three subprogrammes: Livelihoods, Trade and Business Development and Economic and Statistical Services

Livelihoods Development Support provides post-settlement support to emerging farmers, promotes farmer co-operatives and villages and is responsible for food security policy and legislation, programmes and information.

Trade and Business Development facilitates international and domestic marketing access for South African agricultural products and promotes BEE in the sector. It also interacts with the National Agricultural Marketing Council.

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.

MEASURABLE OBJECTIVE

To improve emerging farmers’ access to and sustained participation in agriculture, and improve food security in the medium-term by providing better opportunities and more equitable access in order to maximise growth and employment in the sector.
### SERVICE DELIVERY OBJECTIVES AND INDICATORS

<table>
<thead>
<tr>
<th>Sub-programme</th>
<th>Output</th>
<th>Performance indicator/measure</th>
<th>Actual performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livelihoods Development Support</td>
<td>Post-settlement support to land reform beneficiaries</td>
<td>Increased number of CASP beneficiaries</td>
<td>From 67.366 to 80.000 beneficiaries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Actual performance</td>
<td>575 projects were assisted through CASP and the number of participants who benefited from this assistance was 54.135.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Mpumalanga</strong>: A total of 4,041 households in Mpumalanga were provided with agricultural starter packs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Free State</strong>: distributed a total number of 1,337 packages with an estimated number of 16,408 participants.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Gauteng</strong>: distributed a total of 9,280 production packages.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Western Cape</strong>: To date 54 households received 25 indigenous chickens each.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Limpopo</strong>: the province is targeting revitalisation of 29 micro-enterprises budgeted at the value of R6 million. They further distributed 585 units (layers).</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Northern Cape</strong>: To date 350 households, 75 schools and 40 clinics benefited.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>To date Telefood supported 3 projects in South Africa. Total number of participants benefiting was 94.</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A total of 15,765 production packages was distributed. This figure excludes the number of micro-enterprises revitalised in Limpopo.</td>
</tr>
<tr>
<td>Dispose of all unencumbered State land</td>
<td>Number of hectares disposed of by July 2007</td>
<td>10,000 hectares</td>
<td>A total of 20 farms with an extent of 11,044 hectares were disposed of during the current financial year.</td>
</tr>
<tr>
<td>Accelerate implementation of Mafisa</td>
<td>Number of emerging farmers and rural entrepreneurs accessing Mafisa products</td>
<td>4,000 farmers and entrepreneurs</td>
<td>45 clients received loans and R15 million was disbursed (in the Eastern Cape by Uvimba) during quarter 1.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A total of 27 poultry enterprises totalling R81,369 and 9 cash crop projects totalling R24,650 were funded from Mafisa. This amounts to R106,019 to 36 clients in the Eastern Cape for quarter 2.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>An amount of R3,462,790 was disbursed to 738 crop enterprises, R282,481 to 73 broiler enterprises and R8,900,000 for 89 ostrich enterprises. A total of R12,645,271 was disbursed to 900 clients during October/December 2007. An additional R11 million was approved for the Vaalharts cotton project involving 120 farmers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The amount disbursed during quarter 3 was R8,506,488 to a total of 906 clients. Two individual clients on ostrich enterprises were funded for R200,000.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A total of 49 broiler enterprise clients received funding for R230,143. 855 clients received funding for crop enterprises to the amount of R8,070,845.</td>
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<tr>
<td>Sub-programme</td>
<td>Output</td>
<td>Performance indicator/ measure</td>
<td>Actual performance</td>
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<td>A submission was sent to the Minister on the appointment and institution of the Charter Council.</td>
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<td></td>
<td>AgriBEE Equity Fund</td>
<td>Percentage of ownership</td>
<td>Land Bank received 16 AgriBEE deal requests to the amount of R514 million with an employment potential of 2 844 people. The appraisal process is underway. In all cases 10% ownership goes to workers.</td>
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<tr>
<td><strong>Sector-specific strategies incorporating broad-based BEE</strong></td>
<td></td>
<td>Number of strategies aligned with broad-based BEE guidelines and norms</td>
<td>2 strategies, The cotton contract between the DoA and the cotton industry for the implementation of the strategy and transformation process and establishment of cotton commodity structures was signed by the Director-General. The Grain Strategy was adopted by the Intergovernmental Technical Committee for Agriculture (ITCA).</td>
</tr>
<tr>
<td><strong>Economic and Statistical Services</strong></td>
<td>Report on the performance of the sector</td>
<td>Number and range of reports published</td>
<td>10 economic reviews, 15 topical reports, 6 statistical reports, 2 economic maps, Economic reviews, Reports</td>
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<td>– Annual Africa economic review and outlook report</td>
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<td>– Quarterly economic review and forecast report on South African agriculture</td>
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<td>– Economic review of the South African agricultural sector, Reports</td>
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<td>– Report on economic indicators of agricultural resource use in Africa</td>
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<td>– Report on the management and use of the national Financial Record System for Farms and Enterprises (FINREC) for economic analysis and farm planning and advice</td>
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<td>– Report on the management and use of the Computerised Budget (COMBUD) System</td>
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<td>– Monthly reports compiled and submitted to the Regional Early Warning Unit of the SADC</td>
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<td>– Report on a case study on equity access to land and water resources</td>
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<td>– Economic indicators relating to capital investment in agriculture</td>
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<td>– Comparative bench-mark studies for SADC countries on the utilisation of agricultural resources</td>
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<td>– Monthly crop estimate reports</td>
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<td>– Quarterly livestock estimates</td>
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<td>– Quarterly crops and markets report</td>
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<td>– Weekly commodity price watch reports</td>
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<td>– Monthly food security bulletins</td>
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<td>– Report on trends in the agricultural sector</td>
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<td>– Abstract of agricultural statistics 2008</td>
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<td>– Report on statistics of sales of fruit and vegetables on fresh produce markets.</td>
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</table>
SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the Strategic plan 2007, are reported per quarter.

Quarter 1

Mafisa-funded projects during the first quarter included ostrich projects for 13 clients to the value of R1 175 000, broiler production for 26 clients to the value of R100 000, cash crops projects for 4 clients to the value of R107 000, implements for one client to the value of R10 000 and a piggery project for one client to the value of R10 400. Eleven savings accounts were opened by self-help groups (SHGs) and co-operatives as part of a savings mobilisation drive within Mafisa which comprised six accounts in Mpumalanga and five accounts in the Eastern Cape Province.

During quarter 1, loans to the value of R15 million were disbursed to 45 emerging-farmer clients in the Eastern Cape Province.

A total of 125 market access permits were issued during the quarter, R37 500 was raised in respect of issuing permits and seven Land Reform Revitalisation Projects (LRRPs) were assisted in the Gauteng Province.

During quarter 1, a total of 42 agricultural co-operatives were established in eight provinces. Two secondary co-operatives (the Bakenberg poultry secondary co-operative and Vhembe fresh produce marketing co-operative) were established, and a total of 189 agricultural co-operatives and SHGs were profiled to identify associated challenges.

The Agricultural market outlook report has been completed and published in the New Farmer Magazine and the Marketing Information System website for public access. The Economic review of the South African agriculture 2006 was published on 2 April 2007. The quarterly report on economic review and forecast on South African Agriculture was completed, and published on the web. The Crops and markets report was released on 23 May 2007. This report gives an indication of short-term market and economic indicators, as well as an overview of field crop production and of fruit and vegetable sales on the major South African fresh produce markets.

Quarter 2

A total of 27 poultry enterprises valued at R81 369 and cash-crop projects valued at R24 650 were funded from Mafisa during this quarter. This amounts to a total of R106 019 to 36 clients in the Eastern Cape Province for the quarter.

Six savings accounts were opened with the Post Bank by the following SHGs and/or co-operatives, which included Masoyi in Mpumalanga, Msinga Peace and Development Co-operative (KwaZulu-Natal), Udengzezi project (KwaZulu-Natal), Vosloorus Farmers’ Co-operative (Gauteng), De Deur Farmers’ Co-operative (Gauteng) and Umzimbuvu Goat Co-operative (Eastern Cape).

Three Agricultural Co-operative Chambers of Commodities were established in the Eastern Cape (at Tsolwana Municipality), in North West (the Bojanala Chamber) as well as a sisal production and agro-processing chamber.

During this quarter, a total of 304 agricultural co-operatives and SHGs were profiled, including 8 SHGs in Gauteng, 4 co-operatives (poultry) in the Eastern Cape, 152 co-operatives and SHGs in Free State, 7 SHGs in KwaZulu-Natal, 30 SHGs in Mpumalanga, 91 co-operatives/SHGs in the Northern Cape and 7 SHGs in Limpopo.

The implementation of the pilot of the Farmer-to-farmer Mentorship Policy began in the Northern Cape, Western Cape and Eastern Cape. Tenders for North West and Free State were resubmitted. The total number of projects was 667, and the number of beneficiaries 37 230.

As part of the LRRP five projects were completed in Gauteng Province and the total number submitted was eight. In Mpumalanga, 30 projects were submitted and two completed, at a cost of R679 270. Tenders on 12 projects were cancelled, and three new tenders were submitted. The other projects were assisted through quotations. In the Free State Province, 11 projects were submitted, of which three were assisted by the end October 2007. In the Northern Cape Province, 22 projects were submitted for assistance, and tenders are in for equipping these with solar-powered borehole pumps. The total number of projects submitted by the provinces is 71, but only 60 of these were to be assisted through the LRRP by December 2007. The total number of projects completed by the end of the quarter, was seven.
During quarter 2, a total of 27 agricultural co-operatives and three SHGs were formed. In the Free State Province, one for beef production in Hennenman, in KwaZulu-Natal Province, three (two vegetable co-operatives in Mtubatuba and Jozi, and one poultry co-operative in Jozi), in Mpumalanga two (one vegetable co-operative in Hazyview and one rice production in Zoeknog), in North West Province, 16 co-operatives (poultry, livestock and vegetables) and in Limpopo Province, five co-operatives and three SHGs.

Training was provided to 6 municipalities in the Free State, Buffalo City Municipality in the Eastern Cape, 3 municipalities in Gauteng, 2 districts in Mpumalanga, uMkhanyakude District in KwaZulu-Natal, 4 municipalities in North West and 3 municipalities in Limpopo.

The Food security bulletin was compiled monthly and submitted to the Regional Early Warning Unit of the SADC. A report on food price trends was completed and published.

Quarter 3

A total of 36 new agricultural co-operatives were established during quarter 3, including 15 in Mpumalanga at Gert Sibande and Inkomazi districts, four in the Eastern Cape at Inxuba Yethemba and Alfred Nzo districts and 17 in KwaZulu-Natal in Uthungulu and Zululand districts.

A total of 89 SHGs were established in all provinces through the Jobs for Growth Community Based Organisation (CBO) Programme.

A total of 172 bank accounts for SHGs were recorded during quarter 3. These included 107 accounts opened by Corn Masoyi co-operative members, 50 accounts by the Udengezi project in KwaZulu-Natal and 15 accounts by SHGs in Mangaung local municipality in the Free State. A Provincial Planning, Savings, Grant and Credit Committee was established in Mpumalanga to oversee savings and credit issues.

A breakdown of disbursed loans of Mafisa funded projects during quarter 3, indicated R3 462 790 to 738 crop enterprises, R282 481 to 73 broiler enterprises and R8,9 million to 89 ostrich enterprises.

Altogether R12 645 271 was disbursed to 900 clients during the period between October and December 2007. This was disbursed through Uvimba Finance in the Eastern Cape. An additional R11 million was approved by the Land Bank for the Vaalharts cotton project, involving 120 farmers.

An inventory of South Africa’s nontariff barriers (NTBs) affecting agricultural trade was compiled and submitted to the SACU Secretariat. A draft position on the phasing out of NTBs has been completed.

Telefood supported three projects in South Africa, which are the Vuk’unzele project (Free State) with an amount of R69 300, the Tfutfukani MaSwati Vegetable Production Project (Mpumalanga) with an amount of R69 695 and the Ekujabulweni Ekhaya Labantwana (KwaZulu-Natal) with an amount of R70 000.

A total of 7 339 households benefited from various forms of production packages, including Gauteng, 1 518 production packages; in the Western Cape, 54 households received 25 indigenous chickens each; in Limpopo, targeting revitalisation of 29 micro-enterprises budgeted at R6 million and further distribution of 294 units (layers); and in the Northern Cape, 350 households: 75 schools and 40 clinics benefited.

Quarter 4

Funds were disbursed to two Centres of Excellence. The MoU was signed with Tompi Seleka College of Agriculture on the establishment of a Centre of Excellence within Limpopo Province.

The Farmer-to-farmer Mentorship Programme was implemented in 23 projects. A total of 16 land-reform projects from Gauteng and Mpumalanga have benefited from the LRRP and 14 Settlement Land Acquisition Grant (SLAG) projects benefited from CASP during the 2007/08 financial year.

The draft Marketing of Agricultural Products Amendment Bill was completed and discussed with all provinces for inputs and comments, and is now ready to be sent to the Directorate Legal Services before it is published for public comment.

A draft proposal has been completed to link the permit allocation policy with the AgriBEE Policy. The proposal could only be concluded after the AgriBEE Charter was approved. This project will now be concluded in quarter 1 of 2008/09.

A total of 162 market-access permits were issued on time during the quarter.
Awareness of the Commodity Approach Model was conducted in two local municipalities, Thembisile Local Municipality and Dr JS Moroka. Farmers and officials attended the session.

Ten information-sharing workshops on co-operative development were conducted during the quarter in the following districts: 2 in Vhembe, 1 in Capricorn, 1 in Waterberg and 6 in Sekhukhune.

Seven members of the Nama co-operative in the Free State were trained in co-operative governance. Approximately 45 members of a newly established co-operative in the Naledi District (Free State) were inducted in co-operative governance and management. Eleven extension officers were orientated in co-operative development in Fezile Dabi district municipalities; 10 extension officers and three local economic development officers were trained in co-operative governance and co-operative principles in the Cradock (Inxhuba yethemba) Service Organisation.

A financial and credit management course for 25 Mafisa provincial champions was presented and facilitated by personnel from the Directorate Agricultural Development Finance.
PROGRAMME 3

Biosecurity and Disaster Management

PURPOSE

To develop and implement policies for food safety, agricultural risk and disaster management and for controlling animal and plant diseases.

The programme comprises two subprogrammes:

**Plant Health and Inspection Services** focuses on policies and systems to control plant diseases and on making sure that illegal agricultural products do not enter and leave South Africa. It also ensures that plant products are of good quality.

**Food, Animal Health and Disaster Management** manages animal diseases and assists in negotiating protocols for importing and exporting animals and animal products, makes sure that animal products are of good quality and safe, and develops the agricultural risk and disaster management policy framework.

MEASURABLE OBJECTIVE

Reduce the incidence of animal and plant diseases and pests and ensure compliance with international and national agricultural risk and disaster management measures through improved risk management systems.

**SERVICE DELIVERY OBJECTIVES AND INDICATORS**

<table>
<thead>
<tr>
<th>Sub-programme</th>
<th>Output</th>
<th>Performance indicator/measure</th>
<th>Actual performance</th>
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<tbody>
<tr>
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<td>Target</td>
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<tr>
<td>Plant Health and Inspection Services</td>
<td>Strategy on the evaluation and certification of regulated articles</td>
<td>Approved strategy</td>
<td>March 2008</td>
</tr>
<tr>
<td>Sub-programme</td>
<td>Output</td>
<td>Performance indicator/measure</td>
<td>Actual performance</td>
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<tr>
<td>Plant Health and Inspection Services (cont.)</td>
<td>Risk profiling system for regulated articles</td>
<td>Approved system</td>
<td>March 2008 Three risk profiling systems have been developed according to the type of environment, i.e. airports, seaports and land borders. The risk profiling system for the airport was drafted and is being implemented. The risk profiling system for the land border and seaports: a draft is ready, but is not implemented yet.</td>
</tr>
<tr>
<td>Expansion plan for sniffer dogs at ports of entry</td>
<td>Approved roll-out programme</td>
<td>June 2007</td>
<td>Sniffer dog roll-out plan was tabled for approval at the end of June 2007. New officials at the dog unit have completed their 3 months' training. The directorate is currently in the process of procuring a further 5 sniffer dogs that will form part of the Sedupe K9 Sniffer Dog Roll-out Programme.</td>
</tr>
<tr>
<td>Food, Animal Health and Disaster Management</td>
<td>Climate awareness campaigns and advisories</td>
<td>Increase in percentage of technology transfer officers reached in terms of disaster risk</td>
<td>10% increase in officers reached annually Risk and disaster information was provided to 600 technology transfer officers last year. 105 officials have been reached this year.</td>
</tr>
<tr>
<td>Manage veterinary bio-security risks</td>
<td>Reports on contingency plans completed</td>
<td>March 2008 No new contingency plans were completed this year.</td>
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<td></td>
<td>Report on surveillance and sound rapid response for veterinary biosecurity risks completed</td>
<td>September 2007 An implementation protocol was signed by all provincial Heads of Departments and the Director-General. Bovine spongiform encephalopathy (BSE) surveillance is continuing. 13 veterinary movement permits were issued, a total of 2 701 export-related certificates were issued, 9 437 veterinary import permits were issued, some consignments were detained, and there are risks assessments on the way.</td>
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<tr>
<td>Food Control Strategy</td>
<td>Approved strategic plan for food control system for South Africa</td>
<td>March 2008 The process of compiling the country profile—75% of work has been done. Final draft will be submitted by end of April 2008 for government inputs. Final completion of project: end May 2008.</td>
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</tbody>
</table>

SERVICE DELIVERY ACHIEVEMENTS

Further information on outputs of the programme, as specified in the Strategic plan 2007, is provided per quarter.

Quarter 1

Coping strategies for drought were completed and translated into 10 official languages. A total of 1 500 fruitfly bookmarks were distributed and 3 900 pamphlets on activities of the Directorate Plant Health and plant health matters were distributed. A draft pamphlet on South African quarantine matters was finalised.

An audit inspection of wood was done simultaneously with import and export inspections. Inspections conducted, amounted to 10 852 and included physical inspections, nursery, field, bulk and liquor inspections. A system has been put in place to detect importers who do not comply with the extended detections. The golden cyst nematode survey protocol is being revised and updated, and the survey is ongoing.
During the first quarter, 1,513 samples (that represent the same number of export consignments) were analysed by the laboratories. A total of 772 (or 51% of the samples) were found to contain pesticide residue. Of these, 23 samples (or 3%) that contained pesticide residue above the maximum residue limit (MRL) were confirmed by a gas chromatograph/mass spectrometer, and were subsequently rejected for export. A total of 16 samples of rooibos tea had a total bacterial count exceeding the legal limit, and were rejected for export.

A total of 5,709 analyses of wine were conducted for compositional compliance; 33 analyses of wine for heavy metals; 97 analyses of wine alcohols; 20 analyses of wine for Ochratoxin-A; 19 analyses of wine for malic acid, and 57 analyses of wine for artificial sweeteners.

During quarter 1, the following import permits were issued or amended:

- 852 permits were issued, 38 permits amended and 195 applications sent to the pest risk analysis (PRA) division for risk analysis.
- Stellenbosch office issued 15 permits for the importation of genetic material, 2 permits for importation of strawberries.
- Phytosanitary citrus registrations for fruit exported to South Korea and persimmon exports to Israel were conducted.
- 6,504 new animal identification marks were finalised and 5,449 certificates in this regard issued.
- 89 marking operators were registered in the National Register of marking operators.

Quarter 2

A submission of the proposed amendments with regard to the export standards and requirements for cherries was sent to the Executive Officer of the Agricultural Product Standards Act of 1990 for signature. Export standards and requirements for plums and prunes as well as export standards and requirements for peaches and nectarines were published on 17 August 2007.

A microbiological analysis of rooibos tea was conducted, and a total number of 845 samples were received and analysed by the laboratory, of which a total number of 18 samples had a bacterial count exceeding the legal limit and were subsequently rejected for export.

An article on an Awareness programme on exotic fruitflies was published in the Nu Farmer and African Entrepreneur newspapers. Articles submitted for publication in AgriNews included an extraordinary meeting of the Commission on Phytosanitary Measures of the International Plant Protection Convention, held in Rome, Italy, The South African fruitfly action plan, Notice on Annual Citrus Export Co-ordination meeting as well as a report on the meeting mentioned, which was held in Stellenbosch. A report entitled Plant health early warning systems workshop: surveillance of exotic fruitflies was also published in AgriNews. Co-ordination took place with role players to draft an article on Movement of citrus propagation material to be published in AgriNews.

Regarding the export of regulated articles, one pest list and 25 import requirements were finalised; 2 import protocols and one interception were assessed. An article was finalised on the export of regulated articles; 2 pest information packages were finalised/communicated and two export protocols assessed. One phytosanitary certification request was assessed as well as three noncompliance assessments.

Quarantine evaluation of genetic material takes place before varieties are released onto the local agricultural scene. During this quarter, 34 new varieties were tested, imported units at external quarantine sites were monitored/sampled, pest and disease management of imported units were handled and regular liaison with importers continued. The construction of a new chemical pesticide store at Stellenbosch is underway and quotations are being obtained.

A presentation dealing with the prohibition of movement of citrus propagation material within South Africa was conducted at the Letaba Agricultural Show in Limpopo Province from 9 to 11 August 2007. Emerging farmers from the Tzaneen municipality and Letaba district attended the show, where about 300 clients visited the stand. At the Sasol Techno Expo, presentations on rabies prevention and control were made to children from various surrounding schools. This was held from 13 to 17 August 2007. Presentations were also made at the Pretoria Agricultural Show.

Three surveys were conducted on the larger grain borer, national exotic fruitfly surveillance and, as part of research projects through the ARC, the American foal brood survey. Four provincial audits were done on ostrich-meat export establishments, and two national audits on registered farms for export of ostrich meat to the European Union (EU).
The Animal Quarantine Inspection Services (AQIS) personnel issued 2,913 export certificates, one of which was rejected (0.03%). The Pretoria Permit Office issued 1,117 import permits for plants, plant products and related regulated articles and the Stellenbosch Permit Office issued 59 permits for the importation of genetic plant propagation material of 180 new varieties. A total of six permits were issued for the importation of commercial quantities of plant propagation material from various countries.

The permit office of the Directorate Veterinary Services issued 11,475 permits during this quarter. Approximately 2,966 permits were issued for poultry meat, 914 permits for dairy products as well as 2,457 for products for own consumption.

Organised youth in agriculture at Mnquma municipality were trained as marking operators during this quarter. Veterinary procedural notices were updated to include reference to the ostrich protocol on avian influenza and the requirements in terms of residue monitoring.

Quarter 3

A drought assessment was conducted in Gauteng, while flood assessments were carried out in North West, the Eastern Cape and Western Cape provinces.

Regarding the import of regulated articles, one draft pest list on Prunus conditions was updated; two interceptions were assessed; 26 import requirements were finalised; two import protocols; and seven interceptions were assessed. Assessments made on the export of regulated articles included eight phytosanitary certification requests and finalising 12 noncompliance assessments. A total of 15,287 diagnostic assessments were made; 9,779 detections and identifications; and 11 quarantine interceptions.

The office of the Directorate Veterinary Services issued 12,435 veterinary import permits during this quarter. A total of 3,100 export certificates were issued by AQIS personnel and none was rejected (0%). The Stellenbosch Permit Office issued 59 permits for the importation of genetic plant propagation material of 180 new varieties. Six permits were issued for the importation of commercial quantities of plant propagation material from various countries. The Pretoria Permit Office issued 1,170 import permits for plants, plant products and related regulated articles. Plant permits totalled 2,441; animal permits were 1,069, and 1,618 health certificates were issued.

Three-monthly advisories were issued to the sector. Some 112 daily severe weather warnings were also issued. A report on monthly advisories and daily warnings issued in 2007 is available. Standard operating procedures (SOPs) for disasters were developed and forwarded to the provinces. Preliminary disaster assessments were carried out in the provinces within a week.

Awareness posters were developed on the movement of citrus propagation material. About 300 bookmarks and 12 posters on fruitfly were distributed as well as 1,600 plant health pamphlets and 900 inspection services pamphlets.

During this quarter, 6,124 imported consignments were inspected, 31 of which were rejected (0.5%); 30,282 plant inspections were conducted; 223 annual and routine inspections were carried out at veterinary-approved facilities to maintain import or export registration and supervision where these facilities fall under AQIS control. Altogether 1,392 production units and 233 packhouses were registered. Notification of 47 interceptions was received from trading partners. The number of rejections issued amounted to 2,237.

The International Standards for Phytosanitary Measures (ISPM) registered 15 treatment providers, and manufacturers for wood packaging material are still being audited. The early warning system for fruitfly surveillance continues and fruitfly traps are being serviced regularly by the inspectors. Galley waste bins are still being monitored and audited according to the SOP. The delimiting survey on golden cyst nematode on potatoes in the different regions is continuing. The citrus black spot survey in the Vredendal area was concluded. The Knysna and Mossel Bay area survey was cancelled because of heavy rain and floods.

A detection survey is in progress to determine the extent of the spread of Phytophthora palmivora in the citrus-production areas. Control measures were developed in terms of the Agricultural Pests Act of 1983, which included the establishment of a 5-km buffer zone around the citrus foundation block. An amendment to the Act will also provide for the prohibition on the movement of citrus propagation material. As a potato control measure, an area in the Northern Cape has been proclaimed as a potato-production area.

A training session was held at Sebokeng, where 12 farmers were trained as marking operators. Ten emerging farmers were empowered with quality assurance training on citrus fruit.
Quarter 4

During this quarter, disaster assessments were conducted in Limpopo, Mpumalanga, Free State and North West provinces.

A total of 47 weed assessments were concluded; 14 import requirements were finalised; 27 biological control assessments were finalised; 38 research or laboratory analysis applications were assessed and three surveys were completed.

Altogether 5317 phytosanitary certificates were issued and 2115 inspections conducted during this quarter.

The Stellenbosch Permit Office issued import permits for plants, plant products and related regulated articles. A total of 59 permits were issued for the importation of genetic plant propagation material of 180 new varieties. Six permits were issued for the importation of commercial quantities of plant propagation material from various countries. The Pretoria office issued 1002 import permits for plants, plant products and related regulated articles.

Three-monthly advisories for 2007/08 were issued to the sector as well as 112 daily severe weather warnings.

The programme participated at the Science Unlimited Exhibition held at the Pretoria Show to promote the activities of the directorates Plant Health and Agricultural Product Inspection Services which, together, form the National Plant Protection Organisation of South Africa, and promoted plant health matters regarding import and export of plants and plant products. Plant health legislation was also promoted and information sessions were conducted on the organisation and functions of these two directorates, as well as FARA, ASGISA and the African Growth and Opportunity Act (AGOA) of 2000 of the United States of America (USA). Approximately 850 bookmarks and 45 posters on exotic fruitfly (Bactrocera invadens) were distributed, as well as 750 bookmarks on exotic fruitfly (Bactrocera zonata), 8400 pamphlets on South African quarantine matters, 10 posters on citrus propagation materials and 2000 pamphlets on the activities of the Directorate Plant Health.

Nakop and Vioolsdrif border posts were visited as part of the monitoring awareness programme.

The dissemination of National Agro-meteorological Committee (NAC) advisories was monitored during the financial year 2007/08 in Limpopo, Mpumalanga and the Eastern Cape, as well as the departmental programmes, i.e. Mafisa, CASP and LandCare.

Capacity-building workshops were conducted in three provinces, namely North West, KwaZulu-Natal and the Western Cape. Short courses on agrometeorology were conducted for NAC members in July 2007, February 2008 and March/April 2008 by the University of the Free State. About 83 officials were trained.

Three risk-profiling systems have been developed according to the type of environment, i.e. airports, seaports and land borders. The risk-profiling system for airports was drafted, and is being implemented. A draft is ready for the risk-profiling system for the land borders and seaports, however, it has not been implemented yet. A certification system has been drafted.

The following were amended and published in the Government Gazette:

- Regulations relating to grading, packing and marking of maize products
- Standards and requirements regarding the export of citrus
- Amendments for pineapple and cut flower export standards and requirements
- Amendments of local regulations for pome fruit, subtropical fruit and free-range and barn poultry products.

During this quarter, 2115 inspections were conducted by the Directorate Plant Health. This included a total of 36365 inspections of imported consignments, 37 of which were rejected.

A report on Plant health early warning systems workshop: Surveillance of exotic fruitflies was published in AgriNews, as well as a report on Warning: declare all quarantine items on arrival in South Africa in the following magazines: Sawubona, Equinox and Explore South Africa. An editorial article with regard to import control entitled Help safeguard South African agriculture and biodiversity: don’t bag a bug! was published in Sawubona; 25000 bookmarks on exotic fruitfly (Bactrocera zonata) were printed; and 25000 bookmarks on exotic fruitfly (Bactrocera invadens) were reprinted. An article was also published in AgriNews on the Movement of citrus propagation material.

The net primary production (NPP) contact point submission to the International Congress of Entomology (ICE) presentation was accepted.

A pamphlet was drafted on plant health (phytosanitary) issues relating to import and export of plants and plant products—currently waiting for inputs for layout and design. Draft documents were also developed for plum pox virus; Pierce’s disease of grapes caused by Xylella fastidiosa and sudden oak death caused by Phytophthora Ramorum, and more information was collected to develop a draft on citrus canker disease.
PROGRAMME 4

Production and Resources Management

PURPOSE
To manage productivity and sustainability in agriculture, monitor and control genetically modified organisms, and develop and implement policies and legislation on the sustainable use of agricultural land and water resources.

The programme comprises two 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 of 1976, Plant Breeders’ Rights Act, of 1976 and the Animal Improvement Act of 1998.

Engineering, Energy, Resource Use and Management facilitates the development of agricultural infrastructure and use of agricultural resources. Other activities include auditing natural resources, controlling migratory pests, rehabilitating and protecting agricultural land and running the community-based LandCare Programme.

MEASURABLE OBJECTIVE
Improvement of productivity and profitability in the agricultural sector, and sustainable use and protection of land and water resources.

SERVICE DELIVERY OBJECTIVES AND INDICATORS

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<thead>
<tr>
<th>Sub-programme</th>
<th>Output</th>
<th>Performance indicator/measure</th>
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</thead>
<tbody>
<tr>
<td>Agricultural Production</td>
<td>Animal Improvement Programme</td>
<td>Livestock support and mentorship programmes for black farmers</td>
<td>March 2008</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Livestock support and mentorship programme report was published. Feedlot programme/annual progress report was published, titled Development of feedlots and market access for emerging and communal beef farmers.</td>
</tr>
</tbody>
</table>

Njabulo Nduli
DEPUTY DIRECTOR-GENERAL
### Programme performance

#### Sub-programme | Output | Performance indicator/measure | Actual performance |
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Agricultural Production (cont.)</strong></td>
<td>Information management system on plant production</td>
<td>Database for fruit, grain and vegetables published on agricultural geographic information system</td>
<td>March 2008</td>
</tr>
<tr>
<td><strong>Plant and Farm Animal Genetic Resources Conservation Programme</strong></td>
<td>Status report on establishment of farm conservation projects published</td>
<td>March 2008</td>
<td>All projects are nearing completion, and reports in terms of service level agreements with the ARC were received for groundnuts, beans and maize. Onfarm conservation in Sterkspruit implemented and monitored (8 villages and 19 farmers). All onfarm multiplication projects of the National Plant Genetic Resources Centre (NPGRC) in KwaZulu-Natal, Mpumalanga and Limpopo were planted for the 2007/08 season.</td>
</tr>
<tr>
<td><strong>Engineering, Energy, Resource Use and Management</strong></td>
<td>Published National Action Plan</td>
<td>March 2008</td>
<td>Action plan and methodology for national Land Assessment in Dryland Areas (LADA) Programme was finalised.</td>
</tr>
<tr>
<td><strong>Irrigation Development Programme</strong></td>
<td>Status report on water use efficiency programme on 50 000 ha of irrigated land published</td>
<td>March 2008</td>
<td>Database for 50 000 hectares under irrigation is available. The Irrigation Strategy was approved by the Agriculture and Sustainable Rural Development Committee (ASRDC) and the Departmental Executive Committee (DEXCO). The analytical report on the water use efficiency programme on 50 000 ha of irrigated land was compiled and submitted.</td>
</tr>
<tr>
<td><strong>Infrastructure Development Programme for Biofuels</strong></td>
<td>Infrastructure database established</td>
<td>December 2007</td>
<td>Maps showing production potentials for feedstock production areas were developed. These maps will then inform infrastructure surveys in production areas.</td>
</tr>
</tbody>
</table>

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### SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2007*, are reported per quarter.

#### Quarter 1

The project of introducing agro-forestry species on the soil moisture regime of traditional cropping systems in rural areas was implemented.

Three boreholes were drilled in the Eastern Cape.

During this quarter authorisations were granted under the Plant Breeders’ Rights Act of 1976, including 27 varieties granted under the plant breeders’ rights (PBR), 29 varieties rejected for PBR and PBR expired/cancelled for 6 varieties. Authorisations granted under the Genetically Modified Organism Act of 2006, included 33 import permits, 24 export permits, 20 used as commodities, one extension permit and 59 genetically modified organisms (GMO) status certificates issued.

The Genetically Modified Organisms Amendment Act was signed by the President on 11 April 2007.

The Gene Bank maintains 5 601 wild and landrace accessions, and approximately 1 300 open-pollinated varieties. Three precollection missions (Mafikeng, Rustenburg and Lebowa Kgomo) were carried out during the quarter. Other Gene Bank procedures included multiplications: ongoing; all crops have been harvested and cleaned; germination testing: 0 accessions; characterisation: cob and seed characters of 50 maize accessions; documentation:
268 active, 39 storage, 0 germination; characterisation: 200; maize storage: 621; tissue culture: all sweet potato and cassava and 60 accessions of strawberries were subcultured during the quarter.

During the period under review, posters were developed on indigenous ornamental crops, pot plants and cut flowers. Brochures were also developed on indigenous food crops, grain crops, medicinal plants and fruit: subtropical, deciduous and citrus.

Approximately 105 requests for information and advice, which were dealt with promptly and timeously, were received. These referred to the following matters: List of maize, wheat and flower seed producers for export opportunities as well as information on matters relating to the production of various crops as part of departmental inputs towards updating the South Africa Yearbook.

**Quarter 2**

The capacity-building programme for the production of proteas was successfully completed. It was conducted in the Alfred Nzo district of the Eastern Cape Province. About 20 candidates were trained in various cultivation practices relating to proteas.

The following import authorisations were handled: semen straws—232 366; embryos—1 429; cattle (slaughter)—192 970; cattle (grazing)—41; cattle (research)—17; cattle (permanent)—57; sheep (slaughter)—92 515; sheep (permanent)—1 484; goats (slaughter)—200 401; goats (grazing)—45; goats (shows)—29; goats (permanent)—9 362; horses (shows)—215; horses (permanent)—225; poultry—148 807; pigs (permanent)—88; and water buffaloes—4. During this quarter export authorisations handled included: embryos (cattle)—856; embryos (sheep)—44; cattle—49; sheep—490; goats—340; and horses—31.

All onfarm multiplication projects were visited for monitoring purposes and these included six farmers in KwaZulu-Natal (KwaNgwanase and Bergville), two farmers in Mpumalanga (KwaNdebele) and seven farmers in Limpopo (Sekhukhune).

The Gene Bank presently maintains 5 678 wild and landrace accessions and approximately 1 400 open-pollinated varieties. Two collection missions were carried out within the quarter: one in North West Province (Mafikeng and Zeerust), during which 34 accessions were collected, and one in Limpopo (Sekhukhune), during which 80 accessions were collected.

During this quarter certificates issued in terms of the Plant Breeders’ Rights Act of 1976 included the following: 45 varieties were granted, 13 varieties were rejected and 16 varieties expired/cancelled of which 3 were GMOs.

Posters were developed on citrus fruit and grain crops as well as brochures on fibre crops and cut flowers.

During the period under review 95 requests were received for information and advice, which were dealt with promptly and timeously. These referred to the following matters: production areas of sunflower in SA and the list of cooperatives; list and location of silos; dry bean production and marketing; organic farming; production practices for sugar cane, cotton, honey bush tea and tobacco; acquisition of planting material for herbs; training on production on use of herbs for medicinal purposes; marketing of essential oils; production practices and diseases of mango; production of olives and strawberries; list of maize, wheat and flower seed producers for export opportunities; growing season of maize, beans and sorghum; production practices of sweet sorghum; and list of producers of dry bean and red speckled bean.

**Quarter 3**

The Integrated Registration and Genetic Information System (INTERGIS) database, is fully functional, and the annual report was published.

The capacity-building programme conducted in the Vhembe district of Limpopo Province for production of mangoes was completed successfully. About 35 candidates were trained in various cultivation practices for mangoes.

An annual progress report was published, entitled Development of feedlots and market access for emerging and communal beef farmers. The guidelines on production of dryland crop farming were developed and completed during the period under review. Various stakeholders made inputs into these guidelines.

Capacity-building programmes were concluded on Fish Health Management for Veterinarians; Working in Groups Approach for Animal Scientists in Extension and Milch Goat Programme for Extension Officers.
Import authorisations processed during quarter 3 included semen straws (cattle)—143,680; semen straws (horses)—7,341; cattle (feedlot)—183,074; cattle (slaughter)—300; cattle (pasture)—81; cattle (research)—1,135; cattle (permanent)—1,135; sheep (feedlot)—84,200; sheep (slaughter)—4,500; sheep (shows)—36; sheep (permanent)—1,550; goats (feedlot)—169,100; goats (slaughter)—1,250; goats (shows)—7,701; goats (permanent)—63; horses (shows)—63; horses (permanent)—123; and poultry—151,565. Export authorisations handled during this quarter included: cattle—133; sheep—156; goats—311; and horses—137.

The Gene Bank presently maintains 5,778 wild and landrace accessions and approximately 1,400 open-pollinated varieties.

Other Gene Bank procedures included multiplications: ongoing. All crops for planting were removed and delivered to the ARC (300 maize, 112 groundnuts, 333 common beans and 10 pumpkins). All crops for planting at the NPGRC were planted, field-emergence monitored and replanted where necessary. Other Gene Bank tests included 114 accessions for purity testing, 165 accessions for sealing and storage, 108 accesses for germination testing, documentation: 100 registrations; germination: 24; collection data: 79; tissue culture: 14 sweet potatoes and 45 accessions of strawberries were subcultured in the quarter.

An onfarm conservation project was implemented in Sterkspruit (8 villages and 19 farmers). Preparations have been made to initiate onfarm conservation in Venda (Thulamela and Mutale Municipalities).

A capacity-building programme on the production of mangoes was successfully completed. It was conducted in the Vhembe district of Limpopo Province and about 35 candidates were trained in various cultivation practices of mangoes.

During the period under review, posters were developed on subtropical fruits, beverages and fibre crops. Brochures were also developed on fruit: cherries and strawberries; indigenous crops: amaranthus, bambara, cowpea, cassava, mungbean, marula and baobab. Brochures on indigenous food crops were submitted to Directorate Agricultural Information Services for design: industrial crops—cotton, tobacco, coffee, African potato and kooigoed. Brochures on flax, rooibos, sugarcane and sisal were printed.

During this quarter 353 samples were tested for purity and for germination. This was made up of 161 for trade control and 192 imported seed. About 706 purity and germination tests were conducted on these samples. Of these, 30 samples did not comply with the requirements as specified in legislation, and recommendations were made for action to be taken, i.e. remarking where applicable, and withdrawal of nonconforming seed lots.

A total of 16 complaints were received for investigation, 12 of which were resolved successfully to the satisfaction of affected parties. Approximately 139 samples were received and 139 international certificates issued, i.e. 106 seed-lot (orange) and 33 seed samples (blue), for this purpose. The seed types included a range of agronomic and horticultural crops such as onion species, carrot, sunflower, lupins and dry beans. Another 11 samples were received for the issuing of national test reports. One sample was received for identification by the National Seed Collection taxonomist for the private sector. Six investigations were conducted during this period. A total of 45 germination tests were also conducted for the National Gene Bank, and 10 samples were in order to obtain seedlings that were then grown in their glasshouse.

Quarter 4

At Spitskop the operation and maintenance of soil conservation structures included the removal of 60 ha trees from sediment behind structures. Prosopis was removed on 2,744 ha (LRAD-support) and 70 ha were completed at Witsyfer (Calvinia).

At Kosi Bay, a 45-km fence was completed and 21 culverts constructed. At Punda Maria, a 28-km elephant fence was erected and one structure across dongas was completed. At Letaba River, a 12-km elephant fence was completed and a large river crossing is in the process of being constructed. At Altien, a 12-km elephant fence and at Kruidfontein, a 9-km fence were completed. At Malala Drift, 15 km of fence was cleared and at Bray, a 6-km fence was completed.

Export authorisations included: cattle—13, sheep—189, goats—470, and horses—30. During this quarter the following import authorisations were processed: semen straws for cattle and horses—307,054; cattle embryos—256; cattle, sheep, and goats for feedlots—248,400; cattle, sheep, and goats for slaughter—60,925; cattle, sheep, and goats for pasture—546; cattle, sheep, and goats (permanent)—6,612; horses, sheep and goats for shows—4,567; and stud mating sheep—one.
A total of 375 inspections were conducted on 33,887 hectares for CASP, LRAD and related projects to resolve malpractice related to regulations of the Conservation of Agricultural Resources Act (CARA) of 1983. A further 111 inspections were conducted on 8,246 hectares of land to resolve malpractice relating to CARA regulations and 56 inspections were conducted on 32,380 hectares of land to monitor CARA compliance on LandCare projects.

The Programme on Poultry Production for the SADC linked to AviAfrica 2008, was approved by the Minister, and implemented.

Import authorisations were processed on seed crops; 108 authorisations for 360 varieties; and four authorisations were issued for establishment of other varieties (unlisted other).

Other import authorisations processed during this quarter included semen straws (cattle)—306,740; semen straws (horses)—134; embryos (cattle)—256; cattle (feedlot)—90,950; cattle (slaughter)—6,852; cattle (pasture)—125; cattle (permanent)—714; sheep (feedlot)—70,700; sheep (slaughter)—33,350; sheep (pasture)—231; sheep (shows) 4,379; sheep (stud mating)—1; sheep (veterinary services)—3; sheep (permanent)—2,232; goats (feedlot)—86,800; goats (slaughter)—20,723; goats (pasture)—190; goats (shows)—88; goats (permanent)—3,672; horses (shows)—100; horses (permanent)—250; and poultry—147,701. Export authorisations during this quarter included: cattle—13; sheep—189; goats—470; and horses—30.

The Gene Bank presently maintains 5,789 wild and landrace accessions of 1,664 varieties, including authentic seed samples for variety control. There is one collection mission of wild species in the Waterberg and one in Loskop Dam Nature Reserve. With regard to multiplications, all projects are nearing completion, and reports in terms of service level agreements with the ARC were received for groundnuts, beans and maize. Millet and sorghum production failed because of severe bird damage (extended rains late into the season caused the brown paper bags used to control pollination and protect against birds to weaken, allowing panicles to push through). The cowpea trial at the Range and Forage Unit were ‘harvested’ by wild animals (100% loss).

Other Gene Bank procedures included 27 accessions for purity and cleaning, 173 accessions for germination testing, 225 for maize characterisation, 118 sorghum and 28 millet (vegetative characters only). Other processes included documentation: 185 registration; 0 active; 0 storage; 173 germination; 0 characterisation, 11 SADC Documentation and Information System (SDIS) collection data; storage: 88 accessions. The Gene Bank also sub-cultured/resterilised the tissue culture of 95 sweet potatoes; 143 strawberries were subcultured and attempted to be cleaned (bacterial infection) using Streptomycin; and growing of wild species: four accessions.

The composition of the databases was completed during the period under review. The information includes production guidelines for various crops, crop profiles, management calendars and other related matters. The databases will be valuable tools to extension officers and farmers in terms of decision-making processes.

During the period under review, 180 requests for information were received on industrial crops, seed production, organic farming, ornamental plants, breeding programmes, indigenous plants, fruit and grain crops. Information on how to start a cut-flower business was also requested and the client was furnished with detailed information on the subject, and given a list of cut flowers to consider. Other information provided was on how to get a certificate for bush-harvesting of proteas.

During the period under review 314 samples were tested for purity and germination. This was made up of 150 trade control and 164 imported seed. About 628 purity and germination tests were conducted on these samples. Out of these, 47 tests did not comply with the requirements as specified in legislation, and recommendations were made for action to be taken, i.e. re-marking were applicable, and withdrawal of nonconforming seed lots.

A total of 16 complaints were received for investigation, and all have been completed successfully. A number of these complaints have been from farmers with regard to poor emergence under field conditions for groundnuts and maize. In most cases, samples were received from the farmers, however, only in a few cases could an official sample be taken from a sealed bag from the original seed lot at the farmer's premises.

Follow-up was done with the assistance of the Agricultural Product Inspection Services audit officers, and comparative testing of the company laboratory samples was conducted. Reports were finalised and sent to the applicable persons. However, as a regulatory authority, only observations were made. It remains the responsibility of the farmers and the seed companies to resolve the dispute, using the results that were found as the basis for the discussions between them.
Another 75 samples were received and 152 international certificates issued, i.e. 141 seed lot (orange) and 11 seed samples (blue), for this purpose. Seed types included small quantities of various horticultural crops, with the majority for sunflower and maize. Only one sample was received for the issuing of national test reports. One sample was received for identification by the National Seed Collection taxonomist for the private sector. Ten investigations were conducted during this period. Most were for internal purposes, and 246 samples were tested for the National Gene Bank for the purposes of evaluating the quality of seed samples before or during the storage process. The investigation of *Hibiscus cannabinus* (kenaf) had results varying from good to poor. An optimum germination method had to be developed on this new crop type before the investigation could be finalised. The client was very satisfied with the results. Altogether 45 germination tests were also conducted for the National Gene Bank, and 10 samples were in order to obtain seedlings that were then grown out in glasshouses.
PROGRAMME 5

Sector Services and Partnerships

PURPOSE

To manage and co-ordinate intergovernmental, stakeholder and international relations, agricultural education and training, extension and advisory services, as well as research and technology development.

The programme has two subprogrammes:

**Sector Services** focuses on policy and strategy for agricultural education and training, research, extension and advisory services and manages the transfer of funds to the ARC.

**International, Intergovernmental and Stakeholder Relations** provides leadership and co-ordination in all facets of international relations within agriculture and co-ordinates intergovernmental and stakeholder relations nationally.

The programme provides services to the sector and department in the areas of intergovernmental, stakeholder and international relations, manages and co-ordinates education and training and the Grootfontein Agricultural Development Institute. It also guides agricultural research and extension and advisory services.

MEASURABLE OBJECTIVE

To maximise growth in the sector through providing skills, agricultural education and support services to emerging and established farmers, including women, youth and the disabled.

<table>
<thead>
<tr>
<th>Sub-programme</th>
<th>Output</th>
<th>Performance indicator/measure</th>
<th>Actual performance</th>
<th>Target</th>
<th>Actual achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector Services</td>
<td>Performance improvement plan for extension and advisory services</td>
<td>Approval of the plan by sector partners</td>
<td>By March 2008</td>
<td>The capacity-building plan for extension personnel was approved by DEXCO as part of the recommendations of the report on the profile of Government extension officers.</td>
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<td></td>
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<td></td>
<td>A Ministerial Extension Indaba was held in East London, and numerous inputs were formulated regarding the implementation of the plan; particularly roles and responsibilities of partners.</td>
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</tbody>
</table>
### Programme Performance

<table>
<thead>
<tr>
<th>Sub-programme</th>
<th>Output</th>
<th>Performance indicator/ measure</th>
<th>Actual performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector Services (cont.)</td>
<td>Agricultural Research and Development Strategy</td>
<td>Adoption of the strategy by sector partners</td>
<td>By June 2007 The strategy was approved in June 2007, and by the end of quarter 3, the Strategy Implementation Plan Framework was approved by DEXCO.</td>
</tr>
<tr>
<td>Training and mentorship of agrarian and land reform beneficiaries</td>
<td>Number of beneficiaries trained and mentored in 2007/08</td>
<td>10 000 beneficiaries</td>
<td>About 7 200 mentees were enrolled for mentorship support through the commodity organisations. About 808 mentees completed short courses (skills programmes through GADI in the area of sheep and goat production, including aspects of value addition and mechanisation).</td>
</tr>
<tr>
<td>International, Inter-governmental and Stakeholder Relations</td>
<td>Strengthened international agricultural relations</td>
<td>Number of signed bilateral and multilateral agreements in 2007/08</td>
<td>Four agreements A five-year capacity-building for South African Professionals in the field of Agriculture and Food Security (with initial emphasis on International Development Co-operation) was signed between the FAO and the Minister. ARC signed a co-operation agreement with the Japanese University of Agriculture Technology.</td>
</tr>
<tr>
<td></td>
<td>Strengthened inter-governmental and stakeholder relations</td>
<td>Protocol on the implementation of norms and standards signed and implemented</td>
<td>March 2008 Participation of DoA in cluster meetings was facilitated. Meeting of the Minister and principals was facilitated. Meetings of Chief Executive Officer (CEO) Forum Steering Committee were facilitated.</td>
</tr>
</tbody>
</table>

### SERVICE DELIVERY ACHIEVEMENTS

Further information on outputs of the programme, as specified in the Strategic plan 2007, is provided per quarter.

**Quarter 1**

A Memorandum of Understanding or Agreement in the field of agriculture between the Republic of South Africa and Lesotho was prepared for two ministers.

Six public training institutions were identified to provide short, accredited generic training programmes to 100 government-employed extension officers. These institutions are Pretoria University, Fort Hare, Free State, Free State Technikon, Stellenbosch and KwaZulu-Natal. A service level agreement was reached with these institutions to provide accredited Project Management training to 100 extension officers.

An agreement between the DoA and the FAO was signed on 30 April 2007. A list of 50 names of extension officers linked to CASP projects together with their respective profiles has been finalised in consultation with the PDAs to undertake an exchange programme with Kenya. An orientation workshop with these 50 officers was conducted in Pretoria on 26 June 2007, in preparation for the visit.

Eight agricultural commodity organisations that entered into a service level agreement with the DoA during the 2006/07 submitted their Year 2 workplans for the 2007/08 financial year. In total, for all eight commodity organisations, there are 397 mentorship programmes in place. All nine provinces are covered by one or the other of these projects. The projects involve 29 qualified Master Mentors. The total number of mentors developed is 49 and the total number of mentees developed is 6 999. Altogether 4 188 mentees are women, 2 148 males and 722 youth.

Training and mentorship of agrarian and land reform beneficiaries included the following: 367 PDIs attended accredited Further Education and Training (FET) courses; 383 PDIs attended information days and 68 PDIs received individual advice.

**Quarter 2**

Regarding the Wines and Spirits Agreement, the European Community (EC) agreed to address South African concerns on geographical indications, taxation, use of certain vine varieties, labelling of certain wines and other oeno-
logical practices. With regard to the Cheese Agreement, South Africa and the EC have agreed on the conditions and principles of normalising the Trade, Development and Co-operation Agreement (TDCA) text. The visit of the Director-General and exporters to explore market opportunities for South African products in China was hosted. The multibase database of multilateral organisations was completed, as well as a database of all agreements. An agreement template was also finalised.

The GADI research report was finalised and submitted to the ASRDC for notification. The training of 100 extension staff recruited from all nine provinces in accredited Project Management training commenced during September 2007.

With regard to international exposure and capacity building of extension officers, a group of 25 extension officers from all nine provinces successfully visited Kenya on a Technical Exchange Programme. The visit took place from 14 to 22 October 2007.

A total of 9 000 beneficiaries associated with commodity organisations benefited from the mentorship programme. Based on the reports presented, improvements and achievements have been recorded. Through mentoring facilitated by the Shungu Women’s Group to eight projects in KwaZulu-Natal, the beneficiaries at one farm harvested their own sugar cane without relying on contractors. Improvement was been noted in the quality and quantity of products in the Limpopo projects of the Citrus Growers’ Association. A total of 102 000 cartons of citrus were exported from two farms.

The registration of Thibang Tlala as a youth co-operative facilitated by Make a Difference to Socio-economic Development (MADSED) was approved. Through the facilitative role of Cotton South Africa, 1 380 Siyavuna Packs (seeds, fertilisers and chemicals) were distributed to farmers by the Mpumalanga PDA. This contributed to better levels of farm production, particularly for the farming mentees.

Communal producers from the 305 communal sheds attended a high-level decision-making regional congress of the National Wool Growers’ Association in the Eastern Cape. There is general improvement in sheep management, because of training courses on flock management, selection of sheep and marketing attended by producers.

Through the mentorship facilitated by the Milk Producers’ Organisation (MPO), a farm in North West Province that used to produce 90 litres of milk a day now produces 200 litres per day. Through mentoring provided by the South African Wine Industry, a farm in the Northern Cape successfully negotiated with the PDA and was granted R1 500 000 for the development of 25 hectares of wine grape plantings in the five projects. Through mentorship facilitated by National Emergent Red Meat Producers’ Organisation (Nerpo), several farmers were registered as Bonsmara breeders, and have registered with the South African Bonsmara Society.

Training of Master Mentors took place in Gauteng (Pretoria and Johannesburg), Limpopo (Marble Hall), KwaZulu-Natal (Durban), Western Cape (Cape Town), Eastern Cape (Port Elizabeth) and North West (Mafikeng). A total of 102 new Master Mentors went through an accredited Master Mentorship Training Programme. By the end of the quarter under review, all the trained Master Mentors had commenced with their respective portfolios of evidence.

The newly-trained Master Mentors came from the following Commodity Organisations: Nerpo, Senwes, NWK Ltd, MPO, National Wool Growers’ Association (NWGA), MADSED, Shungu, Grain SA, Cotton SA, National African Farmers’ Union (NAFU) Provincial Representatives, South African Pork Producers’ Organisation (SAPPO), South African BEE Industry Organisation (SABIO), SA Olives, Dry Bean Producers’ Organisation, SA Organic and the North West PDA.

Quarter 3

During the quarter under review, the programme facilitated and attended meetings with a delegation from the DoA and ARC with government and academic institutions during November 2007 in Japan. The meetings explored cooperation in capacity-building and research in the agricultural sector; and the ARC signed a co-operation agreement with the Japanese University of Agriculture Technology.

The EU/South Africa Economic Cluster meeting on proposed projects and submitted programmes was held on 5 October 2007. This was followed by the EC future employment promotion/support programme workshop with donors. National Treasury, with the EU delegation, has undertaken a programming study for the Economic Cluster. The preliminary finding was discussed at the workshop. These findings and recommendations will be sent to the EC Council for further discussion in January 2008.
The document served at both the ASRDC/STC and DEXCO. Further work is focused on developing guidelines for funding research activities and programmes.

With regards to the training of extension staff in accredited Project Management, 75 of the 100 extension officers registered for the accredited generic training course in Project Management have completed their training successfully. All 75 have been declared competent after undergoing assessment. They were trained at the Stellenbosch, KwaZulu-Natal and Free State universities.

Through mentoring facilitated by the Shungu Women’s Group to the eight projects in KwaZulu-Natal, the beneficiaries succeeded in securing the funds to revive the tunnels and catchment dam at one project; fencing off 4 hectares of land at another project; receiving donations of potato seeds from municipalities for the projects involved in vegetable production; and constructing a mushroom house, which is now functional at one project. Participants in two projects were able to harvest and sold their goods to local fruit and vegetable outlets.

Through the mentoring work of the Citrus Growers’ Association, one project succeeded in obtaining R2.5 million to upgrade the project’s packhouses. Through interaction with marketing agencies such as Pack House, Letsitele Pack House and Minnaar Pack House, two projects in Limpopo exported 152 000 and 280 000 cartons respectively, a significant increase on the previous exports.

MADSED’s mentoring work resulted in two further co-operatives joining others to receive mentoring support in producing essential oils.

Cotton South Africa organised two demonstration trials, one in Limpopo and another in Mpumalanga, to stimulate cotton production in 2008/09.

The NWGA organised training at the Pretoria University for mentors involved in sheep and wool production. Mentors will pass on learned skills to the beneficiaries.

Through the mentorship facilitated by the MPO, a strong relationship was established with the food manufacturer Nestlé. Nestlé provided one project with a generator to produce electricity, and assisted another project to erect a water tank. Farmers in the Free State sell their milk to Nestlé.

Through mentoring provided by the SA Wine Industry, 15 hectares of grapes were planted in the Northern Cape. The Orange River Wine Co-operative funded a project in the province to provide employment for temporary labour at peak periods.

Through mentorship facilitated by Nerpo, farmers sold their livestock at auctions, and one farmer was able to sell 15 weaners at an auction. Additional grazing areas were acquired: 1 200 hectares from Limpopo PDA and 8 523 hectares from North West PDA, which will also be used as incubators.

A well-attended graduation ceremony, attended by the Minister, took place on 29 November 2007 at the Premier Hotel in the Eastern Cape, where 68 Master Mentors and 12 mentees received certificates of competence.

Quarter 4

The highlight of the quarter was the hosting of a Ministerial Extension Indaba in East London, which was attended by more than 600 delegates, against the target of 500. Each province brought a minimum of 40 delegates, ranging from frontline extension officers to senior managers. Both women and youth in agriculture and rural development were well represented. Papers on the experiences of Kenya, Cuba and local commodity organisations were delivered and shared during the Indaba. Farmers at grassroots were given an opportunity to share their experiences about the relevance of government universal farmer support. Numerous recommendations were formulated, and presented to the Ministers’ Committee (MinCom).

The implementation of the Extension Recovery Plan within the DORA CASP framework was finalised, and each province was made aware of the expected deliverables.

In terms of training and mentorship of agrarian and land reform beneficiaries, 760 PDIs attended accredited FET courses, 859 PDIs attended information days and 303 PDIs received individual advice.

The Chinese Agricultural Machinery Company was engaged to identify areas for co-operation with Limpopo Province, as a follow-up to Member of the Executive Council (MEC) Magadzi’s visit to China in August 2007. A successful visit of the Chinese Agricultural Machinery Company to Limpopo Province was facilitated to discuss prioritised agricultural mechanisation projects.
Discussions were held with the tractor company Foton Lovol to facilitate the visit of MEC Pule of Mpumulanga Province to China, to discuss the possibility of signing an agreement with the company to train diesel tractor mechanics from Mpumalanga and to procure tractors for emerging farmers.

The South African Joint Commission meeting with Indonesia to strengthen agricultural development was attended, and the proposed terms of reference for the Joint Agriculture Committee was discussed.

Research and Development project reports were presented to the ASRDC/STC, as well as reports pertaining to human resource development in the sector.

In terms of implementation of farmer development training programmes, GADI has continued to play a pivotal role, particularly in the Eastern and Northern Cape provinces. Numerous short courses and information days were held for the benefit of the emerging farmers. GADI is currently involved in a process intended to finalise a co-operation agreement with the Northern Cape PDA in all matters pertaining to training and research.

The Africa Strategy was reviewed and the Stakeholder Engagement Strategy developed. The review undertaken identified a need for financial and human resources to allow the DoA to engage effectively and to make an impact on the continent. The review also proposed specific interventions to guide future engagements in Africa, as well as on international emerging issues of interest to South Africa. The DoA was engaged in the implementation of signed agreements and bilateral engagements with China, the USA and the EU. South African exports to China were promoted through the participation of the agricultural sector in the first phase of the 10th Anniversary celebrations of diplomatic relations between the People’s Republic of China and the Republic of South Africa.

In advancing the consolidation of the African agenda, the Agriculture Joint Management Committee meeting between South Africa and Lesotho was held during January 2008 in Bloemfontein. The focus was on plant production and plant health.

The DoA participated in the Joint Ministerial Commission (JMC) between South Africa and Ethiopia in March 2008. At this meeting it was agreed that the proposed draft MoU in the fields of animal health and phytosanitary measures needed to be finalised.

The Annual report on the implementation of norms and standards for extension and advisory services was finalised and approved by the ASRDC/STC. The 2006 annual report, reflecting the status quo in the agricultural sector in terms of learnerships and skills development has been finalised, and was tabled at the ASRDC/STC.

The Annual report on the implementation of the Master Mentorship Programme was presented at the ASRDC/STC meeting, and was approved. The Annual report on international training programmes, in line with the approved strategy, was finalised early in March 2008 and approved by the International Co-operation Committee (ICC). The 2006 annual report on graduate enrolment and outputs of faculties of agriculture at universities and colleges was finalised in February 2008. The report was tabled at the ASRDC/STC meeting of February 2008 and was approved.